

MODULE 7



USING

SECONDARY INFORMATION

**TO MONITOR BUDGET
IMPLEMENTATION**

MODULE 7 ❖ USING SECONDARY INFORMATION TO MONITOR BUDGET IMPLEMENTATION

LEARNING OUTCOMES FOR THIS MODULE

By the end of this module, participants will have:

- recognized why and how organizations analyze secondary budget information to support their advocacy interventions;
- defined some key terms and phrases relevant to budget documents and budget monitoring;
- identified and read different kinds of secondary budget information;
- explained the types of activities that can be undertaken to monitor budget implementation using secondary information;
- described the different phases of the budget oversight process;
- outlined the roles of oversight bodies in monitoring budget implementation; and
- used audit reports, legislative committee reports, and the reports of ministries/departments/agencies (MDAs) to evaluate the performance of MDAs/service providers.

STRUCTURE OF THE MODULE

Session 15: How do CSOs use secondary information for monitoring?

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| 1. Task 7.1 Experiences of monitoring budget implementation | 25 minutes |
| 2. Plenary discussion: Different ways of using secondary information | 20 minutes |
| 3. Task 7.2: Definitions game | 60 minutes |

Session 16: A closer look at budget oversight

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| 4. Facilitator input: The oversight process | 20 minutes |
| 5. Task 7.3: Reporting and oversight roles in Polarus | 40 minutes |
| 6. Individual Reading 7.1: HMHC & the Department of Health | 10 minutes |
| 7. Plenary work session - Task 7.4: What do the figures say? | 35 minutes |

Session 17: Investigating departmental performance

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| 8. Task 7.5: Analyzing the Department of Health's Annual Report | 30 minutes |
| 9. Plenary discussion: What are the discrepancies? | 15 minutes |
| 10. Task 7.6: What does the 2008 Audit Report reveal? | 45 minutes |
| 11. Plenary discussion: Which explanation is supported by this evidence? | 15 minutes |

Session 18: Investigating departmental performance (continued)

12. Task 7.7: What does the Legislative Committee Report reveal?	30 minutes
13. Gallery walk: What explanation is supported by this evidence?	15 minutes
14. Role Play: How can we use this information for advocacy?	60 minutes

RESOURCES NEEDED FOR MODULE 7

- Flipchart paper and markers
- Definitions Cards: 1 full set of 20 terms and 20 definitions for each group (printed and cut out)
- Three flipchart stands
- Post-it notes or cards and adhesive
- Mock or real microphone for the role play

SESSION 15

HOW DO CSOs USE SECONDARY INFORMATION FOR MONITORING?

Duration of session: 1 hour and 45 minutes

STRUCTURE OF THE SESSION

1. Task 7.1 Experiences of monitoring budget implementation	25 minutes
2. Plenary discussion: Different ways of using secondary information	20 minutes
3. Task 7.2: Definitions game	60 minutes

1. TASK 7.1: EXPERIENCES OF MONITORING BUDGET IMPLEMENTATION

25 MINUTES

- **Aim:** for participants to draw from their own budget work experience to consider how they have used secondary information in the past, while also allowing them to exchange information and insights with other participants.
- Introduce this module by clarifying, if necessary, what is meant by ‘secondary information’ in the context of this workshop. Clarify that secondary information includes a wide range of documents generated by government or other role-players, which have a bearing on the implementation of government programs or policies, and which present, amalgamate and/or comment on primary budget information. Some examples of secondary information in this context are budget reports, audit reports, portfolio committee reports, annual reports of departments, research papers conducted by academics, evaluations undertaken by donor organizations, and so forth.
- Explain that during the course of Module 7, participants will practice using some kinds of secondary information in Polarus to further tackle the problem of maternal mortality in Sunrise State. But before they set off for Polarus again, this first exercise invites them to briefly take stock of and share what they already know about the secondary information terrain.
- Ask participants to gather together with two or three others they have not had much opportunity to work with yet during the workshop.
- In these small buzz groups, ask them to share their stories and experiences of using secondary information. More specifically, what experiences do they have in:
 - Accessing and using information from government Ministries, Departments and Agencies.
 - Using information from and engaging with Legislative Committees who are tasked with oversight of departments or sectors they are or were monitoring.
 - Using information from and engaging with Supreme Audit Institutions.
 - Using any other examples of secondary information for monitoring budget implementation.

- Refer participants to **TASK SHEET 7.1** in their Workbooks. Besides the questions above, the task sheet also asks them to discuss how they overcame challenges encountered in accessing or using secondary information for monitoring.
- After approximately 20 minutes, call the participants back to the plenary gathering.

