



*República del Paraguay*



*Ministerio de Hacienda*

**AXIS TO FIGHT AGAINST CORRUPTION AND IMPUNITY**

## 2007 IGCFM Winter Conference

# Project Improving the Financial Management Information System (FMIS)

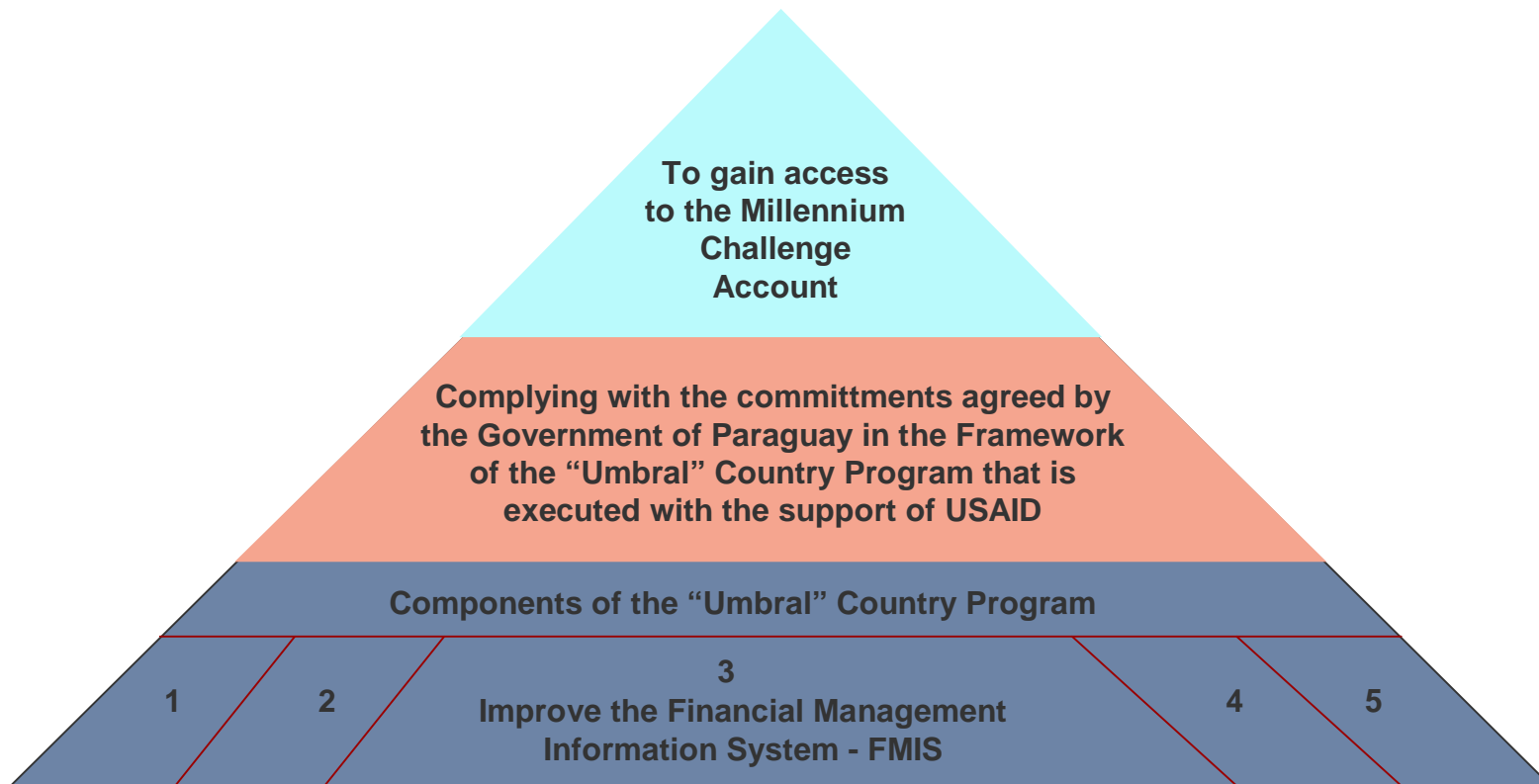
**December 2007**

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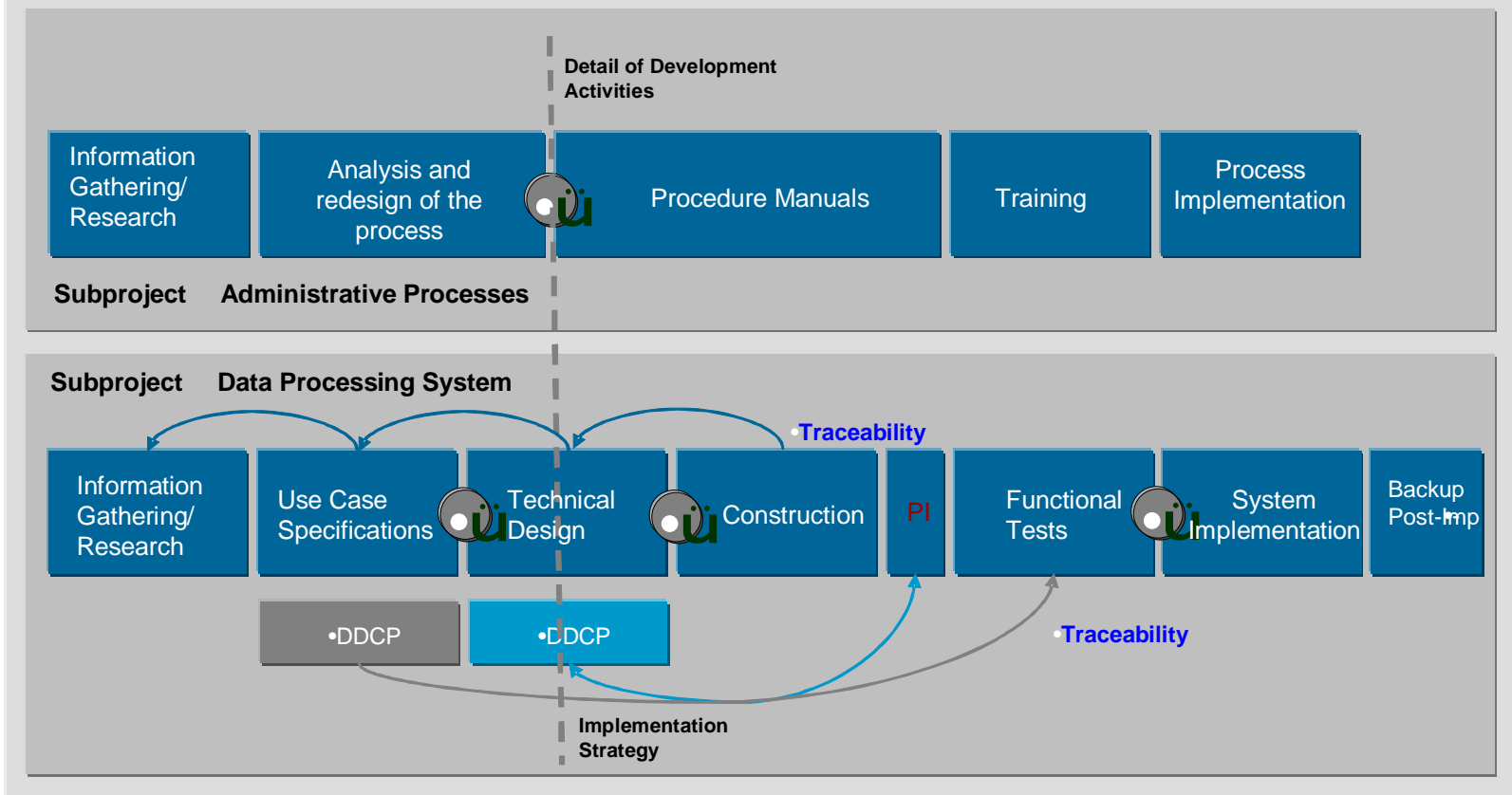
## 1. FMIS Background



