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THE ORGANIZATIONAL IMPROVING OF THE ACCOUNTING CHAMBER OF UKRAINE AT A REGIONAL LEVEL

Objective. *The aim of the article consists in the grounding of events in relation to Improving of the organization of the Accounting Chamber of Ukraine at a regional level.*

Methods. *In the process of the research it is used: the methods of theoretical generalization and comparison, analysis and synthesis (for the critical estimation of the actual state of businesses in relation to functioning and organization of work of the Account chamber), graphical visualization (for formalization of organizational structure of the Account chamber of Ukraine).*

Results. *On the basis of the research, the world models of organization of higher financial control establishments were generalized, the home model of the Account chamber of Ukraine functioning was identified. The organizational structure of the Account chamber of Ukraine and management of it were formalized. Subordinating and co-ordinal character of the mutual relations between its departments, which provide the functional and territorial managements were determined. The critical estimation of organization of the Account chamber of Ukraine at a regional level is given.*

Academic novelty. *Principles of further development of the territorial managements of the Account chamber of Ukraine, which, unlike existing are reasonable, are based on introduction in the state financial control of subordinate and coordinate system as methods of the state management.*

Practical importance. *The results are aimed at improving the organization of work of the highest state financial control by solving the existing problems at the regional level.*

Key words: *the Accounting chamber, organization of activity, regional level, financial control*

The problem in general and its connection with major scientific or practical tasks. At present, in Ukraine there is no financial checking system that completely would meet European standards and requirements. The organization of this system has many defects which reduce the level of the financial and budgetary discipline, both at the state level and in regions. In particular, it is an imperfect legislation, absence of the integral system of the establishments which provide control.

Therefore at the regional level until now the complex analysis of activity of budgetary establishments, that hold out due to money of the corresponding local budgets has never done. Implementation of local budgets and results of the conducted control measures, do not come true, the attention is not paid to the study the factors

that entailed violation, with the aim of grant of sound recommendations to the leaders of corresponding establishments for non-admission of them in the future. It convinces that financial control in needs to improve and strengthen its role in the totality of economic relations.

Analysis of recent research and publications, which discuss issues submitted and relied upon by, the selection unsolved aspects of the problem, which the article is devoted. The problems of organization of external independent constitutional controlling organ in Ukraine are in e of many scientists. Nevidomy V.I. offers the authorial determination of the Account chambers in Ukraine and Europe: it is - public authorities, which in accordance with positions of constitutionally-legal legislation have the right to control legality of actions in the process of collection, distribution and use of financial funds of the state and territorial communities with the aim to realize the effective public and local financial policy in society and provide the rights and freedoms of the citizens. [1, p. 9]. The functions of parliamentary control include: management, corrective, law enforcement, information and preventive [2, p. 11].

The specific features of parliamentary financial control are determined as an essential element of the national control system (the independence from the government, the control of implementation of the state budget, expert and analytical estimation of budget and reports on its implementation) by Polishchuk V.V. [3, p. 13]. The detailed classification of control-account organs is worked out by Zubenko G. A. It is based on such criteria, as a place in the system of authorities, the plenary powers, the territorial distribution of jurisdiction, the organizational structure and the methods of making decision, the formational order [4, p.6].

Rogovenko D.S. emphasizes the necessity of giving to the Account chamber and and its regional offices the plenary powers to control the interbudgetary transfers [5, p. 4]. Despite offers of the scientists, the opportunity to provide the Accounting Chamber of passing orders to eliminate violations of financial discipline, hardly developed recommendations to guarantee its implementation. There is no single position according to composition of functions which are offered to be given to the regional offices of the Accounting Chamber.

The historical retrospective view of regional structures of the Account chamber creation is considered and analysed in Ukraine by Gritsenko O.I. [6, p. 10]. Thus, in the analysed publications of the specialists in a constitutional law and state administration, the problem of legal status of territorial representative offices of the Account chamber regulating is investigated in Ukraine.