2. PLENARY DISCUSSION: DIFFERENT WAYS OF USING SECONDARY INFORMATION 20 MINUTES

- Invite two or three participants to share their experiences of using secondary information.
- Ensure you consider and discuss each of the role-players referred to in Task 7.1.
- Draw attention to any interesting patterns emerging from the discussion. For example, note if organizations have focused more attention on information from government departments in the past, and have given less or no attention to legislative and/or audit reports.
- Briefly explore when and why different kinds of secondary information may be more relevant and useful in different contexts.
- Pose the following question for discussion in plenary: How can the impact of budget advocacy work be strengthened by using more and/or varied sources of secondary information?
- Explain that there is not enough time in this module to explore all the various kinds of secondary budget information in depth. As a result, the bulk of this module will focus mostly on secondary information generated by oversight institutions, namely the legislatures and auditor-general.
- In preparation for this, the next exercise introduces the participants to some key terms and definitions they will need and use during the rest of the module.

3. TASK 7.2: DEFINITIONS GAME 60 MINUTES

- **Aim:** For participants to get to know some key terms used in budget monitoring and oversight.
- Ask the participants to play this game in their Polarus CSO groups.
- Give each group a set of Budget Monitoring Definitions Cards. There should be two colors of printed cards for each group: 20 cards with key terms printed on them (in one color), and 20 cards with definitions (in another color).
- Explain that the groups have around 30 minutes to match all the key terms with their definitions.
- When a group believes it has completed the matching exercise correctly, they should all stand on their chairs and shout "*Hakuna Matata!*"
- The facilitator will then check their combinations, and if they are correct, they will be announced champions of the MBI definitions game, and win prizes as well. If they are not correct, they will be disqualified and the game will continue for the other groups.

- If no teams have shouted *Hakuna Matata!* after 45 minutes, call a halt to the game and discuss the correct answers in plenary. Give prizes to the team that had the most correct matches. In fact, all the teams get something!
- Participants can record the correct matches in their Workbooks, on **TASK SHEET 7.2: BUDGET MONITORING DEFINITIONS.**

ANSWERS TO TASK 7.2

Accrual accounting	A form of accounting that records fund flows at the time economic value is created, transformed, exchanged, transferred or extinguished.
Appropriation	An authority granted under a law by the legislature to the executive to spend public funds, up to a set limit, for a specific purpose.
Audit opinion	It is given by an auditor at the end of an audit investigation.
Budget execution process	This begins once the legislature has enacted the budget law, and mandates the executive to collect revenue and spend public funds according to the allocations contained in that law.
Cash accounting	A form of accounting that records only cash payments/receipts and records them at the time they occur.
Disclaimer of audit opinion	It is issued by the auditor when s/he is unable to arrive at an opinion regarding the financial statements taken as a whole, due to fundamental uncertainty.
Economic classification	The categorization of expenditures (or expenses) and financial assets into categories which emphasize the economic nature of the transactions involved – for example: salaries, interest, transfers.
Emphasis of matter	A separate paragraph of an audit opinion in which the auditor points out unusual or important matters that are necessary to a proper understanding of the financial statements.
Financial management	The legal and administrative systems and procedures put in place to permit government ministries and agencies to conduct their activities so that the use of public funds meets defined standards of probity, regularity, efficiency and effectiveness.
Financial statements	These are prepared by a reporting entity to communicate information about its financial performance and position.
Functional classifications	The categorization of expenditures (or expenses) and financial assets according to the purpose for which the transactions are undertaken.
Gross domestic product	An aggregate measure of production, equal to the sum of the gross values added of all residents engaged in production (plus any taxes, and minus any subsidies on products not included in the value of the outputs).
Performance measurement	Assessment of the efficiency and effectiveness of a program or the activities of an organization through an examination of the relevant inputs, processes, outputs and outcomes.

Procurement	The process whereby a government buys something, including the identification of what is needed, determining who should supply the need, and ensuring delivery of what has been bought.
Public Accounts Committee	A group of representatives within a legislature which is formally mandated to scrutinize and oversee the financial management of public resources.
Qualified audit opinion	This is given when an auditor disagrees with or is uncertain about one or more items in the financial statements that are material but not fundamental to an understanding of the statements.
Unauthorized expenditure	Money that was spent for purposes other than for which it was allocated, or expenditure in excess of what was allocated.
Unqualified audit opinion	This is given when an auditor is satisfied in all material respects that the financial statements have been prepared using acceptable accounting practices, and that they comply with statutory requirements and disclose all relevant material matters.
Virement	The process of transferring an expenditure provision from one line-item to another during the budget year.
Warrant	A release of all or (more commonly) a part of the total annual appropriation on a quarterly or monthly basis that allows a line ministry or spending agency to make commitments.

