

Module 7: Using Secondary Information to Monitor Budget Implementation

TASK SHEET 7.1: EXPERIENCES OF MONITORING BUDGET IMPLEMENTATION

In buzz groups, discuss the following questions:

1. What experiences have you had of accessing and using secondary information from:
 - Government Ministries, Departments, and Agencies?
 - Legislative Committees who are tasked with oversight of the departments or sectors that you are focusing on?
 - The Supreme Audit Institution in your country?
2. How have you used secondary information from these role players to support your budget advocacy work?
3. What challenges have you faced in accessing or using secondary information, and how did you overcome these challenges?

NOTES

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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.

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

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<p>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.</p>	
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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.	

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<p>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.</p>	
<p>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.</p>	

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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.	

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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?

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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?

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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?

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.

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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 *Polaris 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?



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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



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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.

How problems highlighted in the Audit Report could be contributing to poor maternal health **care in Sunrise State:**

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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

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each point on a separate card. For your own records you can also capture your ideas in the space provided on the following page.

How problems highlighted in the Oversight Report of the Portfolio Committee could be contributing to poor maternal health care in Sunrise State:
