

PEMPAL TCOP Survey on Internal Financial Control and the Treasury Function

The survey was organized on the initiative of the Treasury Community of Practices and was designed to collect of compatible information from all countries represented in TCOP on the main characteristics of public internal financial control and how the treasury function supports internal controls within government.

The survey started collecting responses in the 21st of March. The deadline was the 8th of April, 2013.

The survey was designed in 3 languages: English, Russian, and Bosnian.

Link to online version of the survey -

Bosnian - <http://www.surveymonkey.com/s/BR9FJZK>

Russian - <http://www.surveymonkey.com/s/FY38TJR>

English - <http://www.surveymonkey.com/s/XD3NBZX>

Invitation to take part in the survey was sent to all countries – TCoP members. Representatives of 17 countries filled in the questionnaire in electronic format. Albania, Armenia, Azerbaijan, Belarus, Bosnia & Herzegovina, Bulgaria, Croatia, Georgia, Kazakhstan, Kyrgyz Republic, Macedonia, Moldova, Montenegro, Russia, Serbia, Tajikistan, Ukraine.

Here we analyze all 17 responses – one from each country.

Survey consists of 41 questions.

INFORMATION

Country	Full name	Title of the respondent
Albania	Mimoza Pilkati	Operations'treasury director
Armenia	Artur Asatryan	Main specialist
Azerbaijan	Vugar Abdullaev	Deputy director of the State Treasury Agency
Belarus	Tamara Gruzinskaya	Deputy director of the Main State Treasury
Bosna i Hercegovina	Ranko Šakota	direktor CHJ
Bulgaria	Svetla Kostova/Tsvetanka Chipeva/Milena Petkova	director/head of division Treasury/chief expert in IC
Croatia	Danka Mihaljević	Head of department for management of liquidity of government budget and financial analysis
Georgia	Nino Tchelishvili	Deputy Head, Treasury Service
Kazakhstan	Zaifun Ernazarova	Director of the Budget Process Methodology Department
Kyrgyz Republic		
Makedonija	Biljana Minoska	Head of department
Moldova	Angela Voronin	vice director State Treasury
Montenegro	Tamara Ivkovic	Councilor
RF	Anatoly Gorbatov	Deputy director of the Directorate of Inner Control (Audit) and Performance Evaluation of Federal Treasury
Serbia	Vera Vukcevic Gligoric	Chief
Tajikistan	Ismatullo Hakimov	First Deputy Director of ҒҮҶК of RT MoF
Ukraine	Natalia Sushko	Director of Directorate of Budget Operation, Accounting and Reporting Methodology in the State Treasury Service of Ukraine

PART A. Financial Management (Internal) Control within Government

2. How is the legal framework for financial management control defined in your country?

There were left 17 responses (100%).

Country	In specific legislation	In a general public finance law;	In a range of laws	FMC is defined, but not in the law.	FM C is not defined	Other
Albania	X					<ul style="list-style-type: none"> Decision of the Council of Ministers no.640, dated June 26, 2009 "Government Policy Paper on PIFC and Action Plan 2009-2014". It set out the principle actions to be undertaken during that period for development activity of financial management and control (FMC), internal audit and financial inspection. Law no.10296 dated July 08, 2010, "On the Financial Management and Control" and entered in power on January 01, 2011. It defined the prerequisites of a sound FMC system and also the responsibilities of the key officials within each public unit for FMC. It also defined the role of the Ministry of Finance Central Harmonization Unit for FMC. Law no.9936 dated June 26, 2008, "Management of budgetary systems in Albania". It stipulates the relevant concepts and main principles with regard to managerial accountability, financial management and internal control, accounting, internal audit and public financial inspection. Law no.10294 dated July 01, 2010, "On public financial inspection". Law no.8270 dated December 23, 1997, "On supreme audit". Law no.9720 dated April 23, 2007 (changed no.10318, dated September 16, 2010), "On internal audit in public sector".
Armenia				X		
Azerbaijan			X			
Belarus			X			
Bosna i Hercegovina		X				The legal framework of Bosnia and Herzegovina is introduced both for the level of institutions of BiH and the levels of the two entities (Republic of Srpska and Federation of Bosnia and Herzegovina). The provisions regulating the area of financial management control in the institutions of Bosnia and Herzegovina are adopted as a separate chapter in the Law on Financing of Institutions of Bosnia and Herzegovina. Republic of Srpska and the Federation have not yet adopted a separate legal act, but, once passed, it will most likely largely correspond to the text adopted for the institutions of BiH. Whether this will be adopted as a separate Law on Financial Management Control or as a part of the budgeting law is unknown at this point.
Bulgaria	X					Financial Management and Control in the Public Sector Act
Croatia	X					Legal Framework: Law on Public Internal Financial Control System (People's Gazette, number 141/06); secondary legislation: Rulebook on Implementation of Financial Management and Controls in Public Sector (People's Gazette, number 130/11), Rulebook on Internal Audit in Budget Beneficiaries (People's Gazette, number 35/08); Action Plan for Development of PIFC for the period 2012 - 2013.
Georgia			X			
Kazakhstan		X				
Kyrgyz Republic		X				
Makedonija	X					
Moldova	X					
Montenegro	X					
RF		X				
Serbia		X				Regulated by Budget System Law.
Tajikistan						For post-control it is defined in a specific law. For pre-control it is defined by regulations.
Ukraine		X				
NN	6	6	3	1		1
%	35.3%	35.3%	17.6%	5.9%		5.9%

3. Do you have additional regulations or instructions which provide specific procedural details in relation to financial management control:

All 17 countries (100%) replied.

	in budget entities/line ministries?		in the Treasury?		in sub-national governments?		in extra-budgetary entities?	
Country	Yes	No	Yes	No	Yes	No	Yes	No
Albania	X		X		X		X	
Armenia			X					
Azerbaijan	X		X					
Belarus	X		X		X		X	
Bosna i Hercegovina	X		X		X		X	
Bulgaria	X		X		X		X	
Croatia		X		X		X		X
Georgia		X	X		X			X
Kazakhstan	X		X		X			
Kyrgyz Republic	X			X				
Makedonija	X		X		X		X	
Moldova	X		X		X			
Montenegro		X	X		X			
RF	X		X		X		X	
Serbia					X			
Tajikistan	X		X		X		X	
Ukraine			X					
	11	3	14	2	12	1	7	2

7 comments were left.

Albania: Order of Minister of Finance no.89780, dated July 15, 2010 “Financial Management and Control Manual” with the support of PIFC 2 EU Funded Project, National Audit Office of United Kingdom: Gurdip Bhambra-Head of Project, Janet Thomas-Consultant and Ministry of Finance of Poland: Slawomir Kacprzak-Consultant, Agnieszka Mazurek- Consultant. • Paper no 6082, dated March 16, 2011:”Steps to be followed by public entities for the implementation of the Law no.10296, dated July 08, 2010, ""On Financial Management&Control"". • Order of Minister of Finance no.11841, dated June 10, 2011 “Approval for 5 years implementation plan of a modern financial management and control system (2011-2016)” • Paper no20606, dated October 31, 2011:”Appointment of Authorizing Officer in the General Government Units”. •

Instruction at 2011: “Presentation of the quality statement and annual report on internal control system in public sector”. It’s an element of the annual performance report and subject of the review of Internal Audit Unit and the Supreme Audit Control. Through the statement, the Authorizing Officer assumes responsibility for management with efficiency, effectiveness and economy of financial and non-financial entity and asserts that the system of internal control supports the achievement of objectives, policies and goals of the unit."

Belarus: Realization of certain procedures is established by every agency according to its competence

Bulgaria: Yes we have second level legislation and many other documents, applicable for GGS like - Ordinance on format, contents, procedures and deadlines for the presentation of information; Methodological guidelines on FMC components; Instructions for implementation of managerial accountability in public sector organizations; Instructions for exercising ex-ante

control; Guidelines to introduce risk management in public sector organizations; Annual questionnaires and report on the state of financial management and control systems

Croatia: Both the primary and the secondary legislation pertain to all levels: budget and extra budgetary beneficiaries of the state budget, and of the budgets of local and regional governments.

Moldova: There are national inner control standards and a regulation on financial management and control.

Serbia: Rulebook on the System of Budget Execution.

Ukraine: Standard operating procedures for main business processes were established by the order of Treasury of Ukraine. We do not have any information whether other government agencies and organizations have the same procedures.