SESSION 16

A CLOSER LOOK AT BUDGET OVERSIGHT

Duration of session: 1 hour and 45 minutes

STRUCTURE OF THE SESSION

4. Facilitator input: The oversight process	20 minutes
5. Task 7.3: Reporting and oversight roles in Polarus	40 minutes
6. Individual Reading 7.1: HMHC & the Department of Health	10 minutes
7. Plenary work session - Task 7.4: What do the figures say?	35 minutes

4. FACILITATOR INPUT: THE OVERSIGHT PROCESS 20 MINUTES

- Use the PowerPoint file **MODULE 7 Secondary Information** to give participants an overview of the oversight process, as well as the various models of Supreme Audit Institutions.
- Field questions of clarification, and explain that Polarus follows the Westminster model of audit institutions.

5. TASK 7.3: REPORTING & OVERSIGHT ROLES IN POLARUS 40 MINUTES

- **Aim:** participants have a chance to apply what they just learnt about the oversight process to the Polarus context. This also serves as a foundation for the exercises to follow in this Module.
- Ask participants to familiarize themselves with the following information in their Polarus Sourcebooks:
 - The section called 'Legislation governing oversight in Polarus' in Chapter 2 (page 15).
 - The extracts from the Public Finance Management Act in Chapter 5 (page 30)
 - The regulations regarding financial reporting in Polarus (page 35).
- After reading the relevant materials, participants should gather in their Polarus CSO groups and complete the questions on **Task Sheet 7.3: Reporting and Oversight Roles in Polarus** in their Workbooks.
- After 20 minutes, circulate to all the groups and ask each group to write up one of the following roles and responsibilities on a sheet of flipchart paper:
 - **Group A:** In Polarus, the Sunrise State Department of Health has the following responsibilities when it comes to reporting...

- **Group B:** In Polarus, the Legislatures and their Committees must exercise oversight over the Sunrise State Department of Health by...
 - **Group C:** In Polarus, the Office of the Auditor-General must exercise oversight over the Sunrise State Department of Health by...
 - **Group D:** When monitoring a government department, oversight institutions should be on the look-out for...
- Ask the groups to display their completed sheets of flipchart paper on the training room walls.
 - Facilitate a 'gallery walk' report-back: Invite all the participants to circulate and read what the other groups have written up.
 - If necessary, correct any inaccuracies or misunderstandings in what the groups have written up, and add any important points that may have been omitted.
 - Explain to participants that the information they have just written up represents the legal framework or context within which they are working in Polarus. They should keep these roles on responsibilities in mind as they now proceed with the challenge of addressing the maternal mortality situation in Sunrise State.

6. INDIVIDUAL READING 7.1: HMHC & THE DEPARTMENT OF HEALTH

10 MINUTES

- Ask participants to spend a few minutes reading carefully through the next installment in their HMHC case study. It appears as **READING 7.1** in their Participants' Workbooks.
- While participants are reading, set out three flipchart stands in the training room. Display one of the three 'explanations' given in the Reading on each of the stands.
- Before proceeding to the next exercise, ask the participants which of the three explanations about the budget implementation problems of the health department in Sunrise State they think is most convincing. Ask them to give a show of hands for each one, or alternatively, ask them to go and stand in front of the flipchart stand that displays the explanation they most support.
- Give one or two people a chance to motivate why they have chosen one explanation above another, but do not let the debate continue for more than a minute or two.
- Point out that at this stage, the participants can only really have hunches about the budget implementation problems in Sunrise State health department. The rest of this Module will be all about gathering evidence to shed light on which problems are most severely contributing to the high maternal mortality rate in Sunrise State – and more importantly, to begin uncovering what has to be addressed in order to solve these problems.
- Also note that there may be more than one explanation for the maternal health problems in

Sunrise State. It could be that all three of the theories on the flipchart stands are true, and that there are even more additional factors contributing to the situation. The only way to find out is to gather and analyze more information.

7. PLENARY WORK SESSION – TASK 7.4: WHAT DO THE FIGURES SAY?

35 MINUTES

- **Aim:** to illustrate to participants how budget figures can be used to investigate a development problem further, and establish the meaning of “underspending” and why it is problematic. A secondary aim is to acknowledge the broad range of enquiry that could be conducted using expenditure data in secondary documents, and to clarify what will be covered (and not covered) in this workshop.
- Ask the participants to think back to the role-play they did in Module 2, when they interviewed the various government officials about the maternal mortality situation in Sunrise State. Remind them that they were left with a number of possible budgetary causes contributing to the development problem of poor maternal health care.
- Invite one or two participants to re-state some of the budgetary causes that emerged during the Module 2 role play (or refer back to the flipchart paper where these were written down). For ease of reference, these could have included any or all of the following (amongst others):
 - The Sunrise State Department of Health does not have enough funds to deliver adequate maternal health services;
 - The Sunrise State District Health Services program is under-spending or wasting money.
 - Too little is being spent on training skilled birth attendants and/or on allocations to salaries for skilled birth attendants at primary health clinics.
 - There is corruption in the procurement of goods and services by the DHS program.
 - The performance of contractors responsible for supplying obstetric medicines and equipment is not being monitored and managed effectively by the Sunrise State Department of Health.
- Note that from **READING 7.1**, the participants now have some additional information (or opinions) about how the problem of poor maternal health services is manifesting *in practice* in the implementation of service delivery. The challenge now is to begin making sense of how these practical problems being experienced at the service delivery point can be tracked back to one or more specific budgetary causes.

