

Expenditure Analysis of Central Budget Organizations and Planning Based on the Results of the Analysis

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Abstract: Excessive planning occurs due to errors and shortcomings in the allocation of funds to the cost estimates of central budget organizations. In this case, the development of solutions based on specific proposals and recommendations in the activities of the centralized accounting service. Activities and tasks of the internal audit service in budget organizations. Conclusions and recommendations for improving the activities of the centralized accounting service.

Keywords: accounting, bookkeeping, fixed assets, balance sheet, internal audit, public financial control, reporting, staffing table, cost estimates, revenues and expenses

Introduction

Presidential Resolution of the Republic of Uzbekistan on August 21, 2017 PR-3231 "On further improving the mechanism of financing of educational and medical institutions and the system of public financial control" further increase and strengthen public control over it, prevention of violations of budget legislation through budget financing, improvement of accounting and reporting mechanisms, increasing the responsibility of ministries and departments to strengthen budget discipline in subordinate institutions, as well as the introduction of modern information technology and internationally recognized financial control standards adopted in order to radically reconsider the role of public financial control in the acquisition and prevention.

Individual secondary school accounting services have been terminated as a result of this decision, and centralized financial and accounting services have been formed in district (city) public education institutions. Preparation and implementation of cost estimates for subordinate institutions, calculation of wages, payment, procurement of goods, works, and services, accounting of budgetary and extra-budgetary money, goods by type of activity are all centralized financial and accounting services (works, services).

Today, in order for individual accounting in educational institutions to be effective, the school principal has been required to have significant accounting knowledge. Naturally, when school principals lacked sufficient understanding, different infractions of the law occurred. Someone tries to give premiums to their acquaintances by misappropriating monies from the director's fund. We've received several public complaints regarding this issue throughout the years. Based on this decision, the district (city) public education agencies formed a consolidated financial and accounting service, and a mechanism was constructed to eliminate such unfavorable conditions and corruption.

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Literature review

Several research institutions and institutes throughout the world are conducting research to improve public sector accounting and internal auditing. It is organized by the President of the Republic of Uzbekistan's Academy of Public Administration, the Academy of Banking and Finance, and other institutions. In study on enhancing public sector accounting and internal audit procedures, a number of scientific conclusions have been established.

Instead of the category "accounting," the category "budget accounting" will be used. The so-called budget accounting in budget organizations has been discussed by a number of academics. (Sheshukova, 2011).

The fact that budget accounts are tied to budget execution and the use of budget categories in accounting explains why they are termed budget accounts. The use of budget accounting and bookkeeping ideas revealed various discrepancies in accounting nature. (Razuvayeva, 2011).

Accounting is an important aspect of the budgeting process in budgeting companies. It is permissible to interpret the execution and control as a systematic system of recording, summarizing, and presenting information about the status of assets and liabilities, as well as the transactions that led to their change, when organizing the execution and control. There are a few quirks in the way accounting is organized in budget organizations. These are, first and foremost, directly tied to the budget organization's ownership, the principles of state budget preparation and execution, and a variety of other issues (Mekhmonov, 2016).

Internal auditors determine the number and composition of working papers for the internal audit service in budget organizations based on the nature of the objects under investigation. Internal audit working papers on income and spending estimates, accounting and control of budget execution, and financial statements are created separately in budget organizations. Samples of internal audit working papers in budget organizations were generated and recommended as a result of the study (Mekhmonov, 2016).

To strengthen the methodological framework for public sector accounting and internal auditing, research is being performed in the following priority areas around the world: harmonization of public accounting in countries that use international accounting standards; expanding the information capacity of financial statements through the adoption of accounting standards in the public sector; extensive use of the internal audit service in the financial control of public expenditures; development of internal audit and financial control to meet modern requirements; achieve cost reductions in organizations through the effective use of accounting and internal audit.

Despite the fact that significant research has been done in this field, there has been little or no scientific research on centralized accounting services. I gathered the essential information by reading a lot of books and articles on the subject. An accurate article was created as a result of processing the data obtained throughout the investigation.

Research methodology

The research used theoretical and generalization, grouping, logical and comparative analysis methods and other methods of scientific knowledge of economic realities and processes.

Analytical discussion

We selected centralized secondary schools in the system funded by the Ministry of Public Education as the object of study for study and analysis.

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In the first half of 2021, the Department of State Financial Control and its territorial departments conducted 3,480 inspections (2,010 in the first half of 2020) on compliance with budget discipline and targeted use of budget funds. Violations of budget discipline, shortages of money and material resources, and unreasonable expenditures were identified in the amount of 313.7 billion soums, of which 313.7 billion soums were restored to the budget.

During the reporting period, violations of financial legislation on salaries and similar payments in the budget organizations amounted to 120.1 billion soums, including cases of theft and deficit amounted to 25.4 billion soums. During the reporting period, the number of violations and other errors in the ministries was as follows:

Out of 455 inspections carried out in the system of the Ministry of Public Education, 336 violations were detected in the amount of 65.2 billion soums, which is 3 times more than in the corresponding period of 2020 (21.5 billion soums).