4. Which public service entities are given responsibility for issuing instructions on financial management control?

100 % responses were given.

Country	Line ministries	MoF	Treasury	Internal control body	External audit	Central harmonization unit	Other
Albania		X	X			X	
Armenia		X					
Azerbaijan		X					
Belarus	X	X					
Bosnia i Hercegovina	X	X				X	
Bulgaria		X					According PFMC Act-Minister of Finance shall issue methodological guidelines on the financial management and control. The heads of the organisations shall implement the guidelines on the implementation of managerial accountability and FMC, issued by the Minister of Finance, as well as the guidelines given by their higher level manager (First Level Spending Units for exp.)
Croatia	X	X		X		X	The Ministry of Finance is in charge of coordination of establishment and development of the system of internal financial controls in public sector. The Department for Harmonization of Internal Audit and Financial Control (Central Harmonization Unit) is an internal organisational unit within the Ministry, in charge of coordination of establishment and development of a comprehensive system of internal financial controls in the public sector of Republic of Croatia. Central Harmonization Unit of the Ministry of Finance is, among other things, in charge of: preparation of laws and bylaws in the area of financial management and controls and internal audit, development of methodologies and standards of work of financial management and internal audit, organisation of trainings of persons in charge of and involved in financial management and control and internal audit, etc. Beneficiaries of government budget and beneficiaries of local and regional governments are obliged to cooperate and coordinate the development.
Georgia		X	X		X	X	
Kazakhstan		X					
Kyrgyz Republic	X			X	X		
Makedonija		X			X	X	Internal Audit
Moldova		X				X	
Montenegro		X			X		
RF	X	X	X				
Serbia		X	X				
Tajikistan		X					
Ukraine	X	X	X				State financial inspection
	6	16	5	2	4	6	
	35.3 %	94.1 %	29.4 %	11.8 %			

5. Do heads of budget entities have specific legal requirements to ensure financial management control exist within their entities?

100 % responses were given. 88.2% replied “Yes”

Country	No	Yes	Please specify in which document it is defined
Albania		X	• Law no.10296 dated July 08, 2010, “On the Financial Management and Control” and entered in power on January 01, 2011. It defined the prerequisites of a sound FMC system and also the responsibilities of the key officials within each public unit for FMC. It also defined the role of the Ministry of Finance Central Harmonization Unit for FMC. • Instruction at 2011: “Presentation of the quality statement and annual report on internal control system in public sector”. It’s an element of the annual performance report and subject of the review of Internal Audit Unit and the Supreme Audit Control. Through the statement, the Authorizing Officer assumes responsibility for management with efficiency, effectiveness and economy of financial and non-financial entity and asserts that the system of internal control supports the achievement of objectives, policies and goals of the unit. • Instruction no.2, dated February 06, 2012 “The standard procedures of the budget implementation”.
Armenia	X		
Azerbaijan	X		
Belarus		X	Title establishing documents in an organization (statement, statute? Accounting policies, post descriptions etc.)
Bosna i Hercegovina		X	For BiH institutions it is the Law on Financing. The entities will adopt a separate legislation.
Bulgaria		X	Managerial responsibility is defined in PFMC Act
Croatia		X	According to the Law on System of Public Internal Financial Controls (People’s Gazette, number 141/06) and the Rulebook on Implementation of Financial Management and Controls in Public Sector (People’s Gazette, number 130/11) the head of the budget beneficiary is responsible for establishment, development and implementation of an adequate, efficient and effective financial management and control system.
Georgia		X	Regulation on budget Payments approved by the Minister of Finance
Kazakhstan		X	Budget Code
Kyrgyz Republic		X	Law on Accounting
Makedonija		X	The Law on System of Public Internal Financial Controls (PIFC)
Moldova		X	Law on state inner finance control.
Montenegro		X	The Law on System of Public Internal Financial Controls stipulates that the managers are obliged to appoint a person responsible for establishment, implementation and development of financial management and controls.
RF		X	RF Budget Code
Serbia		X	Budget System Law.
Tajikistan		X	Law on Treasury, Law on state finance, Law on state finance control, Law on inner audit
Ukraine		X	Budget Code of Ukraine
	2	15	

6. Does the MoF/Treasury have specific legal requirements to ensure financial management control exist within line ministries?

100 % responses were given. 70.6% replied "Yes"

Country	No	Yes	Please specify in which document it is defined
Albania		X	• Instruction no.1, dated January 9,1996 "On relationship between treasury system and budgetary units and banking system". • Instruction at 2005 "On relationship between treasury system and budgetary units" • Permanent Instruction no.2, dated February 06, 2012 "The standard procedures of the budget implementation". • Complementary instruction of the Instruction no.2, dated February 06, 2012 "The standard procedures of the budget implementation" at each year: "On implementation of annual budget"
Armenia	X		
Azerbaijan	X		
Belarus	X		
Bosna i Hercegovina		X	The Law on Financing of Institutions of BiH. The Laws on Treasury in Republic of Srpska and Federation of Bosnia and Herzegovina.
Bulgaria		X	According PIFC Act Minister of Finance is responsible for the establishment and organization of the comprehensive financial management and control systems as well as for the development and implementation of the internal audit in the public sector. For the implementation of these tasks the Minister of Finance is supported by Internal Control Directorate (the CHU/IA and the CHU/FMC) within MoF.
Croatia		X	According to the Law on System of Public Internal Financial Controls (People's Gazette, number 141/06) financial management and controls are carried out in all organisational units and at all levels of budget beneficiaries, including the State Treasury as a separate organisational unit (administration) of the Ministry of Finance of Republic of Croatia.
Georgia		X	Regulation on budget Payments approved by the Minister of Finance
Kazakhstan		X	Budget Code
Kyrgyz Republic	X		
Makedonija	X		
Moldova		X	Law on state inner finance control.
Montenegro		X	Instructions on the Work of the State Treasury.
RF		X	RF Budget code
Serbia		X	Rulebook on the System of Budget Execution.
Tajikistan		X	Law on state finance, Law on inner audit
Ukraine		X	Ukraine Budget code
	5	<u>12</u>	

7. The MoF/Treasury issues written instructions regarding the effectiveness and efficiency of financial operations and control for budget entities:

8. Please indicate how frequently the MoF/Treasury issues written instructions regarding the effectiveness and efficiency of financial operations and control for budget entities:

17 responses were given (100%)

Country	annually	more frequently than annually	less frequently than annually	MoF/Treasury does not issue such instructions.	Other situation – please, explain	how frequently the MoF/Treasury issues written instructions
Albania					MoF issues monthly written instructions regarding the effectiveness and efficiency of financial operations for budget entities.(line ministries monitoring report by Budget and published monthly analysis by Macro). Others are depended by the environment changeable.	MoF issues monthly written instructions regarding the effectiveness and efficiency of financial operations for budget entities.(line ministries monitoring report by Budget and published monthly analysis by Macro).
Armenia				X		
Azerbaijan				X		
Belarus				X		
Bosna i Hercegovina	X					
Bulgaria	X					Treasury issues quarterly instructions on preparing and presenting financial reports of the FLSUs which include methodology issues and requirements.
Croatia	X					
Georgia				X		
Kazakhstan	X					
Kyrgyz Republic				X		
Makedonija				X		
Moldova	X					
Montenegro					Depends on the situation.	
RF			X			Less than annually
Serbia			X			Only when the Rulebook on the System of Budget Execution changes.
Tajikistan	X					
Ukraine			X			If and when it is needed
	6	0	3	6	2	
	35.3%		17.6%	35.3%	11.8%	

9. Does the Treasury have specific legal requirements to ensure that financial management control exist within the Treasury?