- Knowing which budgetary causes are contributing to poor service delivery is essential for effective budget advocacy. Without understanding the causes, you cannot motivate for an effective solution, and a desired course of action.
- Against this background, ask participants to turn to **Task Sheet 7.4: What do the figures say?** in their Workbooks. Explain that this will be a plenary work session.
- Participants will also need to look at the State Spending Data and Health Budget Data in **Sections 8 & 9 of their Polarus Sourcebooks (pages 60 – 70)**. Alternatively, they could access these figures on their laptops in the **Polarus Master Data 2010 (Tabs 7, 21, 22 & 24)**.
- Draw the link back to **TASK 7.3**, where participants learnt that all government departments, including the Department of Health in Sunrise State, is obligated to report on how it spends its funds. So a useful step in any budget advocacy project is to go and see what the available budget figures say about the department or program you are monitoring.
- Lead the participants through the questions one by one in plenary. In each case, give them a chance to respond and invite individuals to volunteer answers, before correcting or discussing them as you proceed. Model answers are provided below.
- After completing this exercise in plenary, point out to participants that there are literally dozens of exciting calculations one can do using budget figures such as these. This is what participants learn to do when they attend the IBP's **General Intermediate Training** workshop.
- Undertaking extensive budget analysis is therefore **one way** of using secondary information to gather insight into the budget implementation process. In this module of the workshop, the focus will not fall on doing further calculations, although participants should feel free to use the budget data provided to support their advocacy group work as they see fit.
- Instead, the investigation in this module will now compare what the Sunrise State Department of Health was reporting for 2008, with what the Oversight institutions found when they scrutinized the department's expenditure for the same year.

ANSWERS TO TASK 7.4

1. The State Spending tables on pages 60 to 62 of the Polarus Sourcebook:
 - a) What years do they cover? **2005 and 2008**
 - b) Why are there two tables for 2005?

One gives budgeted figures and the other gives actual audited figures.

- c) What is the difference between the two sets of figures for 2005?

The budgeted figures are what the government was planning to spend. The actual audited figures reflect what funds were actually spent.

2. The correct figures for:

- a) How much did Sunrise State budget for health in 2005? ***1,811,000,000 Dinar***
b) How much did Sunrise State spend on health in 2005? ***1,766,000,000 Dinar***
c) How much did Sunrise State budget for health in 2008? ***4,027,000,000 Dinar***

Make sure all the participants have the right number of zeros.

3. The Maternal Health-related expenditures on pages 63 and 64: Note these figures are based on research commissioned by NGOs in Sunrise State. Why do you think it would have been necessary to commission such research?

It is often difficult to track a specific development problem or target group through government budgets. This is the case when it comes to maternal health in Polarus. There is no separate maternal health program in the larger health budget. Instead, spending on women who are receiving maternal health care is spread across several programs and budgets. So unless a government department collects the disaggregated data you need, it will take some dedicated research to try and establish exactly which expenditures ended up being spent on the issue you are monitoring. Even then, it is not always possible to extract the figures you need. Therefore the need to advocate for specific categories of disaggregated data is often an essential component of effective longer-term budget work.

4. The Maternal Health-related expenditures in Sunrise State on page 64:

- a) The total amount budgeted for maternal health-related services in 2005?
94,789,000 Dinar
b) The total amount actually spent on maternal health-related services in 2005?
73,309,000 Dinar

Ensure that all participants have the right number of zeros.

- c) If you compare these two figures, what do you notice?
There is a big discrepancy between the amount budgeted and the amount actually spent. This is called underspending, and when you undertake more in-depth budget analysis, it is often expressed as a percentage.
d) Is this a problem? If so, why?
Underspending is a serious budget problem. When you notice extensive or

repeated underspending on a given program or service, it often points to a lack of capacity, on the part of the implementing agency or responsible department, to operationalize projects and services. This may be due to poor management, a shortage of skills or other human resources, poor coordination with other programs, or other systemic problems that make it difficult to implement projects or deliver services. Underspending can also indicate poor planning, for example if a department overestimated the need for a service, or based its budget projections on poor data or faulty assumptions.