In 96 out of 117 inspections carried out in the system of the Committee for Motor Roads under the Ministry of Transport, violations worth 59.3 billion soums were detected (in the first half of 2020, 981 million soums of violations were detected).

Out of 454 inspections carried out in the system of the Ministry of Preschool Education, 368 violations were detected in the amount of 59.2 billion soums, which is 8.5 times more than in the corresponding period of 2020 (7 billion soums).

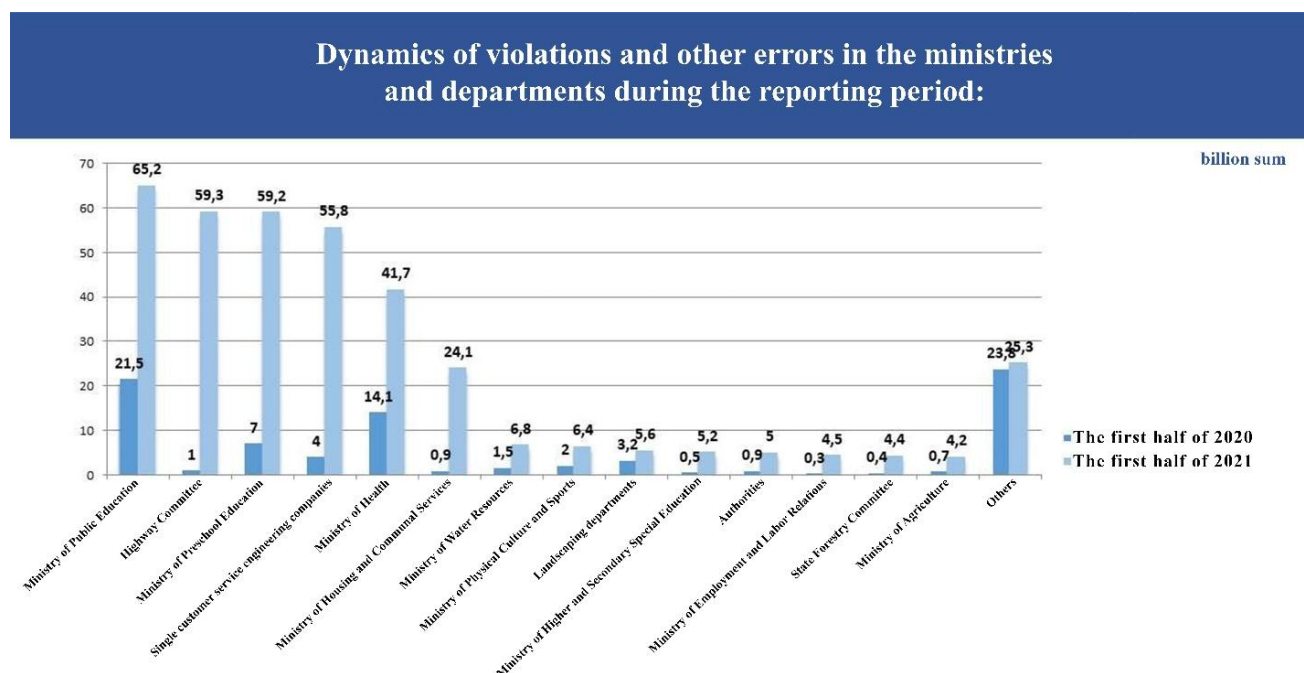
Out of 514 inspections carried out in the system of the Ministry of Health, 390 violations were detected in the amount of 41.7 billion soums, which is 2.9 times more than in the corresponding period of 2020 (14.1 billion soums).

Of the 136 inspections carried out in the system of the Ministry of Housing and Communal Services, 129 violations were detected in the amount of 24.1 billion soums (in the first half of 2020, 903 million soums of violations were detected).

Also, Water Resources (6.8 billion soums), Physical Culture and Sports (6.4 billion soums), Higher and secondary special education (5.2 billion soums), Employment and the Ministries of Labor Relations (4.5 billion soums), Agriculture (4.2 billion soums), Defense (3.2 billion soums), Culture (2.6 billion soums) and State Committees for Veterinary and Livestock Development (4.7 billion soums), Forestry (4.4 billion soums), Ecology and Environmental Protection (3.1 billion soums) and large-scale financial irregularities have also been identified in budget organizations in their system.

In addition, the control measures carried out in khokimiyats (5 billion soums), authorities' landscaping departments (5.6 billion soums), engineering companies "Single Customer Service" under the authorities (55.8 billion soums) financial irregularities were found.