100 % responses were given. 70.6% replied "Yes"

Country	No	Yes	Please specify in which document it is defined
Albania		X	• Manual of using automated Treasury system. • Daily steps of operational activity by automated Treasury system. • Specific instruction on budget implementation by budgetary units (currently 5 central government units), which have directly access to the automated treasury system. Instruction no.1, dated January 9, 1996 "On relationship between treasury system and budgetary units and banking system". • Instruction no.1, dated January 9, 1996 "On relationship between treasury system and budgetary units and banking system". • Instruction at 2005 "On relationship between treasury system and budgetary units".
Armenia	X		
Azerbaijan	X		
Belarus		X	Budget code, MoF normative documents
Bosnia i Hercegovina		X	The Law on Financing of Institutions of BiH. The Laws on Treasury in Republic of Srpska and Federation of Bosnia and Herzegovina.
Bulgaria		X	Within Treasury system all PIFC Act requirements are applied. The head/managers of the line ministries and other FLSUs are required to apply these requirements, incl. managerial responsibility.
Croatia		X	According to the Law on System of Public Internal Financial Controls (People's Gazette, number 141/06) financial management and controls are carried out in all organisational units and at all levels of budget beneficiaries, including the State Treasury as a separate organisational unit (administration) of the Ministry of Finance of Republic of Croatia.
Georgia		X	Regulation on budget Payments approved by the Minister of Finance
Kazakhstan		X	Budget Code
Kyrgyz Republic	X		
Makedonija	X		
Moldova		X	Methodological standards for budget execution through treasury system; accounting instructions.
Montenegro	X		
RF		X	RF Government Resolution, 01.12.2004 N 703 "On Federal Treasury" RF Budget Code
Serbia		X	The Rulebook on Establishment of Internal Controls in Direct Budget Beneficiaries and the Rulebook on Establishment of Internal Audit.
Tajikistan		X	Law on Treasury
Ukraine		X	Ukraine Budget Code, Regulation on State Treasury service approved by the order of the President of Ukraine
	5	12	

10. Is there any person within Treasury with designated responsibility for Treasury internal control?

100 responses were given. 52.9% replied “Yes”

Country	No	Yes	The title of the person
Albania		X	• Operational Director and Section of Expenses, Revenues and Financial Reporting in Treasury Operation's Department within General Directorate of the Treasury, which consists in 5 experts and one section head. They supervise the whole treasury system (general government's transactions) in daily basis. • Treasury district offices, which supervise the central and local government unit's transactions.
Armenia	X		
Azerbaijan	X		
Belarus	X		
Bosna i Hercegovina	X		
Bulgaria		X	Treasury Director and relevant heads/managers of the organizations
Croatia		X	Internal Audit Service with a special Unit for Internal Audit of the State Treasury System and European Union Funds is established in the Administration for Financial Management, Internal Audit and Supervision of the Ministry of Finance (not within the State Treasury itself).
Georgia	X		
Kazakhstan		X	Head of departmental control of Treasury Committee
Kyrgyz Republic	X		
Makedonija	X		
Moldova		X	According to the Law on State Inner Financial Control each manager, operational manager and every employee are responsible for financial management and control organization.
Montenegro		X	Authorisation officer
RF		X	Chief of the Federal Treasury
Serbia		X	Internal Auditor.
Tajikistan	X		
Ukraine		X	Head of the State Treasury Service of Ukraine and chiefs of the bodies within the State Treasury Service
	8	9	

11. In relation to written instructions within the Treasury, please select the answer most appropriate to your situation:

100 % responses were left and 52.9% of respondents choose the first option.

Country	Detailed instructions	Some instructions	Few written instructions	No instructions	Other situation (please explain)
Albania					• Internal regulations approved by Minister of Finance with job descriptions of each box in the organ gram chart of departments 'structure. • Manual of using automated Treasury system. • Daily steps of operational activity by automated Treasury system. • Banking system arrangement including (i) the rights and obligations between parties: Ministry of Finances-Treasury and Central Bank/commercial banks; (ii) detailed processes of operational activity.
Armenia	X				
Azerbaijan	X				
Belarus		X			
Bosna i Hercegovina		X			
Bulgaria	X				
Croatia		X			
Georgia		X			
Kazakhstan	X				
Kyrgyz Republic				X	
Makedonija	X				
Moldova	X				
Montenegro	X				
RF	X				
Serbia			X		
Tajikistan		X			
Ukraine	X				
	9	5	1	1	1

12. Does the training received by Treasury staff include:

100% or responses were given

	Training on the concepts and application of financial management control?		Training on the actions and procedures to be followed if any defect in financial management control is identified?		Training on ethical standards to be applied in the performance of duties?	
Country	Yes	No	Yes	No	Yes	No
Albania	X		X		X	
Armenia			X			
Azerbaijan		X		X	X	
Belarus	X		X			X
Bosna i Hercegovina	X		X		X	
Bulgaria	X		X		X	
Croatia	X		X		X	
Georgia		X		X		X

Kazakhstan			X		X	
Kyrgyz Republic	X			X	X	
Makedonija		X		X		X
Moldova	X		X		X	
Montenegro	All employees in the Treasury Department have been trained in all areas listed.					
RF	X		X		X	
Serbia	X					
Tajikistan		X		X		X
Ukraine	X		X		X	
	<u>10</u>	4	<u>10</u>	5	<u>10</u>	4
	58.8%	23.5%	58.8%	29.4%	58.8%	23.5%

Albania: "•Manual of using automated Treasury system order by Minister of Finance at 2008. • Daily steps of operational activity by automated Treasury system at 2011. • Ethics code of treasury system order by Minister of Finance no.11712, dated June 09, 2011."

Belarus: We do not have a separate approved program but these topics are learning by the personnel

Bosnia&Herzegovina: Trainings listed in the survey were rarely organised, except for the general trainings. The future concept of introduction of FCM will include a complete set of trainings.

Croatia: Based on the Law on the System of Public Internal Financial Controls, the Ministry of Finance has developed and adopted a Program of Professional Development in the Area of Financial Management and Control. This Program is used as a basis for professional development of the staff responsible for coordination of development of financial management and control (financial management and control managers and coordinators for financial control management and control). In addition to professional development, Central Harmonisation Unit organises various seminars and workshops for professional development of the heads of budget beneficiaries and heads of internal organisational units in charge of financial management and control, as well as of persons responsible for coordination of development of financial management (financial management and control managers and coordinators for financial control management and control).

Ukraine: Procedure of Inner Audit in the bodies of the State Treasury Service of Ukraine was approved by the Order of the State Treasury Service of Ukraine (06/08/2012 №175). Every employee has to study this procedure when entering employment.

13. Does the Treasury Director receive:

17 responses (100%) were given

	Regular written reports and checklists on operational performance from the management team		Periodic but irregular (snap check) reports from designated staff on control issues and accountable forms and documents		Comments
Country	Yes	No	Yes	No	
Albania	X		X		<ul style="list-style-type: none"> • Daily reports on payments on-hand for release (IT specialist generates from the database of automated treasury system). • Daily report on irregular transactions (TDO's-treasury district offices' supervisors of Treasury Operation's Department generate it by the automated treasury system). • Daily reconciliation of inflows/outflows of Treasury Single Account (TSA) from Central Bank. Real time transactions' supervision (by VPN) on TSA transactions. • Monthly status of banks reconciliation on income collection which is formally confirmed by both parties: Treasury and Central Bank/commercial banks. • Monthly reconciliation of cash floats between Treasury and Central Bank. • Monthly monitoring expenses and revenues of general government units in based of TDO's reports.
Armenia	X				
Azerbaijan	X		X		
Belarus	X				Daily reports on payments made, on payments registered, on balance etc.
Bosna i Hercegovina		X		X	
Bulgaria	X		X		yes, checklists on operational performance; some particular written reports; daily reports on the state of TSA; bank and other reconciliations of the data in electronic format; action plan for fulfillment of the recommendations of Internal and External Auditors and etc.
Croatia	X		X		State Treasury Director receives numerous regular and periodic written reports.
Georgia		X	X		
Kazakhstan	X				
Kyrgyz Republic	X		X		
Makedonija		X		X	
Moldova		X		X	
Montenegro					There is ongoing communication with all employees in the Treasury, so that each beneficiary (user) has a complete database.
RF	X				Chiefs of the territorial bodies of the Federal Treasury receive (the reports)
Serbia	X				
Tajikistan	X		X		
Ukraine	X				Head of the Treasury of Ukraine daily in real time mode controls a situation with the

					balance (состояние остатков) of the Single Treasury Account with the help of Information System. He regularly received forms of routine reporting on budget execution in revenue, expenditures, crediting and funding.
	<u>12</u>	4	<u>7</u>	3	
	<u>70.6%</u>	23.5%	41.2%	17.6%	

14. Does the Treasury undertake a regular review of an extract of the balances of all the accounts in the general ledger, to determine whether significant accounting errors or other anomalies exist? (This extract is frequently referred to as the Trial Balance)