5. Look at the health budgets on pages 65 to 67. Can you tell from these whether Sunrise State is spending enough on health? Explain your answer.

It is impossible to tell from these budgets alone whether Sunrise State is spending enough on health. "Enough" is a relative term. You need to ask: Is Sunrise State spending enough on health relative to other states, or relative to the need for health services in Sunrise State, or relative to accepted international standards. Answering these questions would need further analysis and information. For example, if you knew how many people there are in each state, you could compare per capita spending on health and draw some conclusions.

SESSION 17

INVESTIGATING DEPARTMENTAL PERFORMANCE

Duration of session: 1 hour and 45 minutes

STRUCTURE OF THE SESSION

8. Task 7.5: Analyzing the Department of Health's Annual Report	30 minutes
9. Plenary discussion: What are the discrepancies?	15 minutes
10. Task 7.6: What does the 2008 Audit Report reveal?	45 minutes
11. Plenary discussion: Which explanation is supported by this evidence?	15 minutes

8. TASK 7.5: ANALYZING THE DEPARTMENT OF HEALTH'S ANNUAL REPORT

30 MINUTES

- **Aim:** for participants to practice extracting relevant information from government documents, and analyze what it reveals about a particular development problem.
- Ask participants to work in their Polarus CSO groups. They should begin by reading the extract from the 2008 Annual Report of the Sunrise State Department of Health. This appears in Section 10 of the Polarus Sourcebook (page 75).
- The questions to discuss in this group exercise are set out on **Task Sheet 7.5: Analyzing the Department of Health Annual Report** in the Participants' Workbooks.
- After 25 to 30 minutes, ask the participants to reconvene together in the training room.

9. PLENARY DISCUSSION: WHAT ARE THE DISCREPANCIES?

15 MINUTES

- Facilitate an informal report-back on the three questions raised in **Task Sheet 7.5**. Focus attention especially on the third question.
- The main points which should emerge from the discussion:
 - The department's apparent commitment to improving maternal health care through the initiation of the 'Saving Mothers, Saving Babies' project may provide an important leverage point for budget advocacy.
 - The explanations given for under-spending in the District Health Services and Emergency Medical Services programs are very vague. These should be key issues to follow up on.
 - The issue of staff shortages and questions around the qualification requirements for birth assistants is critical. This is a decision-making and recruitment process which the CSOs could try to influence through their advocacy.

- The stated 'turnaround' in Emergency Medical Services is at odds with other accounts of access to emergency care. The informant introduced to the group by the Polarus Times journalist, as well as the maternal health statistics in the Polarus Sourcebook bear out the fact that too few maternal health cases are successfully referred for emergency care in Sunrise State. This may be the single most significant factor contributing to the high maternal mortality rate.

10. TASK 7.6: WHAT DOES THE 2008 AUDIT REPORT REVEAL? 45 MINUTES

- **Aim:** to give participants an opportunity to extract relevant information from an audit report and consider what it reveals about a particular development problem.
- For this exercise, participants again work in their Polarus CSO groups. Invite them to read the Audit Report prepared by the Auditor-General's Office of Polarus and submitted to the Sunrise State legislature regarding the 2008 financial statements of the Sunrise State Department of Health. This appears in Section 10 of the Polarus Sourcebook (page 84).
- The questions to discuss in this group exercise are set out on **Task Sheet 7.6: What does the 2008 Audit Report reveal?** in the Participants' Workbooks.
- Hand out some large post-it notepads or some plain cards (around 6–8 should be enough) to each of the groups. Ask them to write their responses to Question 3 on the cards. Each card should have a different point. So for example, if a group can see a connection between the problem of poor data records concerning staff qualification and leave (as highlighted in the Audit Report) and the reports of birth assistants not being adequately skilled or on duty, this represents one point and should be written on its own card.
- After 40 minutes, ask the participants to reconvene together in the training room.

11. PLENARY DISCUSSION: WHICH EXPLANATION IS SUPPORTED BY THE EVIDENCE? 15 MINUTES

- Facilitate a report-back on **Task 7.6**, focusing especially on the connections made by the groups in Question 3. As facilitator, your primary aim during this report-back is to check that participants are able to see the links between the budgetary and management problems highlighted in the audit report, and how these could be manifesting in practical ways during service delivery.

