

The Annual Plan for the year 2006

Introduction :

The Financial and Administrative Control Bureau aims to ensure right performance and financial and administrative stability in the judiciary, legislative and executive authorities of the P.N.A.. As well it seeks to reveal forms and instances of financial and administrative deviation, including profiting from public office and to verify whether or not performance proceeds in consistence with and within the limits of effective laws, codes, regulations and instructions. It also aims to ensure that work is done cost-effectively.

Translating the mission and goals of the Bureau requires a quality of administrative and financial control which goes in line with the financial control standards adopted by the INTOSAI, particularly the Lima Declaration on the basic principles of financial control, the Berlin Declaration, International Transparency Organization, and other world, regional and local organizations operating in the domain of control. This effort requires restructuring work in the Bureau so that would it become institutionalized in consistence with the requirements of up-to-date financial and administrative control in their various forms. Accordingly, if we try to apply the INTOSAI principles on the Palestinian reality, we will have to take into account a host of legislative considerations, traditions, domestic conditions and the Israeli occupation Policies in order for the Bureau to carry out its responsibilities efficiently.

The foundations for the Bureau's success in doing its job, then, rest on the following. Firstly, on the P.N.A. President's sincere and staunch will to activate the Bureau and to enforce applicable laws and regulations on all institutions; secondly, on the existence of a body of laws and codes that need to be put to force; thirdly, on a staff who are qualified in the area of control, albeit in need of further training and development; fourthly, on the European Union and the Quartet's determination to reinvigorate the Bureau and to supply it with the infrastructure needed to achieve its aims; fifthly, on the willingness of institutions under the Bureau's control to receive high quality control; and finally on the public incessant demand to enforce all laws and regulations on all parties.

The factors that bear on the resources needed by the Bureau to achieve its aims lie in its adaptability to new developments in the area of traditional administrative and financial control; performance control; increasing spending control; governmental austerity policy; communication with PLC members; recruitment in competitive labor market; volume and diversity of sources of support, aids, loans from donor

countries; the role of governmental institutions; the Israeli occupation policies and the Palestinian economy performance.

The Bureau aspires to provide institutions subject to its control with the best control services while exercising its preemptive (preventive) control; regular control; and performance control efficiently and effectively by building a solid and appropriate system of performance appraisal, non-biased investigation of the outcome of public money management, devising precise controls to ensure credibility of the system outputs, all of which will help prepare more balanced, objective and accurate reports, highlighting the risks that show in regular administrative and financial control systems, as well as in performance control and management with a view to giving the best possible results to the institutions in financial, economic and social terms, which will ultimately yield a control-for-development policy.

As a matter of fact, the Bureau staff aspire to promote work in administrative and financial control to the level of partnership between the Bureau and the institutions subject to its control. This of course requires the staff to change the concept and culture of control which renders it repulsive and even resistible into a culture of the need for high quality control services required by all institutions subject to the Bureau control as well as by employees. This, in its turn, requires an atmosphere of confidence and trust between internal and external control systems which can be created by openness and informal communication. In addition, it requires dealing with internal control units as pivotal to cooperation, forward thinking, and early exchange of ideas which affects the size of direct administrative and financial control needed from the Bureau which endeavors to computerize its work, thus elevating it from individual control to system control in terms of data processing and recording.

In addition, the Bureau personnel are determined to take the challenge of working under extraordinary conditions, a challenge a rapidly growing challenge which is becoming so sizeable and costly for us in the Bureau that it oftentimes gets out of our control. For this purpose, we will work according to an annual plan which is objective, flexible and makes compatible the Bureau's capacities and financial resources which are too limited for its management of its affairs.