However the economic and organizational aspects of the Account chamber of Ukraine activities on a regional level are ignored by scientists. Therefore, the main aim of further improving of the state financial control on the regional level should be to find the optimal structure of the financial control [7, p.53].

Forming the aims of the article (raising the task) is a critical estimation of the actual state of businesses according to the functioning and organization of activity of controlling external independent constitutional organ in Ukraine - the Account chamber at the regional level, grounding the events in terms of its improvement.

Exposition of basic material of research is with the complete ground of the got scientific results. As convinces world experience, all supreme establishments of financial control of many states-members of European Community have their representations in regions. It includes France, Germany, Italy, Poland, Spain and Great Britain, although a management structure and a control organization in the public sector of these countries differ considerably [8, p. 127]. There are three basic models of the activities of senior government control in terms of the existence of regional structures: decentralized, centralized, mixed – centralized - decentralized.

A document that regulates the activity of the Account chamber is a Regulation that determines an organizational structure, duties of the members and leaders of structural subdivisions, analytical and expert events, cooperation with regulatory agencies of foreign states and international organizations of Supreme Audit Institutions, other issues

The Account chamber is created by Verkhovna Rada as accountable establishment, however it should not become a simple addition to Parliament. Taking into account political essence of parliament, the Account chamber can be an instrument of political struggle. Fixing of independence from a legislative body in normatively-legal acts will give it an opportunity to work with the high measured initiativeness and responsibility even in case, when it will operate as a representative of parliament and will conduct the inspections.[9, p.10].

During 2000-2004 responsible authorities of Ukraine examined the question of creation of territorial managements of the Account Chamber. By the order of President of Ukraine from 19.09.2000 № 1074/2000 "About the increasing of control efficiency after the use of budgetary facilities" to Council of ministers of the Autonomous Republic of Crimea, Kyiv and Sevastopol municipal state administrations were charged to assist the Account chamber in matters related with the establishment of regional offices.

However by the order of the President of Ukraine from 16.03.2001 № in 174/2001 "About making alteration to Decree of President of Ukraine from September, 19, 2000 № 1074" the necessity of creation of such managements was canceled , and on April, 8, 2004 it was renewed. Also, by resolution of the Supreme Council on June, 15, 2004 № 1784 - IV [10] was found the necessary of territorial representative offices of the Account chamber creation.

The existence of territorial managements abbreviates the amount of business trips, promotes the awareness of public with control in a public sector in regions. The workers of territorial managements, living in regions, receive more knowledge about regional public institutions and other public authorities, that is checked up, that will help effectively perform their duties.

In order to ensure the optimal performance by the Accounting chamber of the functions currently approved and has the appropriate organizational structure (Pic. 1).