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- Make sure everyone can see the three flipchart stands with the three explanations for the maternal mortality crisis in Sunrise State, as given by the three mock characters in **Reading 7.1**.
- Ask the participants to consider whether any of the points they wrote up on the cards in response to Question 3 of **Task 7.6** could be used as evidence to support any of the arguments presented on the three flipchart stands.
- Invite the participants to come up and attach any of their cards to support any of the explanations. This can be done by sticking the relevant post-it note or card up on the flipchart sheet/stand displaying the explanation they think it supports.
- Briefly discuss and review their findings, confirming where the participants have drawn strong and reasonable connections.
- Note that when CSOs (in the “real world”) undertake budget monitoring, they often repeat many cycles of gathering information, scrutinizing that information and considering how it can be used as evidence to support an argument. The more secondary documents you consult, the more layers or pieces of supporting evidence can be added to your advocacy message. You may not end up using every bit of information with every audience, but having a fuller picture of the problem strengthens your ability to diagnose and recommend a solution that can really have the desired impact.

SESSION 18

INVESTIGATING DEPARTMENTAL PERFORMANCE

(CONTINUED)

Duration of session: 1 hour and 45 minutes

STRUCTURE OF THE SESSION

12. Task 7.7: What does the Legislative Committee Report reveal?	30 minutes
13. Gallery walk: What explanation is supported by this evidence?	15 minutes
14. Role Play: How can we use this information for advocacy?	60 minutes

12. TASK 7.7: WHAT DOES THE LEGISLATIVE COMMITTEE REPORT REVEAL?

30 MINUTES

- **Aim:** For participants to follow the oversight process further by studying a legislative committee report, as another example of a secondary information source that can be used for budget advocacy around a particular development problem.
- Ask the participants to read the Resolutions & Recommendations of the Sunrise State Portfolio Committee on Health, Oversight Report 2008. It appears in Section 10 of the Polarus Sourcebook (page 88).
- This exercise is again a group task, to be conducted in their Polarus CSO groups. The questions to be addressed are similar to the previous exercise, and appear in the Participant's Workbooks on **Task Sheet 7.7: What Does the Legislative Committee Report Reveal?**
- Again make sure that all the groups have post-it notes or cards to write up their responses to Question 3.
- After 15 minutes of discussion time, circulate amongst the groups to make sure they have begun writing up their points onto cards.

13. GALLERY WALK: WHAT EXPLANATION IS SUPPORTED BY THE EVIDENCE?

15 MINUTES

- When the groups have completed their discussions of the Legislative Committee Report, invite them to add any additional cards or post-its emerging from **Task 7.7** to any of the explanations on the three flipchart stands.
- Ask all the participants to circulate and revisit the three explanations at their own pace, and take stock of all the information they have now clustered under the different arguments or issues.
- This can be a reflective time for participants to think through their findings or you could use this

time as facilitator to consolidate the main points emerging from the group discussions. (However, the following role play will provide you with an opportunity to see how well the participants have understood and internalized the last two learning objectives of this module).

14. ROLE PLAY: HOW CAN WE USE THIS INFORMATION FOR ADVOCACY?

60 MINUTES

- **Aim:** to use the information gleaned from secondary documents about a government department to build an argument concerning service delivery and back it up with evidence.
- Ask the participants to imagine that they are back in Polarus, and that the Sunrise State Portfolio Committee on Health is holding public hearings. As member organizations of the Healthy Mothers, Healthy Children coalition, the participants' CSO groups all have the opportunity to make an oral submission to the Committee about the maternal health situation in Sunrise State.
- Invite the groups to take 15 minutes to prepare what they will say to the Portfolio Committee.
- They will have a maximum of 7 minutes per group to make their submissions. The groups should:
 - Choose one critical problem contributing to poor maternal health care to focus on rather than trying to cover all the various aspects.
 - Make use of the evidence gathered from secondary information sources in this Module to back up their argument.
 - Explain the problem, recommend a solution, and propose what action they would like the Committee to take.
- After 15 minutes preparation time, urge the groups to gather together. Ask the facilitation team or one or two of the groups to play the role of the Portfolio Committee members, while each of the Polarus CSO groups has a chance to make their oral submission.
- Be strict about keeping the submissions to no more than 7 minutes per group. In this role play, the emphasis is not on providing a comprehensive analysis of the issue and its budgetary causes. The aim is rather to encourage the participants to think strategically about how they can use the information they have gathered for advocacy. They should show that they understand the role of the Legislative Committee as an oversight body, and not an implementing agency.
- When all the groups have made their submissions, provide an opportunity for constructive feedback. Draw attention to examples of how they chose their information strategically and used

evidence effectively for advocacy to this particular target group. Give suggestions on how participants could improve at:

- diagnosing the budget causes contributing to a development problem;
 - identifying appropriate solutions; and
 - defining a desired course of action that the target audience could take.
- At the end of the Module, participants spend 30 minutes working on their budget advocacy projects in their own country contexts.

TASK SHEET 7.2: BUDGET MONITORING DEFINITIONS

Choose one of the terms in the box below to match each of the definitions in the table.