Institutions subject to the Bureau's control – control mechanisms:

In order to act in consistence with the INTOSAI financial control rules, the Bureau endeavors to render high quality control services under the limited resources available to it by exercising financial and administrative control over all the operations of the institutions subject to its control. Further, for the purpose of adjusting its capacity to its role, the Bureau uses a sampling control mechanism

which it conducts objectively through a system in which samples are numerous enough to make possible judging the legitimacy, use and efficiency of public money management. For this to be achieved, the Bureau is aspiring to do the following activities in 2006: assessing internal control system, monitoring budget and balance implementation, checking and appraising the accuracy of financial records, exercising control over financial operations and systems assessing their consistence with effective laws, ensuring the appropriateness of administrative decisions taken in institutions subject to the Bureau's control, ensuring that the principle of economy is observed in economic activities, and efficient utilization of human and financial resources. Accordingly, the Bureau categorized the entities under its regular control into the following:

1. Public Authorities:

- The P.N.A. Presidency and its institutions
- The Executive authority: which includes the Council of Minister, civil ministries and security organs
- The Legislative authority: which includes the Legislative Council and all institutions affiliated with it
- The Judiciary authority and courts in their various degrees

2. Local agencies: which include municipal, rural and joint councils

3. Unions, syndicates and associations: which include non-governmental organizations, societies, clubs and centers.

4. public institutions and corporations: which include funds, ventures, establishments and corporations partly or wholly owned by the P.N.A or which mange or are authorized to manage a public facility.

Work Plan:

Based on the above, the 2006 Bureau strategy will focus on adjusting its role to its capacities, revitalizing the Bureau, reinvigorating public institutions and enhancing public interest by the following:

I- Capacity building and professional development:

Notes	Timelines	Item	No.
70% achieved	Until June	Developing and approving the organizational chart,	1

		personnel lay-up schedule and placement of staff in it	
30% achieved	Until July	Developing and endorsing administrative and financial regulations governing the Bureau work, along with an incentives system that draws outstanding experts.	2
50 staff	Until June	Supporting the Bureau with staff who enjoy good reputation, integrity, academic qualification, and adequate professional experience.	3
According to training plan	Round the year	Practical training for all staff members at home and abroad focusing on quality training on preemptive and regular control.	4
Starting from zero	Two years	Graded transition to automatic and computerized audit after equipping the Bureau with all necessary equipment and systems	5
Underway	April and round the year	Reorganization and computerization of the Bureau's library and furnishing it with specialized books and periodicals	6
Underway	Until July	Developing a manual of administrative and financial control according to international standards and to control codes issued by higher entities, particularly Berlin Declaration and Lima Declaration	7
Underway	February	Making adjustments to the Bureau's annual plan according to the working plans	8
Underway	April – June	Establishing an efficient public relations department	9
Current seat is inappropriate	March	Purchasing or leasing a seat in Ramallah	10
Over facb.gov.ps	March	Designing a web page of the Bureau and including all civil employees in the governmental; e-mail	11
	Till the end of the year	Reconsidering the Bureau Law in consistence with international control standards	12

II- Control activities:

In implementation of the principles of transparency and accountability, and in order to protect and promote public money; and based on the need to adopt a policy of austerity that goes in line with the deteriorating financial, social and economic conditions of the Palestinian people; and in order to enhance credibility and trust in the policies adopted by the Presidency and Government, the Bureau undertakes the following:

Notes	Timelines		Item	No.
	To	From		
The demand has been made and the PNA President was very responsive	March	February	Demanding top PNA officials; including the PNA Presidency, the Palestinian Legislative Council, the Council of Ministers, ministers, and all other persons subject to the Bureau's control; to submit statements of financial affairs	1
Underway	The year round	March	overseeing the development of the organizational chart and the by-law regulating the action of institutions under the Bureau's control and competing the placement of staff.	2
Issued and under follow-up	April	February	Rationing government vehicle use, devising a travel scheme in all public institutions and restricting vehicle use after work hours to ministers, deputy ministers and director generals	3
Under consideration	July	March	Assessing the feasibility of communication, transportation fuel coupons, residence allowance, and special and official assignment systems	4
Underway	July	March	Following-up inventory of supplies in public institutions and preparation of the financial positions of all economic institutions	5
	Till end of year	March	Indirectly monitoring the private sector by activating the role of the corporation comptroller by obligating private enterprises to articles of association, especially the clause on submission of annual budget on due time	6
First meeting was conducted on 28/3/2006	Round the year	February	Activating the role of internal control units in all institutions under the Bureau's control by periodic meetings and by helping them to lay down regulations needed to promote them to comprehensive quality control	7
Under discussion and analysis	May	March	Studying and analyzing the PNA budget and discussing it with concerned parties, especially the PLC	8
	Round	April	Auditing spending (budget and balance	9