Country	Yes	No	Comments
Albania	X		In monthly basis Treasury Operation's Department undertake a regular review of an extract of the balances of the revenues, expenses, banks accounts and payable/receivable accounts in general ledger to determine whether significant accounting errors or other anomalies exist. These errors are adjusted by central treasury operational staff in cooperation with IT/functional support staff, TDO's and general government unit's responsible staff. In annual basis this extract is referred to as the Trial Balance. In addition of above, Treasury Operation's Department undertake a regular review of an extract of the balances of the assets and inventories (not by real transactions but cumulative amounts of additions/reductions and other changes of them).
Armenia	X		
Azerbaijan	X		
Belarus	X		Daily compilation of the general ledger
Bosna i Hercegovina	X		
Bulgaria	X		
Croatia	X		Department for State Budget Execution – Unit for Government Budget Accounting and Accounting for Non-Profit Organisations of the State Treasury of Republic of Croatia checks the balances of all accounts in the Treasury General Ledger. The balances of all accounts within the Treasury System, i.e. the accounts that the State Treasury accounts for and records in the Treasury General Ledger are checked both regularly and periodically.
Georgia	X		
Kazakhstan	X		
Kyrgyz Republic	X		
Makedonija			Postoji usoglasavanje racunima
Moldova	X		
Montenegro	X		
RF	X		Daily
Serbia	X		
Tajikistan	X		Taking into account that there are not double entry principles in the Treasury, Trial Balance does not form. However, data regularly check according to budget classification.
Ukraine	X		Daily balance list for budget execution operations is creating
	<u>16</u>	0	
	<u>94.1%</u>		

15. Does the Treasury have a set of system-generated reports that it can review and investigate in relation to high value or unusual transactions?

Country	Yes	No	Comments
Albania	X		Daily report on irregular transactions (TDO's- treasury district offices' supervisors of Treasury Operation's Department generate it by the automated treasury system).
Armenia	X		
Azerbaijan		X	
Belarus		X	We do not have separate accounts but we have information about some payment for example about car procurement
Bosna i Hercegovina	X		
Bulgaria	X		
Croatia	X		State Treasury IT system is designed in a way that supports all phases of accounting cycle, from entering and maintenance of key information (budget classification, domestic and foreign vendors); budgetary planning (from setting the ceilings to preparation of draft financial plans of budget beneficiaries); commitments; recording of invoices/requests for payment in the Treasury General Ledger; payment of invoices (requests for payments); recording of revenues and receipts, and expenditures and outflows in the accounting system of the State Treasury. The State Treasury System generates a whole set of reports that can be analysed, particularly analytical reports capturing all financial transactions of the government budget.
Georgia		X	
Kazakhstan	X		
Kyrgyz Republic		X	
Makedonija		X	
Moldova		X	
Montenegro			The system enables generation of all reports.
RF	X		
Serbia	X		
Tajikistan	X		
Ukraine	X		Informational system selects documents with high cost operations (500 thousand UAH). Not standard operations are monitored visually by Treasury bodies personnel
	10	6	
	58.8 %	35.3%	

16. Which of the following best describes arrangements in relation to internal audit of the financial management controls in the Treasury:

17. Do internal audit reports identify internal control issues and weaknesses?

						Do internal audit reports identify internal control issues and weaknesses?	
Country	Treasury internal audit unit	MoF internal audit unit	independent internal audit unit	No internal audits are undertaken	Other internal audit arrangements are in place	Yes	No
Albania					Treasury internal audit section undertakes daily and monthly reviews of treasury operations. The MoF internal audit department	X	

					undertakes annual reviews of the treasury operations. Supreme Audit Institute undertakes annual reviews of the treasury operations.		
Armenia		X				X	
Azerbaijan	X					X	
Belarus				X			
Bosna i Hercegovina		X				X	
Bulgaria					Each line ministry and other FLSUs have their own Internal Audit Unit undertakes reviews of the relevant Systems of FMC as well as treasury operations as one very important part of these systems.	X	
Croatia		X				X	
Georgia		X					X
Kazakhstan	X					X	
Kyrgyz Republic		X				X	
Makedonija		X				X	
Moldova		X				X	
Montenegro		X				X	
RF	X					X	
Serbia	X					X	
Tajikistan		X					X
Ukraine	X					X	
	5	9	0	1	2		
	29.4%	52.9%		5.9%	11.8%		

There were left 6 comments to Question 17

Albania: In the moment of the identification, Treasury internal audit section reports identify internal control issues and weaknesses to Operational Director, who reports them to General Director of Treasury, who reports them to Prime Authorizing Officer (PAO) if it's required a formal approval for adjustment of errors in high value, unusual transactions and solution of the issues.

Bulgaria: Action plan is developed by the manager of concerned organization to overcome the identified weaknesses and fulfilment of the IA recommendations

Croatia: I suppose the question relates to the Annual Internal Audit Report, that the head of internal audit unit (Internal Auditor) is responsible for preparing and submitting to the Central Harmonisation Unit, rather than the individual reports on the audit of the processes they undertake. Annual Internal Audit Report includes the following: an overview of the audits performed and, where relevant, discrepancies from the annual audit plan, main conclusions pertaining to functioning of the financial management and control system, and recommendations provided with the aim of improving the operations in budget beneficiaries; activities that the head of budget beneficiary had undertaken in response to the main recommendations, as well as the significant recommendations that have not been implemented; all instances of non compliance or erroneous implementation of the law and other legislation, and any suspicion of fraud; suggestions for development of internal audit.

Georgia: Internal audit checks budget spendings of the treasury specifically

Montenegro: Internal audit gives recommendations for improvement of internal controls.

Ukraine: Internal control issues and weaknesses are mentioned in a conclusion for audit test report, also there are recommendation how to improve them.

18. Is there a periodic risk assessment of treasury operations identifying areas of vulnerability and appropriate remedial actions:

19. Is there a procedure to ensure that action to remedy the identified weaknesses is undertaken and is effective?

There are 100 responses to both questions.

	Is there a periodic risk assessment of treasury operations identifying areas of vulnerability and appropriate remedial actions			Is there a procedure to ensure that action to remedy the identified weaknesses is undertaken and is effective?	
Country	Yes, risk assessment is undertaken at least annually	Yes, risk assessment is undertaken, but less frequently than annually	No periodic risk assessment is undertaken	Yes	No
Albania	X			X	
Armenia			X		
Azerbaijan			X		
Belarus			X		X
Bosna i Hercegovina	X			X	
Bulgaria	X			X	
Croatia		X		X	
Georgia			X		
Kazakhstan	X			X	
Kyrgyz Republic			X		
Makedonija			X		
Moldova	X				X
Montenegro	Risk assessment is undertaken regularly (on an ongoing basis) not periodically.				X
RF	X			X	
Serbia	X				X
Tajikistan			X		
Ukraine			X		
	7	1	8	6	4
	41.2%	5.9%	47.1%	35.3%	23.5%

There were left 6 comments to Q18

Albania: "•Risk assessment of treasury operations is done by the approval register, which is prepared by Poland technical assistance on 2010 year and the frequency is depended by enhancement of the treasury functions. This register identifies areas of vulnerability and appropriate remedial actions. • Regarding to cash management and electronic payments there is a risk assessment in daily basis. • Regarding to accounting issues there is a risk assessment in annual basis. •Treasury operational activity evaluated in monthly basis to ensure that budgetary resources are only used for the purposes prescribed by the law and in accordance with the relevant legislation; to ensure the transparency of where the taxpayers' money is being spend on. Also to ensure that it meets the users' needs in accordance with the policy objectives and that these activities are delivered in accordance with plans and programs."

Bulgaria: According the PFM Act - the heads of the organisations are responsible for the risk management. Risk management includes identification, assessment of and control over possible events or situations which could have a negative impact on the attainment of the organisation's goals and aims at providing a reasonable assurance that the goals will be attained. For the purposes of implementing these activities the heads of organisations have to approve a strategy, which has to be updated every three years or whenever material changes in the risk environment occur. The control activities aiming at risk mitigation have to be analysed at least once a year.

Croatia: An independent unit for internal audit (the Unit for Internal Audit of the State Treasury System and European Union Funds), undertakes a review of the processes in the State Treasury, on the basis of Annual Internal Audit Plan of the Ministry of Finance. The process results in audit findings, i.e. audit report for a particular process. The report contains information about the following: scope of audit, audit objectives, objectives of business processes, audit method, etc. description of the audited process, findings and recommendations by audit objectives. The auditor's report includes the comments on key risks and associated findings.

RF: Risk assessment are made monthly during the meeting of Supervisory Council of the Federal Treasury

Ukraine: Not applicable according to the normative documents

There were left 3 comments to question 19

Albania: Daily monitoring reports of irregular transactions. Daily report on unpaid invoices. etc.

