Transparency in government expenditure:

“a system implementing and promoting development with social responsibility and results.”

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Post-graduate in Political Strategy
Postgraduate in Governmental Management with a focus on control
Doctorate in Constitutional Law
Area: 277.621 km² 
Municipalities: 139

Area: 8.514.876 km² 
States: 26 
Federal District: 1 
Municipalities: 5564

Federal District- Brasília
Accounting System

GOVERNMENTAL CONTROL SYSTEM IN BRAZIL

Internal Control
Within the Administration

External Control
Legislative Branch

Audit Court of the Union (TCU)
Audit Court of the States (26 TCE)

Each Court of State has 7 members
Brazilian Laws applied in Public Administracion

- The Law on Budget and Finance — Law nº 4320/64


Accounting System

First steps
2007

- Multidisciplinary team
- Thematic meetings
- Unified Plan of Accounts
- Certification / Signature digital
Accounting System

Governmental Control System
2007

- First (SICAP) Module → Accounting System

- Objective: - To standardize accounting procedures
  - To increase the transparency
  - Security and speed of information
Advantages of Accounting Module

2007

- **Economic:** issuing documents without displacing to the seat of the Court

- **Control:**
  - Automatic calculation of expenditures by category;
  - Detection of inconsistencies in the accounting records
Complementary stage
2008

- The development of Module Registration of Responsible for Management Units (CARDUN)

- Database of the list of government authorities

- Objective: control and security of digital signatures
Development of Accounting System

2008/2009 – 1st Stage

- 6 bimonthly consignments
- Formatting for management reports
Accounting System

The cost of development of the system and its implementation

$100,000

The cost if it were contracted company of systems development

$650,000
Accounting System

*Improvement of accounting system*
*End of 2009 – 2nd Stage*

- Adding the seventh and eighth consignments
- **Objective:** Closure of the annual accounts
- **Format:** PDF e XML
Accounting System

Analysis and Judgment of Public (Government) Accounts by the Court
2009 to 2011

- **2009**: Printing the system information

- **2010**: Automatic analysis report

- **2011**: Completely automated and integrated to the system of electronic processes of the Court
Practical results of the System

- Agility
- Management tool
- Cost reduction
- Efficacy
- Decrease in defaults
- Issued of the legal certificates at the entity’s place
Integrated System

Evolution of the Integrated Control and auditing system

Citizen Web Portal

Module of personal acts

Module of Bidding and Public Works

Conclusive Analysis of Internal Control

Module of Accounting and Registration of responsible
Citizen Web Portal

Accounting System

- Media
- Higher quality in public expenditures
- Transparency
- Decrease in irregularities
- Social Control
- Complaint Irregularities
Annual cost of the accountability of the 139 municipalities:

- Before the system: US$ 138,000
- After the system: purely operational

Index of defaulters:

- Before the system: 33%
- After the system: 2.87%
Accounting System

If the system (SICAP) were applied in all 5564 Brazilian municipalities within five years, it would have:

**Saved** up to U$100 million

**Saved** 455,000 kg of paper and

**Preserved** 8,325 trees
Accounting System

System in 2013

- New Plan of Accounts

- Plan adapted to the National Plan of Accounts applied to the Public Sector (PCASP)

- Convergence with international standards

- IPSAS translated
System in 2013

The current Plan of Accounts adopts:

- Segregation of the budget information from the patrimonial;
- Registration of the equity variations in accordance with the accrual basis;
- Registration of the specifics equity procedures;
Advantages of the system for the control of public accounts

- Agility in the process of analysis and judgment of accountability
- Drastic reduction in defaults
- Zero cost for drawing up the municipal accountability
BENEFITS OF THE PROCESS OF CONVERGENCE

• Improving the quality of public spending;
• Measurement and effective control of public assets;
• Transparency;
• Useful information to make decisions;
• Improvement in the process of accountability;
• Cost Management in the Public Sector;
• Consolidation of the accounts of the Federation under the same conceptual basis;
• Rationalization and better management of public resources.
Accounting System

BENEFITS OF THE SYSTEM “SICAP”

• Control
• Cost Reduction
• Management
• Sustainability
• Convergence to international standards
• Consolidation of public accounts
Thank you!

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