Dynamics of violations and other errors in the ministries and departments during the reporting period:

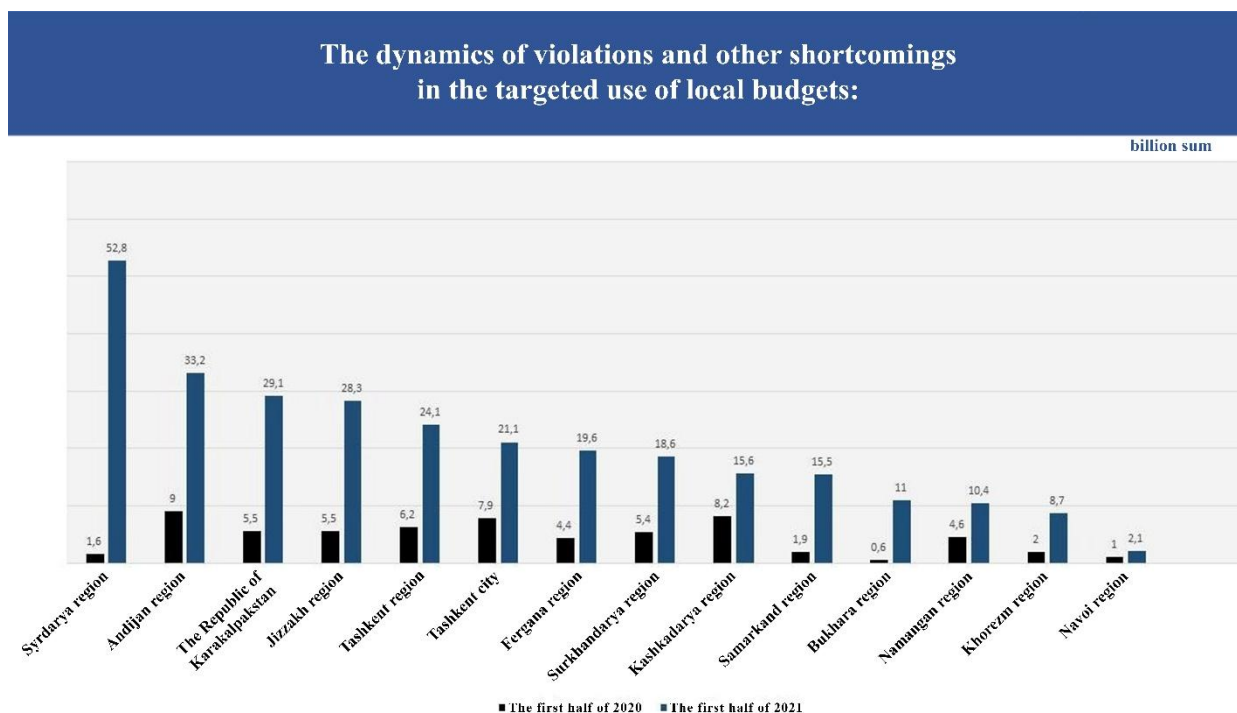


A total of 290 billion soums were spent on control over targeted use of local budgets, including in the Syrdarya (52.8 billion soums), Andijan (33.2 billion soums), Jizzax (28.3 billion soums), Tashkent (24.1 billion soums), Ferghana (19.6 billion soums), Surkhandarya (18.6 billion soums), Kashkadarya (15.6 billion soums), Samarkand (15.5 billion soums) and Khorezm (8 billion soums) regions, The regions and the city of Tashkent (21.1 billion soums) and the Republic of Karakalpakstan (29.1 billion soums) revealed financial irregularities and other shortcomings.

As a result of the measures taken during the control measures, a total of 52.9 billion soums of budget funds were prevented due to the reduction of overspending in the budget estimates and staffing tables and the cessation of other illegal expenditures.

Twelve heads and other officials of budget-funded organizations have been charged with administrative offenses for violating budget legislation and sent to administrative courts for consideration.

The dynamics of violations and other errors in the targeted use of local budgets:



In addition, 369.9 billion soums of violations identified in 2,696 control measures were sent to law enforcement agencies for legal assessment.

Conclusion and suggestions

In short, a lot of work is being done. Many issues are being addressed today. The centralized accounting service is fully justified in a short time. We believe that this is due to the strengthening of the material and technical base and the selection of staff.

As a result, timely funding of the centralized accounting service lowers errors and omissions, lowering misappropriation, deficit, misuse, and overhead expenses discovered by the internal audit service and the public financial control system.

There is still a lot of work to be done to improve the functioning of the centralized accounting service.

The implementation of the developed scientific, theoretical, and practical recommendations will help to implement the tasks set out in the concept of improving public sector accounting and reporting in the process of public finance reform and the New Uzbekistan Development Strategy for 2022–2026.

Establishing remote information and data exchange between budget organizations and the Centralized Accounting Service through the introduction of IT (innovative technologies) saves extra costs and time.

Continuous training, retraining, and advanced training of employees of the centralized accounting service at the Training Center under the Ministry of Finance will increase the efficiency and quality of service.

Electronic management and control of fixed assets and commodities located in budget organizations through a special device based on foreign experience.

The monthly salaries of employees of budget organizations are financed according to the table, which means that turnstiles and video cameras should be installed to monitor employees.

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