Bulgaria: In general the heads of organisations are responsible of introducing the relevant control activities, including written policies and procedures, established for the purposes of providing reasonable assurance that the risks are reduced to the acceptable limits, determined in the process of risk management. Control activities have to be adequate and the cost of their implementation shall not exceed the expected benefits. The heads of organisations also have to set up a system for monitoring of the financial management and control for the purposes of assessing its adequate operation and ensure its timely updating whenever conditions change.

Croatia: The head and the management of the budget beneficiary prepare an Action Plan for each recommendation, which contains: planned actions to implement the recommendations, person responsible for implementation and the planned deadlines for implementation of the recommendations. The effectiveness of implementation of actions undertaken to remedy the identified weaknesses depends on the capability to take action and remedy the weakness. There are situations in which it is not possible to remedy the weaknesses until certain assumptions for their implementation are in place (technical, legal, etc.).

20. Does the Treasury Director receive:

There are 100 % responses.

	regular written reports from the information technology unit on system performance and issues		at least annually, a report in relation to system integrity issues from an independent expert		Comments
Country	Yes	No	Yes	No	
Albania	X			X	Regarding to downtime is reported by ATU-Albanian telecommunication Union (independent, private company) in daily basis. Regarding to transaction load issues they are identified in the daily reconciliation process by operational staff of treasury. Regarding to other issues, when they happen. Annual achievements/strategies analysis.
Armenia		X		X	
Azerbaijan	X			X	
Belarus		X		X	
Bosna i Hercegovina	X			X	
Bulgaria	X			X	Yes, we have written reports regarding particular problems on system performance. The technology unit, which maintains and develops SEBRA system is certified to ISO 27001 - an information security management system standard; and is regularly formally audited and certified in compliance with the standard. Along with ISO 27001 certification; the company is ISO 9001 certified and audited so has an effective quality management system in place.
Croatia	X			X	Special attention is paid to ensuring that the State Treasury Information system operates continuously and without interruptions. All relevant information on system performance is sent to both persons responsible and to the system users. Particular attention is paid to: any problems, such as system slowdown, or downtime. In cases when major problems occur, such as system overload, the information is promptly forwarded to the managers and/or persons responsible. Each incident is separately documented.
Georgia	X			X	
Kazakhstan	X				
Kyrgyz Republic		X		X	
Makedonija		X		X	
Moldova		X		X	
Montenegro	X				
RF	X		X		Head of the Federal Treasury daily receives reports from the information technology unit on system performance.
Serbia	X				
Tajikistan		X		X	
Ukraine		X			Reports from the information technology unit on system performance is envisaged by Treasury orders.
	<u>10</u>	7	1	<u>12</u>	
	<u>58.8</u> <u>%</u>	41.2 %	5.88%	<u>70.6</u> <u>%</u>	

21. In case internal audits are undertaken within the Treasury, does internal audit review and report on the adequacy of the Treasury IT system control procedures:

Country	Yes, such review takes place and a report is prepared at least annually	Yes, such review takes place and a report is prepared, but less frequently than annually	No such review takes place	Comments
Albania			X	The automated account system of treasury is implemented "live" since 2011 year. IA experts are in training process. In Albania there is no expertise unit for this control
Armenia			X	
Azerbaijan		X		
Belarus			X	
Bosna i Hercegovina	X			
Bulgaria		X		According Internal Audit planned schedule
Croatia		X		Since the Unit for development and support to the business – information system of the State Treasury is set up as an organisational unit within the State Treasury, internal audit reviews all business processes taking place within that unit. Therefore, internal auditors perform audit of business processes in the organisational unit in charge of the IT system, but not the audit of the state treasury information system itself.
Georgia			X	
Kazakhstan	X			
Kyrgyz Republic			X	
Makedonija		X		
Moldova			X	
Montenegro		X		
RF	X			
Serbia	X			
Tajikistan			X	
Ukraine		X		There is information on the adequacy of the Treasury IT system control procedures in a conclusion for audit test report.
	4	6	<u>7</u>	

22. Is a control log maintained of all system administrator interventions in the operation of the information systems?

There were left 16 responses (97.2%)

Country	The control log is maintained and regularly reviewed	The control log is maintained, but it is not regularly reviewed	No control log is maintained	Comments
Albania	X			
Armenia	X			
Azerbaijan		X		
Belarus			X	
Bosna i Hercegovina		X		
Bulgaria		X		A project is undergoing aiming to provide tools of system generating regular review.
	X			Hosting and system administration of the State Treasury information system (SAP) is done by FINA (Financial Agency), using the ITIL methodology and based on SLA contract. The Ministry of Finance monitors the implementation of the contract, pursuant to which FINA is obliged to provide the services at the specified level of quality, including maintaining of a log on any and all system administrator interventions. The State Treasury information system (SAP) itself contains the records, and the log in SAP on any interventions.
Croatia				
Georgia		X		
Kazakhstan	X			
Kyrgyz Republic			X	
Makedonija				
Moldova		X		
Montenegro		X		
RF		X		
Serbia	X			
Tajikistan			X	
Ukraine		X		The control log of all system administrator interventions in the operation of the information systems is maintained and are available on request of the heads of the Treasury bodies
	5	8	3	
	29.4%	47.1%	17.6%	

23. Does the Treasury have a written business continuity and disaster recovery plan in place?

There were left 100% responses.

Country	The plan exists and is tested at least annually	The plan exists and is tested but less frequently than annually	The plan exists, but is never tested	No such plan exists	Comments
Albania	x				
Armenia			x		
Azerbaijan		x			
Belarus				x	
Bosna i Hercegovina		x			
Bulgaria	x				In addition to disaster recovery plan (MoF has disaster recovery center located in another town) there exist a primary and a remote (more than 5 kilometers) backup site of the system that replicate the data synchronously. In case of primary site failure the operations are passed to the backup site with zero loss. The procedure of taking the operations over and back is scheduled and tested every year.
Croatia		x			There is a written business continuity and disaster recovery plan in place, but they are kept by FINA as stipulated in the SLA agreement. Testing is done, usually whenever new hardware components are installed.
Georgia			x		
Kazakhstan	x				
Kyrgyz Republic			x		
Makedonija				x	
Moldova				x	
Montenegro		x			
RF		x			
Serbia	x				
Tajikistan				x	
Ukraine		x			A written business continuity and disaster recovery plan is approved by the order of the Treasury
	4	6	3	4	
	23.5%	35.3%	17.6%	23.5%	

PART B Financial Management Control and the Payment Process

24-25. In relation to the purchase of goods and services, which of the following best defines

the role of the Treasury/MoF?

Country	The Treasury/MoF preapproves all actions by budget entities to purchase goods or services	The Treasury/MoF preapproves only those purchases of goods and services by budget entities above a certain financial threshold	The Treasury/MoF has no role in approving the purchase of goods and services	Please provide the threshold amount	Please estimate the percentage by value of payments below the threshold
Albania			X		
Armenia			X		
Azerbaijan	X				
Belarus			X		
Bosnia i Hercegovina			X		
Bulgaria			X		
Croatia		X			
Georgia			X		
Kazakhstan	X				
Kyrgyz Republic	X				
Makedonija		X			
Moldova			X		
Montenegro			X		
RF			X		
Serbia			X		
Tajikistan			X		
Ukraine			X		
	3	2	12		
	17.6%	11.8%	70.6%		

There were left 6 comments to question 24.

Albania: Treasury is in the process of developing the pre-commitment module (procurements) to get the role in approving them by frozen budget funds by automated accounting system of treasury.

Belarus: According to current legislation Treasury receives already concluded contract

Bulgaria: But in each FLSUs preapprove procedures are in place to assure of the availability of relevant budget appropriations and commitments in compliance with mid-term expenditure ceilings

Croatia: The Budget Law stipulates that budget beneficiaries may enter into commitments only for those purposes and up to the amounts approved by government budget for the current year. The amount and purpose of funds approved by the budget determines the capabilities of a budget beneficiary to enter into commitments. The Ministry of Finance does not preapprove individual contracts. However, commitments due for payment in the years following the budget year require the approval of the Government of Republic of Croatia or of the Ministry of Finance. The Government of RC, upon proposal of the Minister of Finance, provides its consent for entering into commitments that will be due for payment in the following years in cases when the total amount of commitment exceeds the threshold of 10.000.000,00 million kunas. In other cases, it is the Minister of Finance that provides consent to commitments payable from the budgets of following years.

Macedonia: For developmental programmes.

Ukraine: Preapproving actions by budget entities to purchase goods or services is not envisaged in the Ukrainian legislation

26. What percentage of government purchases is controlled through the use of an automated accounting system-generated purchase order which is sent to the supplier to record the commitment?

100% of responses were given.

Country	100% of all payments are issued through system-generated purchase orders;	More than 75% but less than 100% of payments are issued through system-generated purchase orders;	More than 50% but less than 75% of payments are issued through system-generated purchase orders;	Less than 50% of payments are issued through system-generated purchase orders;	No payments are issued through system-generated Purchase Orders.
Albania	X				
Armenia				X	
Azerbaijan	X				
Belarus	X				
Bosna i Hercegovina					X
Bulgaria					X
Croatia	X				
Georgia					X
Kazakhstan	X				
Kyrgyz Republic			X		
Makedonija					X
Moldova	X				
Montenegro					X
RF					X
Serbia	X				
Tajikistan					X
Ukraine					X
	7	0	1	1	8
	41.2%	0%	5.9%	5.9%	47.1%

There are 5 comments:

Albania: The purchase orders (vendors' contracts) are presented by general government units to treasury district offices three days after they sign it to be recorded manually in the automated accounting system of treasury.

Bulgaria: FLSUs have limits for liabilities, stipulated by law; as for 2014 in the new Public Finance Law also for commitments. The commitments are entered in the FLSU accounting system when the relevant contract is signed. The commitment amount is reduced when the relevant liability is entered in the accounting system. The procedures and reports are in place to enable MoF for regular monitoring of the commitments and liabilities.

Croatia: Budget beneficiaries are obliged to record the invoices in their business ledgers, after carrying out all mandatory accounting controls. Budget beneficiaries in the system of State Treasury whose financial management information systems (FMIS) are linked with the State Treasury financial information management system (FMIS) enter the commitment information in their own FMIS. Since these systems are integrated the same commitment information is visible in the State Treasury FMIS, i.e. in the government budget general ledger. Those budget beneficiaries whose financial management information systems are not linked with the State Treasury FMIS, enter the information on commitments twice, once in their own IT system and once in the State Treasury IT

system. All commitments recorded (regardless of whether they were copied from the budget beneficiaries' FMIS or entered directly in the State Treasury FMIS) are paid through the Treasury System, from the Treasury Single Account. Payments in foreign currency are also made through the state treasury FMIS, through payment orders generated in FMIS by means of a semi-automated process. A small portion of payments in foreign currency that are made through special, foreign currency accounts of the budget beneficiaries are paid outside of Single Treasury Account and are entered in the State Treasury system on a later date (after a statement of the account or a bill of shipment is received).

RF: Not applicable

Ukraine: According to legislation budget entities provide registers of obligations with supporting documents in paper and electronic format. Payment receipts are provided for making payments.

27. Is the receipt of goods and services entered into an automated accounting system?

100% of responses were given.

Country	Yes	No	Please, explain, how is it recorded:
Albania		X	The general government units do not have access to the automated accounting system of treasury. They present expenses transactions documentation to treasury district offices and the last one entered them in the automated accounting system of treasury.
Armenia		X	Manually
Azerbaijan	X		
Belarus	X		
Bosna i Hercegovina	X		
Bulgaria	X		
Croatia	X		
Georgia		X	The payment request is prepared in the automated system, which contains reference to the receipt of goods and services
Kazakhstan	X		
Kyrgyz Republic	X		
Makedonija		X	There is no automated accounting system. Ne postoji avtomatiziran smetkovodstevni system
Moldova		X	Information about goods and services keeps in accounting system of an entity and not in the Treasury.
Montenegro	X		
RF		X	Every agency has its own accounting
Serbia		X	In subsidiary ledgers of a direct budget beneficiary.
Tajikistan		X	It is not recorded at all in the old system. In the new system invoices are entered (со стороны БО)
Ukraine		X	Budget entities enter information about receipt of goods and services into their IT systems or manually into accounting registers, and they enter information about created loan payables in the same way.
	8	9	
	47.1%	52.9%	

28. Is the receipt of a correctly rendered invoice entered into an automated accounting system (this would normally be the trigger for a commitment to become an accounts payable – a liability)?

Country	Yes	No	Please, explain, how is it recorded:
Albania		X	The invoice is recorded manually in the automated accounting system of treasury by experts of treasury district offices. By the system it's generated electronic payment order to Central Bank, which processes the payments batches to commercial banks and the last ones transfer the money to the vendor's bank accounts. Also the automated accounting system of treasury is extended to five budget institutions, which have fully access to record each expenses transaction documents by themselves. In this case, the experts of treasury district offices only approve the invoices and create electronically payments batches, which are confirm by central treasury to central bank, which precede them to commercial banks.
Armenia		X	Manually
Azerbaijan	X		
Belarus	X		
Bosna i Hercegovina	X		
Bulgaria	X		
Croatia	X		
Georgia		X	The payment request is prepared in the automated system, which contains reference to the receipt of goods and services
Kazakhstan	X		
Kyrgyz Republic	X		
Makedonija		X	There is no automated accounting system. Ne postoji avtomatiziran smetkovodstevni system
Moldova		X	In an organisation
Montenegro	X		
RF		X	In RF an invoice is not used for recognition of loan payables.
Serbia	X		
Tajikistan		X	It is not entered at all in the old system. In the new system invoices are entered (со стороны БО)
Ukraine		X	Information about invoice is entered the same way as in Q. 25
	<u>9</u>	8	
	52.9%	47.1 %	

29. Once goods or services, and an invoice, are received from the supplier, a payment order or request is prepared by budget entities. Which of the following best describes how this request or payment order is prepared:

100 % responses were given.

Country	In the automated accounting system and submitted by budget entities directly for payment through the system, after approval within the budget entity	In the automated accounting system but submitted to the Treasury for final approval;	Manually on a payment request voucher, and submitted to the Treasury for approval and entry into the automated accounting system;	Other process. Please specify.
Albania		X		
Armenia			X	
Azerbaijan	X			
Belarus		X		
Bosna i Hercegovina	X			
Bulgaria				X (For each Spending Unit (except municipalities) - payment order is prepared in electronic way then through System for Electronic Budget Payments (SEBRA) is approved by relevant First Level Spending Unit (FLSU) within payments limit set by the Treasury-MoF (limits are allocated for each FLSUs in accordance with the budget appropriation approved by the Parliament). The municipalities apply the same procedure but only for the state budget subsidy - Treasury-MoF approves municipalities payment orders within the relevant payments limit.)
Croatia		X		
Georgia	X			
Kazakhstan		X		
Kyrgyz Republic		X		
Makedonija			X	
Moldova			X	
Montenegro		X		
RF				X (Each agency prepares a payment order in its own automated system and through EDMS dispatched it to Federal Treasury for approval)
Serbia	X			
Tajikistan			X	
Ukraine		X		
	4	7	4	2
	23.5%	41.2%	23.5%	11.8%

30. Once a payment voucher is accepted by the Treasury, what are payments made based on?

13 responses were given (76.5%)

Country	A payment due date, which is determined by the date the goods and service and invoice were received;	A payment due date, determined by the budget entity;	Payments are made on a first-in-first-out basis;	Payments are made, based on a priority determined by the Treasury.	Other (please specify)
Albania			X		
Armenia			X		
Azerbaijan					
Belarus				X	
Bosna i Hercegovina					
Bulgaria					Payments are made only within payment limit and after FLSU approval (settlement on the next day) subject to funds being available in TSA on a first-in-first-out basis. FLSU could determine a priority of the spending units payments within its system in compliance with the due date of signed contract or regarding the terms and conditions of other payments.
Croatia					Based on the Budget Law (People's Gazette, number: 87/08 and 136/12) the Minister of Finance enacts a Rulebook on Manner and Terms of Budget Execution and on the Manner of Repayment of Funds into State Budget and Accounting for the Repayment of Funds (People's Gazette, number 48/11). These regulate the manner and terms for budget execution. Requests for payment are approved according to the payment due date, subject to availability of budget funds. Elements entered in the State Treasury system must be credible and correspond to the elements on the original document. The due date must be identical to the date referenced on the invoice. Since the invoices are received by a budget beneficiary, it is this budget beneficiary's responsibility to ensure that the due date corresponds to the date on the original document.
Georgia					
Kazakhstan				X	
Kyrgyz Republic				X	
Makedonija					In accordance with the requests submitted by the budget beneficiaries, and in line with the projections. U saglasnost sa podnesena trazenja buxetskih korisnika, u skladu sa proekcija
Moldova				X	
Montenegro			X		
RF					In 3 days since a claim to cash disbursement is received in Federal Treasury. On first-in-first-out base.
Serbia					
Tajikistan			X		
Ukraine					Payments are made by Treasury as soon as possible subject to availability of funds, based on a priority determined by the treasury and taking

					the legislation into account
	0	0	4	4	5
	0%	0%	23.5%	23.5%	29.4%

31. Please select the answer that best matches your situation:

17 responses (100%) were given.