	the year		sheet) of top PNA officials on a monthly basis and according to effective laws.	
	Round the year	Monthly	Ensuring institutions adherence to the general budget law and revealing and redressing any deviations thereof	10
Underway, but needs further activation			Ensuring transparency in inviting, awarding and executing government tenders by exercising regular control on governmental projects contracts	11
Round the year			Auditing transactions for sale administration and lease of state-owned lands and real property	12
Round the year			Reviewing grants, aids and donations, offered to the PNA, particularly technical aid	13
Round the year	April	March	Reinforcing and reactivating the policy of financial disclosure in non-governmental institutions	14
Arrangements are being made now to visit Jordan, Egypt, KSA, Tunisia UAE, , and all international organizations	December	April	Strengthening ties with competent national, Arab and international organizations, especially INTOSAI, ARABOSAI and EUROSAI, the International Transparency Organization and the Asian Supreme Agencies Organization, as well as arranging for reciprocal visits.	15
Underway			Forming consultative commissions to help the Bureau in carrying out its responsibilities	16
Under preparation, round the year			Conducting studies and research and preparing reports through the General Directorate of Studies and Research; as well as holding scientific conferences and seminars on financial and administrative control	17

III- Following-up public money protection files:

In execution of the laws on protection of public money, which cannot become void by conscription, the Bureau will follow-up all files connected with abuse of public money by providing necessary authentic and admissible evidence and affirmative proofs requisite to regain abused public money in cooperation with the PNA Presidency, the Legislative Council and the Attorney General.

IV- Public complaints and press probes:

In order to strengthen ties with the public and media (the fourth authority), to promote the culture of accepting the other in institutions subject to the Bureau's control and to put an end to tendentious rumors by practicing good governance, abiding by the principle of transparency; the Bureau conducts the following activities:

- examining and responding to any complaints filed by the public in relation with any institutions under the Bureau's control.
- Following-up the outcomes of complaint examination at institutions under the Bureau's control.
- Monitoring press, media and web investigations on deviant financial and administrative practices in institutions under the Bureau's control and taking necessary action to correct such deviant practices.

V- Economic performance:

As a matter of fact, economic performance is reflected economically, politically and socially, both positively or negatively, on all individuals, and its impact is usually more manifest on the public sector in its general budget (income and spending); consequently on total economic activity. Therefore, and based on government- accredited plans, the Bureau carries out the following tasks:

- Reviewing and assessing economic growth indicators in comparison with the economic plan, rate of unemployment and poverty.
- Examining any essential deviations of economic indicators, their causes, and present and future treatment methods.
- Auditing and controlling public borrowing, its growth and impact on economic growth
- Exercising control on general revenues.

VI- Report Preparation:

Based on the above, and in execution of the provisions of the Financial and Administrative Control Bureau Law, quarterly and biannual reports will be prepared, along with any other reports required by the PNA President, the Legislative Council and the Council of Ministers. Nonetheless, given the Bureau's limited resources, the Bureau may be able to prepare only biannual or annual reports which it will seek to be accurate, detached, and authentic based on the solid proofs of financial and administrative deviation in managing public money. Therefore, the Bureau will furnish the PNA Presidency , the Legislative Council, the Council of Ministers, institutions under the Bureau's control, and mass media with authentic and documented information. Such reports will expose all fraudulent practices and gross violations it found out and will present legal mechanisms for redressing and managing them. As well, these reports will show all achievements made by both public and national institutions to make best possible use of them.