Functional classification ❖ Disclaimer of audit opinion ❖ Appropriation Gross domestic product ❖ Audit opinion ❖ Public Accounts Committee Budget execution process ❖ Cash accounting ❖ Economic classification ❖ Warrant Procurement ❖ Financial statements ❖ Performance measurement ❖ Virement Qualified audit opinion ❖ Emphasis of matter ❖ Accrual accounting Unauthorized expenditure ❖ Unqualified audit opinion Financial management

Definition	Key Term
This is given when an auditor disagrees with or is uncertain about one or more items in the financial statements that are material but not fundamental to an understanding of the statements.	
An authority granted under a law by the legislature to the executive to spend public funds, up to a set limit, for a specific purpose.	
It is given by an auditor at the end of an audit investigation.	
A form of accounting that records only cash payments/receipts and records them at the time they occur.	
The process of transferring an expenditure provision from one line-item to another during the budget year.	
It is issued by the auditor when s/he is unable to arrive at an opinion regarding the financial statements taken as a whole, due to fundamental uncertainty.	
A form of accounting that records fund flows at the time economic value is created, transformed, exchanged, transferred or extinguished.	
A separate paragraph of an audit opinion in which the auditor points out unusual or important matters that are necessary to a proper understanding of the financial statements.	

MONITORING BUDGET IMPLEMENTATION
Facilitator's Manual

Definition	Key Term
An aggregate measure of production, equal to the sum of the gross values added of all residents engaged in production (plus any taxes, and minus any subsidies on products not included in the value of the outputs).	
These are prepared by a reporting entity to communicate information about its financial performance and position.	
The categorization of expenditures (or expenses) and financial assets according to the purpose for which the transactions are undertaken.	
This begins once the legislature has enacted the budget law, and mandates the executive to collect revenue and spend public funds according to the allocations contained in that law.	
Assessment of the efficiency and effectiveness of a program or the activities of an organization through an examination of the relevant inputs, processes, outputs and outcomes.	
The process whereby a government buys something, including the identification of what is needed, determining who should supply the need, and ensuring delivery of what has been bought.	
A group of representatives within a legislature which is formally mandated to scrutinize and oversee the financial management of public resources.	
Money that was spent for purposes other than for which it was allocated, or expenditure in excess of what was allocated.	
This is given when an auditor is satisfied in all material respects that the financial statements have been prepared using acceptable accounting practices, and that they comply with statutory requirements and disclose all relevant material matters.	
The legal and administrative systems and procedures put in place to permit government ministries and agencies to conduct their activities so that the use of public funds meets defined standards of probity, regularity, efficiency and effectiveness.	
The categorization of expenditures (or expenses) and financial assets into categories which emphasize the economic nature of the transactions involved – for example: salaries, interest, transfers.	

Definition	Key Term
A release of all or (more commonly) a part of the total annual appropriation on a quarterly or monthly basis that allows a line ministry or spending agency to make commitments.	

TASK SHEET 7.3: OVERSIGHT ROLES IN POLARUS

Read the following sections of the Polarus Sourcebook:

- The “Legislation governing oversight in Polarus” in Chapter 2 (page 15).
 - The extracts from the Public Finance Management Act in Chapter 5 (page 30)
 - The regulations regarding financial reporting in Polarus (page 35).
- a) In Polarus, what responsibilities do Ministries, Departments, and Agencies have in terms of reporting on their budgets and performance?

- b) In Polarus, how are the Legislatures and Legislative Committees required to exercise oversight over government departments?

c) In Polarus, what are the responsibilities of the Auditor General with regard to oversight over government departments?

d) When they oversee the budget implementation of government departments, what should the oversight institutions be on the look-out for?

READING 7.1: HMHC & THE DEPARTMENT OF HEALTH

The Healthy Mothers, Healthy Children coalition has welcomed your organization into the network, and expressed excitement that you are willing to undertake some budget monitoring research to strengthen the campaign in Sunrise State. The secretariat of the Coalition has asked you to investigate what is happening in the health service delivery process to cause such a high maternal mortality rate in the city of Mortalia.

To inform your budget monitoring of the Sunrise State health department and its implementation of maternal health care in Mortalia, you have met with a number of role-players with an interest in the health sector and asked them what they think is causing the high incidence of maternal mortality. Your aim has been to gain a broad sense of the obstacles and weaknesses in maternal health service delivery. So far you have found out the following.

First, you met with a senior researcher at Sunrise State University, who works in the Health Systems Research Unit (HSRU). This academic organization has undertaken some in-depth research of the problems experienced at three primary health clinics and two secondary hospitals, and conducted interviews with various medical experts in the field. The senior researcher summarized their findings like this:



There simply aren't enough skilled birth attendants on duty at primary health clinics to provide maternal health services. Our research shows that even those nurses who are present are not necessarily qualified in obstetric care.