Country	Key decision points, including approvals for the entire payment process, are undertaken in the automated accounting system;	The majority of decision points for the payment process are undertaken in the automated accounting system, but are accompanied by supplementary manual forms and signatures;	The payment process largely occurs manually outside the automated accounting system, with only payments produced in the system;	The payment process is entirely manual.
Albania		x		
Armenia			x	
Azerbaijan		x		
Belarus	x			
Bosna i Hercegovina		x		
Bulgaria		x		
Croatia	x			
Georgia	x			
Kazakhstan	x			
Kyrgyz Republic			x	
Makedonija			x	
Moldova			x	
Montenegro		x		
RF	x			
Serbia	x			
Tajikistan			x	
Ukraine		x		
	6	6	5	0
	35.3%	35.3%	29.4%	0%

2 comments were left

Croatia: Nearly all decisions in the payment process are made in the automated accounting system of the State Treasury, with the exception of requests for payment payable from the special foreign currency accounts for donations, grants and loans that are held with commercial banks. All payments from the special accounts are recorded upon receipt of the bank statement, manually in the State Treasury Service for Budget Accounting and Accounting for Non-Profit Organisations.

Ukraine: In automated system control take place when registration budget obligations up to the amount of budget assignments; budget financial obligations - up to the amount of registered obligations; effecting payments - - в up to the amount of open appropriations (открытых бюджетных ассигнований)

32. How many different officials are involved in the payment process (immediately following the approval of the budget until the actual payment is made), either preparing, checking or approving the key stages:

100% responses were given.

within the budget entity

Country	1-2	3-4	5-6	6-7	7-8	More than 8	Do not know
Albania		X					
Armenia							x
Azerbaijan		X					
Belarus							x
Bosna i Hercegovina		X					
Bulgaria			x				
Croatia		X					
Georgia		X					
Kazakhstan		X					
Kyrgyz Republic		X					
Makedonija							x
Moldova		X					
Montenegro	X						
RF		X					
Serbia		X					
Tajikistan	X						
Ukraine			x				
	2	10	2	0	0	0	3
	11.8%	58.8%	11.8%	0%	0%	0%	17.6%

not within the budget entity but from external entities such as Treasury, MoF, or other

Country	1-2	3-4	5-6	6-7	7-8	More than 8	Do not know
Albania		X					
Armenia		X					
Azerbaijan		X					
Belarus						x	
Bosna i Hercegovina	X						
Bulgaria		X					
Croatia		X					
Georgia		X					
Kazakhstan		X					
Kyrgyz Republic		X					
Makedonija						x	
Moldova			x				
Montenegro	X						
RF		X					
Serbia		X					
Tajikistan		X					
Ukraine					x		
	2	11	1	0	1	2	0
	11.8%	64.7%	5.9%	0%	5.9%	11.8%	0%

3 comments were left

Belarus: With budget entities the quantity can be different in depends on functions of an entity

Bulgaria: only the key stages of payment process: registering contract/invoice; ex-ante control; preparing payment order; double signature system; FLSU approval; allocating/setting the payments limit-MoF/Treasury;

Croatia: The system of authorisations in budget beneficiaries comprises persons authorised to record the invoices (status F) and persons authorised to change the status of the invoice (from status F to status Z), meaning that the invoice is signed off on and has become a payment request. From the State Treasury point of view this means that the authorised person in the budget beneficiary has approved the payment request for payment. Only those payment requests under status Z may be paid. The number of authorised officials varies from a minimum of 4 (2 to enter the requests, 2 to change the status), to 8 officials, depending on the budget beneficiary. State Treasury also has specially authorised officials who approve payment requests for execution. Authorised officials approve requests for the budget beneficiaries they are responsible for, as specified in their job descriptions. The number of authorised officials varies, but most often it is 4. There are also managers with broader set of authorisations for work of treasury, which go beyond the payment processes.

PART C Financial Management Control and the Revenue Collection Process

33. Select the statement that best fits your country arrangements in relation to revenue collection:

17 responses (100%) were given.

Country	Revenue collection entities are fully responsible for all decisions and controls regarding revenue collection;	Revenue collection entities collect and account for revenues, but these are reviewed by another body for accuracy and completeness	All revenues are accounted for by the Treasury, and the revenue collection entities are provided regular reports on the collections;	Other arrangement for revenue collection, please describe
Albania	x			
Armenia	x			
Azerbaijan			x	
Belarus			x	
Bosna i Hercegovina	x			
Bulgaria				Revenue collection entities (any general government body responsible for collecting public money, including tax and non-tax revenue) are fully responsible for all decisions and controls regarding revenue collection. At the same time all revenues/receipts are centralized every day in the TSA in the BNB through "transit regime accounts". All FLSUs and tax revenue collection entities provide regular (monthly, quarterly, annual) reports to MoF.
Croatia	x			
Georgia			x	
Kazakhstan			x	
Kyrgyz Republic	x			
Makedonija				Tax administration and Customs Administration collect the tax revenues, and the State Treasury records them.
Moldova			x	
Montenegro		x		
RF		x		
Serbia	x			
Tajikistan			x	
Ukraine			x	
	6	2	7	2
	35.3%	11.8%	41.2%	11.8%

34. Are the following steps part of the revenue collection process applied in your country?

17 responses (100%) were given.

	A debtor is required to make a public payment due to the application of a tax or similar obligation, or as a result of the provision of goods or services from a budget entity		The debtor is provided with lodgement reference information and can pay electronically by bank transfer or through a commercial bank		Money and relevant lodgement references are captured simultaneously electronically via the bank settlement system		The revenues and receipt information is recorded in the automated accounting system and passed to the responsible revenue collection entity electronically	
Country	Yes	No	Yes	No	Yes	No	Yes	No
Albania	x		x		x			x
Armenia		x	x			x	x	
Azerbaijan	x		x		x		x	
Belarus	x			x	Separate payments paying through the system "Single accounting information field" (ерип)		x	
Bosna i Hercegovina	x		x		x		x	
Bulgaria	x		x		x		x	
Croatia	x		x		x		x	
Georgia		x	x		x		x	
Kazakhstan	x		x		x		x	
Kyrgyz Republic	x		x		x		x	
Makedonija			x					
Moldova	x		x		x		x	
Montenegro			x		x		x	
RF		x	x			x	x	
Serbia							x	
Tajikistan	x		x		x		x	
Ukraine	x		x		x		x	
	<u>11</u>	3	<u>15</u>	1	<u>12</u>	2	<u>15</u>	1
	<u>64.7%</u>	17.6%	<u>88.2%</u>	5.9%	<u>70.1%</u>	11.8%	<u>88.2%</u>	5.9%

There were left 3 comments

Bulgaria: The revenues and receipt information is passed simultaneously to the bank account of the responsible revenue collection entity electronically and is recorded in their automated accounting systems

Croatia: Bodies in charge of revenue collection collect the revenues, keep records on revenues collected and control the collection and the records. In addition to Tax Administration and Customs Administration, budget beneficiaries also collect revenues and are responsible for complete and timely collection of revenues and receipts and their crediting into the budget. All revenues and receipts are recorded in the information system of the State Treasury on a daily basis, and they are classified by economic classification and sources of financing, regardless of who is in charge of their collection. Recording of the revenues in the Treasury Information System is done by FINA (Financial Agency) which is essentially an extended arm of the Treasury in this segment. The data is recorded daily, by revenue type. Simultaneously with

recording in the Treasury System, FINA sends all analytical records by each individual payer to the bodies in charge of collection and monitoring of the revenues. So, the bodies in charge of the collection keep analytical records per payer. For instance, Tax Administration maintains all analytical records per taxpayers and has all information on revenues collected, as well as information about the receivables and liabilities by each taxpayer.