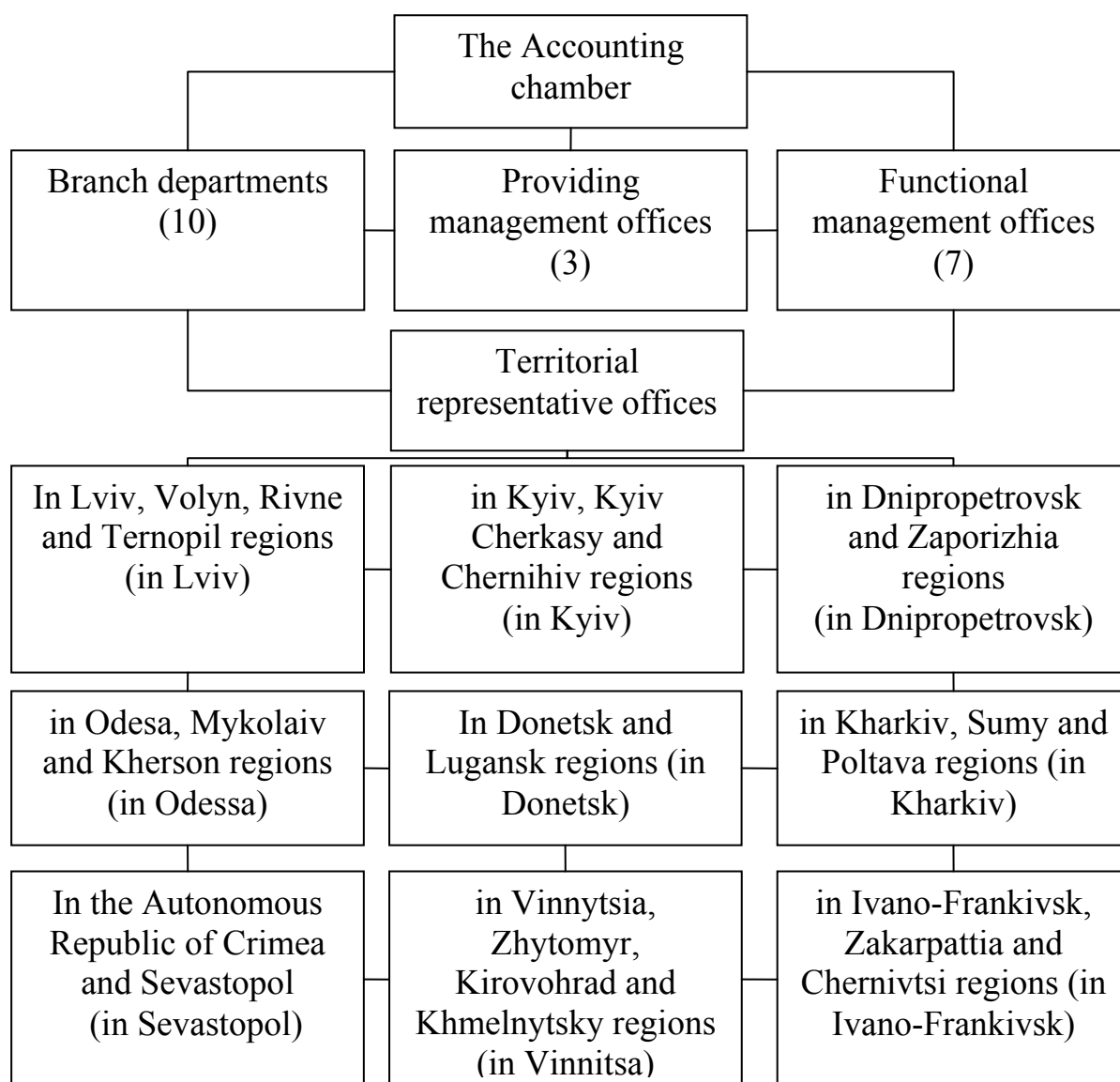
In 2011 the realization of the Account chamber tasks was provided by such departments as a budget policy; the use of the state budget and financial control authorities; a law providing; a defensive and law-enforcement activity; environmental protection and emergencies; industrial infrastructure and public property; science and

humanitarian sphere; social politics; international business and financial institutions, with the use of the state budget in the regions.

The activity of eight territorial managements that function presently is widespread on 21 regions of Ukraine, the Autonomous Republic of Crimea, and also in Kyiv and Sevastopol. A territorial management in Ivano-Frankivsk, Zakarpattia and Chernivtsi regions (in Ivano-Frankivsk) due to lack of financial resources was on the stage of organizational and technical creation in the reporting period.

In order to regulate the cooperation of the structural units of the Account chamber, the regulation of its territorial offices, the order from 15.03.2011 № 42 about the Regulations of the territorial managements of the Account chamber was approved by the Chairman of the Account chamber. The same order ratifies post instructions for main and leading specialists from regime-secret work of the Account chamber, determining a task, duties, rights and responsibility of marked specialists, who must provide the input of the mode of secrecy during realization of all types of works, related to secret information, in the Account chamber.