Next, you met with a Member of the Sunrise State Legislature, a veteran MP and one of the stalwarts of the women's movement in Polarus. She is a member of the APSP Opposition Party, as well as the Legislature's Portfolio Committee on Health, and has been known to take a special interest in maternal care and child health. She gave you the following perspective:



The problem is clear, my friends. With the rapid urbanization Mortalia has experienced, we now have a drastic shortage of clinics in the city. The governing party has promised to build more health facilities, but as always they have let us down. They should explain this to the women of Sunrise State!

You also managed to set up a meeting with a journalist who works for the **Polarus Times**, who has a reputation for investigative reporting on health issues. He agreed to introduce you to one of his sources, an ex-employee in the state primary health system in Sunrise State. She was willing to share her experiences with you, on condition of anonymity, and told you this:



It's the ambulance services: they hardly ever came when we needed them. Also, many of the drivers were charging private fees for transporting patients. I saw families paying bribes to get a wife or daughter from the clinic to a hospital in an emergency. They are a law unto themselves, those ambulance drivers.

* * *

Which of these explanations is true? Who is right about the main service delivery problems undermining maternal health in Mortalia?

Remember there could be more than one set of factors contributing to the poor implementation of maternal health care in Sunrise State.

However, in order to advance your budget advocacy, you need specific and accurate information to back up any claims you make about the problem and desired solution to improve maternal health.

TASK SHEET 7.4: WHAT DO THE FIGURES SAY?

1. Look at the State Spending tables on pages 60 to 62 of the Polarus Sourcebook.

a) What years do they cover? _____

b) Why are there two tables for 2005? _____

c) What is the difference between the two sets of figures for 2005? _____

2. Write down the following figures:

a) How much did Sunrise State budget for health in 2005? _____

b) How much did Sunrise State spend on health in 2005? _____

c) How much did Sunrise State budget for health in 2008? _____

3. Look at the Maternal Health-related expenditures on pages 63 and 64. Note these figures are based on research commissioned by NGOs in Sunrise State. Why do you think it would have been necessary to commission such research?

4. Study the Maternal Health-related expenditures in Sunrise State on page 64. What was:

a) The total amount budgeted for maternal health-related services in 2005? _____

b) The total amount actually spent on maternal health-related services in 2005? _____

c) If you compare these two figures, what do you notice? _____

d) Is this a problem? If so, why? _____

TASK SHEET 7.4: WHAT DO THE FIGURES SAY? (CONTINUED)

5. Look at the health budgets on pages 65 to 67. Can you tell from these whether Sunrise State is spending enough on health? Explain your answer.

TASK SHEET 7.5: ANALYZING THE DEPARTMENT OF HEALTH'S ANNUAL REPORT

Read the extract from the **2008 Annual Report of the Sunrise State Department of Health**. It appears in Section 10 of the Polarus Sourcebook. Then discuss these questions in your group.

1. What are some of the achievements claimed by the Sunrise State Department of Health for the 2008 financial year?

2. If this Annual Report was your only source of information about the health sector in Sunrise State, what impression would you have of maternal health care in the state?

3. What information in this Annual Report gives you cause for concern and might be important for your budget advocacy?

TASK SHEET 7.6: WHAT DOES THE 2008 AUDIT REPORT REVEAL?

Read the report prepared by the Auditor-General's Office of Polarus and submitted to the Sunrise State Legislature regarding the 2008 financial statements of the Sunrise State Department of Health. It appears in Section 10 of the Polarus Sourcebook. Then discuss the following questions as a group.

1. What problems are raised in the Audit Report?

2. Which of the problems you listed above could be contributing to inadequate maternal health care in Sunrise State?

3. For each problem highlighted in the audit report that you decide is relevant, explain **how** it could be undermining effective service delivery to women in need of maternal health care. Write each point on a separate card handed out by the facilitator. For your own records you can also capture your ideas in the space provided on the following page.

TASK SHEET 7.7: WHAT DOES THE LEGISLATIVE COMMITTEE REPORT REVEAL?

Read the 2008 Oversight Report of the Sunrise State Portfolio Committee on Health. It appears in Section 10 of the Polarus Sourcebook. Then discuss the following questions as a group.

1. What problems are raised in the Portfolio Committee's Oversight Report?

2. Which of the problems you listed above could be contributing to inadequate maternal health care in Sunrise State?

3. For each problem highlighted in the legislative committee report that you decide is relevant, explain **how** it could be undermining effective service delivery to women in need of maternal health care. Write each point on a separate card. For your own records you can also capture your ideas in the space provided on the following page.