35. The government accounting system in your country is updated with relevant general ledger transactions for revenues collected:

16 responses (88.9%) were given. None choose the last 2 options.

Country	as revenues are posted to the government bank account	the same day as revenues are posted to the government bank account;	within a day of revenues being posted to the government bank account;	Comments
Albania			x	
Armenia			x	
Azerbaijan	x			
Belarus			x	The next day after payment
Bosna i Hercegovina			x	
Bulgaria		x		
Croatia			x	Authorised officials in the State Treasury of the Ministry of Finance have on-line access to the web service used for monitoring of all inflows and outflows from the Government budget account. On – line insight into the Treasury Single Account enables monitoring of the inflows and outflows into and from the account in real time. Revenues collected on the previous day are recorded in the treasury information system by 12 o'clock of the following working day. The records contain information on revenues and receipts by economic classification (type of revenue) and are recorded in the appropriate synthetic accounts in the State Treasury General Ledger. In addition to the economic classification they are automatically linked with the classification of the sources of funding and classification of budget beneficiaries, in cases where specific revenues are earmarked for specific budget beneficiaries. This is particularly important in case of revenues collected on the basis of performance, such as EU assistance funds. Such revenues and outflows may be spent above the limits set by the plan, provided that more is collected.
Georgia		x		
Kazakhstan	x			
Kyrgyz Republic		x		
Makedonija		x		
Moldova	x			
Montenegro			x	
RF			x	
Serbia			x	
Tajikistan	x			
Ukraine	x			Treasury participates in EFTS of the National Bank of Ukraine (NBU). Single Treasury account was opened in NBU. When budget incomes are posted into STA they simultaneous are reported in the accounts of state and local budget accounting.
	5	4	8	
	29.4%	23.5%	47.1%	

PART D Bank Reconciliation

36. Does the Treasury control all bank accounts for the General Government Sector (as defined in the IMF GFS)?

100% responses were given.

Country	Yes	No	Please specify which bank accounts are not controlled by Treasury
Albania	x		
Armenia		x	Accounts opened in the commercial banks.
Azerbaijan	x		
Belarus	x		
Bosna i Hercegovina	x		
Bulgaria		x	Treasury controls all bank accounts for GGS except municipalities bank accounts. But Treasury and BNB define the rules, procedures, annual closing etc. for bank servicing of all GGS bank accounts.
Croatia		x	State Treasury does not control the accounts of regional and local levels of government and the accounts of the so-called third level of state budget (courts of justice, hospitals, etc). A vast majority of budget beneficiaries is in the system of decentralisation, for example schools which receive salaries from the state budget, while their operating costs are covered from the budgets of local governments. Salaries for school employees are not paid to the individual accounts of schools, but are paid on the same day, through a model of collection, to the accounts of employees.
Georgia		x	Legal Entities of Public Law are managing revenues from economic activities through commercial banks
Kazakhstan	x		
Kyrgyz Republic	x		
Makedonija	x		
Moldova		x	Treasury does not control accounts of the state corporations.
Montenegro	x		
RF		x	accounts of the state corporations and the external budget entities
Serbia		x	Does not control non-profit and non-market institutions.
Tajikistan	x		
Ukraine		x	Treasury does not control accounts of public sector enterprises in the banks
	9	8	
	52.9%	47.1 %	

37. Do the Treasury Financial Management Control procedures include the above bank accounts not directly controlled by Treasury?

15 responses were given. (88.2%)

Country	No	Yes	Please describe how such controls are implemented and monitored:
Albania			
Armenia	x		
Azerbaijan	x		
Belarus	x		
Bosna i Hercegovina		x	There is legislation that regulates this area too.
Bulgaria		x	Treasury/MoF receives through BNB regular bank information for all GGS accounts: by banks, by budget entities, by accounts, incl. bank account cash balances, for the purpose of a reconciliation. On the other side FLSU provide particular forms with relevant cash balances (cover all budget entities bank accounts), approved by the bank, servicing the accounts in conjunction with their regular budget reports. And in addition Treasury/MoF reconciliates with BNB all deposits of GGS for the purposes of preparing the data for Financial Accounts Statistics.
Croatia	x		
Georgia	x		
Kazakhstan	x		
Kyrgyz Republic	x		
Makedonija			
Moldova	x		
Montenegro	x		
RF	x		
Serbia	x		
Tajikistan	x		
Ukraine	x		
	13	2	
	76.5%	11.8 %	

38. The main government account (in many cases this is the Treasury Single Account) is reconciled:

There are 100% responses.

Country	continuously	daily;	weekly	monthly;	less frequently than monthly	at other frequency (please, specify).
Albania						Central Treasury has access to TSA through VPN (virtual private network) to see continually (real Time Gross Settlement) the inflows/outflows from TSA each time of the day, but reconciliation is done daily basis, because the revenues collection is swiftd (transfer) one day delay from commercial bank to central bank-TSA. Revenues collection is done by commercial banks which sent daily electronic bank statements to server of Ministry of Finance (IT dept.).
Armenia	x					
Azerbaijan		x				
Belarus		x				
Bosna i		x				

Hercegovina						
Bulgaria		x				
Croatia		x				
Georgia	x					
Kazakhstan	x					
Kyrgyz Republic		x				
Makedonija		x				
Moldova		x				
Montenegro		x				
RF		x				
Serbia		x				
Tajikistan		x				
Ukraine	x					
	4	12	0	0	0	1
	23.5 %	70.6%	0%	0%	0%	5.9%

39. On average, discrepancies of information recorded in the main government bank account and the automated accounting system identified in the reconciliation process are corrected:

There are 100% responses.

Country	continually	daily;	weekly	monthly;	less frequently than monthly	at other frequency (please, specify).
Albania		x				
Armenia						We do not have an automated accounting system.
Azerbaijan		x				
Belarus		x				
Bosna i Hercegovina			x			
Bulgaria			x			
Croatia		x				
Georgia					x	
Kazakhstan		x				
Kyrgyz Republic				x		
Makedonija				x		
Moldova		x				
Montenegro		x				
RF						if and when discovered discrepancies
Serbia		x				
Tajikistan		x				
Ukraine		x				
	0	10	2	2	1	2
	0%	58.8%	11.8%	11.8%	5.9%	11.8%

40. The oldest discrepancy between the main government bank account and general ledger in the automated accounting system which is outstanding at the time this survey was completed is:

There are 100% responses.

Country	less than one week;	more than a week but less than one month;	more than a month but less than six months;	more than six months but less than 12 months;	more than 12 months.
Albania	x				
Armenia	We do not have an automated accounting system.				
Azerbaijan	x				
Belarus	x				
Bosna i Hercegovina		x			
Bulgaria		x			
Croatia	x				
Georgia					x
Kazakhstan	x				
Kyrgyz Republic		x			
Makedonija		x			
Moldova	x				
Montenegro		x			
RF	There is no discrepancy				
Serbia		x			
Tajikistan	x				
Ukraine	There is no discrepancy				
Tajikistan	7	6	0	0	1
	41.2%	35.3%	0%	0%	5.9%

There was 1 more comment from **Croatia**: All accounts that the State Treasury monitors and records in the information system are recorded on a daily basis. The information on expenditures and outflows are recorded in the information system of the state treasury at the moment of payment in real time. The revenues and receipts are recorded by uploading the statement by 12 o'clock of the current day for the previous day. The statement of the state budget account is uploaded by FINA (Financial Agency). There is no difference in information on the Single Treasury Account and the General Ledger in the automated accounting system of the State Treasury...

41. Other government bank accounts are reconciled:

Country	continually	daily;	weekly	monthly;	less frequently than monthly	at other frequency (please, specify).
Albania						Other government bank accounts outside the TSA include as following: 1. Foreign financing accounts on behalf of implementation projects units 2. Special funds accounts which are: a. Social Securities fund accounts b. Health and Care Securities fund accounts c. Ex-owners compensation funds accounts The reconciliation of them are submitted to central treasury in monthly basis.
Armenia						

Azerbaijan				x		
Belarus				x		
Bosna i Hercegovina			x			
Bulgaria				x		
Croatia		x				
Georgia						no other bank accounts exist
Kazakhstan		x				
Kyrgyz Republic		x				
Makedonija				x		
Moldova				x		
Montenegro				x		
RF				x		
Serbia		x				
Tajikistan			x			
Ukraine			x			
	0	4	3	7	0	3
	0%	23.5 %	17.6%	41.2%	0%	17.6%