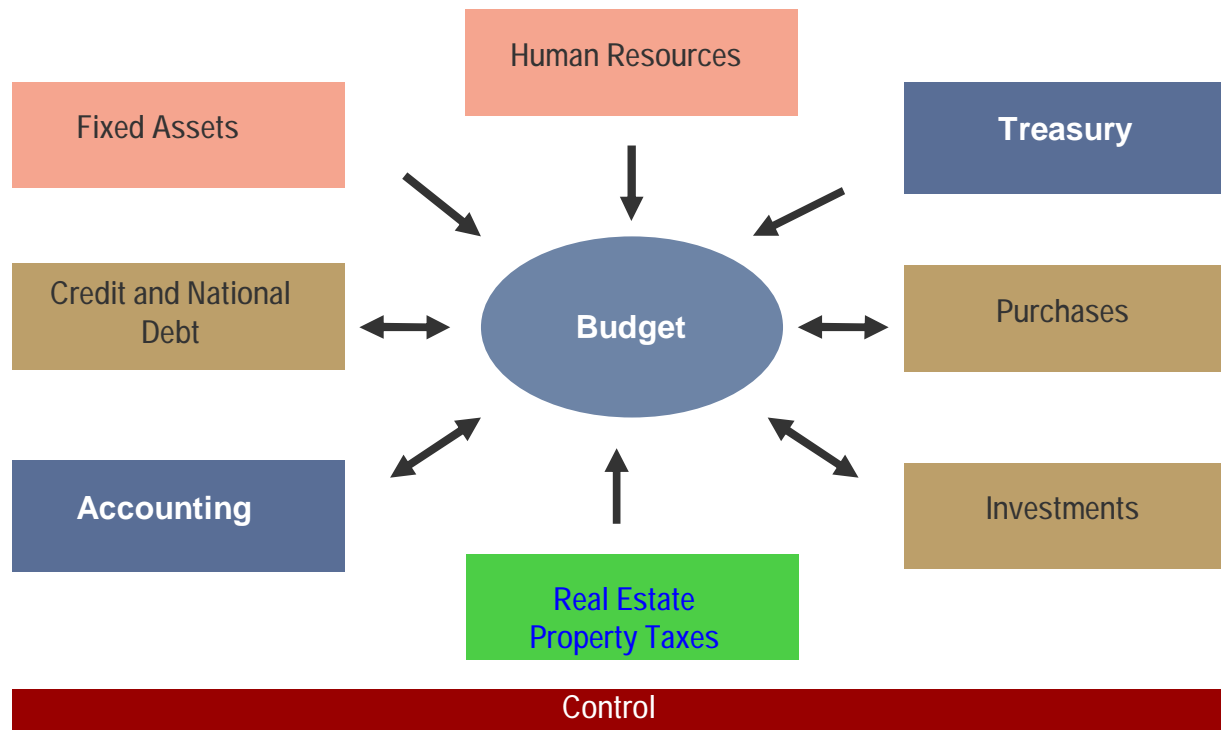
## 2. FMIS Plan

MAYO 2007

MAYO 2008



### 3. FMIS Application



- Complete modules of the project under way
- Complete modules in the second project
- Interface among a project under way and a project recently finalized
- Some benefits in the current project and complete modules in a second project



## 4. FMIS benefits and key factors

### **FMIS Benefits**

- § **Effective and oportune administration**
- § **Reduction of operating costs by reducing administrative tasks**
- § **More available resources to facilitate management control, and the development of new activities that add value**
- § **Satisfied and driven labor force**
- § **Cooperation/synergy to eliminate departmental barriers**
- § **Context: satisfied internal and external users**



**Greater Value and Image for the Organization**



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## 4. FMIS benefits and key factors

### **Key Factors**

- Includes the commitment of all levels of the Treasury Department and related jurisdictions.
- Making the Organization aware of the "sense of urgency" and the need for a "common understanding" of the requests.
- Establishing a clear and continuous diffusion of the activities and results of the project toward all participant levels.
- Executing the project with: "clear priorities", "opportune decisions", "fast resolutions", "eliminated barriers", "fast execution", "orderly and clear process flow", and "integration of the remainder of the projects".
- Define an implementation strategy for the solution using a flexible and gradual process



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## 5. Current state of FMIS

- **Absence of integrated automation of the processes related to the subsystems outlined in the Law 1535 of Governmental Financial Management.**
- **Partial installment of the Subsystem of Budget and with little or no articulation with the Subsystems of Income, Public Investments, Accounting, National Debt, and Treasury.**
- **Weak registration capacity and generation of information from the Subsystem of Accounting to make decisions**
- **Irrelevance of the Subsystem of Credit and National Debt**
- **Inability to incorporate the Unique National Account**
- **Low control of information and the technical inability of autogeneration necessary for:**
  - Ø **Executive level:** on the subject of self-control and self-assessment of the processes.
  - Ø **Support of the Internal Audit:** for subsequent control of the management, results and compliance of objectives.
  - Ø **Support of the General Audit:** for subsequent control and internal audits at the second level.
  - Ø **Support to the General Controller's office:** to evaluate account capitulation and to carry out external audits with good use of public resources.
  - Ø **Support to the Legislative:** for political and administrative control of Executive management.
  - Ø **Support to Social Organizations:** for civic control for management and results of the State.



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## 6. Improvement with Reengineering

ABSOLUTE FUNCTIONAL AND DATA PROCESSING INTEGRATION

OPTIMIZATION IN THE SERVICES OF THE SUBSYSTEMS  
OF BUDGET, ACCOUNTING, TREASURY AND NATIONAL DEBT

ABILITY TO OPERATE THE (Unique National Account)

SATISFYING THE DEMAND OF OPERATING INFORMATION AND  
CONTROL AT ALL LEVELS



## 7. Advantages and Critical Aspects for its Implementation

### Advantages

- Ø It is currently operated with FMIS, although limited.
- Ø Adequate and flexible Normative Framework exists.
- Ø Of greatest interest to political authorities and upper management.
- Ø Perception of a proactive and a positive attitude towards change
- Ø There is unrestricted support from the agencies that finance and administer the project.
- Ø Top level technological support.

### Critical Aspects

- Ø Insufficient time
- Ø Regular updates during periods of government change.
- Ø Technological changes in communications while the implementation of the new project is completed.
- Ø Internal HR are scarce
- Ø Resistance to change at the operative levels.
- Ø Planning of continuity with new projects that further the change.



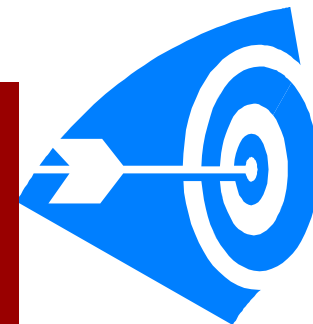
## 8. The Challenge

Implementing in May 2008 the Formulation of the Budget for 2009 with the "New FMIS"

Implementing in January 2009 the "New FMIS" in the Governing Organs with the basic benefits/services in the Institutions.

Give continuity to further change in the Institutions during 2009.

To gain access to the Millennium Challenge Account



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## Control del documento

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