A territorial management of the Account chamber is a structural subdivision of the Account chamber, activity of which is carried out in accordance with Plan of work of the Account chamber and on the basis of plan of work of territorial management. Unscheduled tasks are performed only on behalf of management of the Account Chamber, which makes it independent of outside influence from the central and local governments.



Pic. 1 - Structure of the Accounting Chamber of Ukraine

The main forms of activity of territorial management are the realizations of control and analytical events both independently, with reporting to the College and under instructions of departments, which are responsible for their implementation..

The main task of the management is a realization of a control after:

- Implementation of the State Budget of Ukraine, including state trust funds, in terms of legality, effectiveness and appropriateness;
- Compliance with budgetary legislation;
- Formation and usage of the intergovernmental transfers provided from the state budget to the local budgets;
- the problems related to economic and social development of the regions.

Directing, coordination and control of activity of territorial management is carried out by a department of the state budget funds in the regions.

Today together with a territorial management the financial control in regions is carried out by the State financial inspection, the Department of the State Treasury Service of Ukraine, the State Tax Service, the Main Financial Management

Administration and other agencies within the same jurisdiction. But this management organization of the Account chamber considerably differs from existent organization of activity of the above-mentioned establishments of the financial control:

firstly, in terms of belonging to the corresponding branches of power. So representatives of the indicated higher territorial organs are executive public agents, and territorial managements of the Account chamber are representatives of control of legislature;

secondly, independently from local government. The analysis of international experience certifies that the supreme bodies of control of public finances can execute the tasks effectively and objectively only then, when they are independent of organizations which check them up, and are protected from extraneous influence. The territorial representative offices of the Account chamber are independent of local authorities, unlike other representatives establishments of financial control in regions;

thirdly, as for documents which are required for the control and the analytical events. The checking programs and the commissions (directions) on verification of the financial control are signed by the corresponding public servants of territorial level and sealed. During the realization of control-analytical events by territorial representative offices of the Account chamber, the programs of the events and the commission on verification are established and are signed by the main inspectors – the directors of the departments or the Account chamber direction and then are approved by its seal.

In the process of the functions realization all supervisory establishments carry out the revision, the expert analysis and other events and must provide the single checking system over the budget execution, the forming of the state budget funds, financial resources, forming order and the use of which is regulated by a current legislation.

Despite the fact that the Account Chamber has an important place in the financial and economic controlling system its authority at the local level is limited.

The mutual relations between the central office and regional offices of the Account Chamber of Ukraine may be subordinate and coordinating character. Subordination is a management method by means of which the relations of subordination are set in the Account chamber of Ukraine, expressing a hierarchical dependence between objects and subjects in the state financial control. Its value is explained by the fact that in most areas of control only Subordinate relations can provide stability, rhythm, efficiency of administrative process. However, in practice, the state financial control is becoming an increasingly important method of coordination - establishment acquires between subjects and objects horizontal links, the combination of two or more one level actions which provide the achievement of the planned results. Coordinating relations differentiate by such types as coordination, technological cooperation, hierarchical or difficult cooperation. This method gives an opportunity to delegate part of plenary powers from the director to the performers and to develop self-rating on this basis. Subordination and coordination can be determined as the basic methods of control activity.

The conclusions made from the marked problems and prospect of further researches in the given direction.

1. There are three models of organization of higher state financial control establishments activity: centralized, decentralized, mixed. In Ukraine the general principles for the organizational structure, "head office" and regional offices are similar to the states-members of EU. Subordinate and coordinating character of mutual relations, the communicative links between branch departments, ensuring functional and territorial offices of the Account Chamber of Ukraine identifies national model of the higher financial control as centralized with the vector of further development into decentralized, or mixed model.

2. The realization of audits of legality, efficiency and expediency of money expense of the State budget of Ukraine by the territorial managements under the coordination of the Account chamber, gives an opportunity to extend the sphere of independent external state financial control of the Account chamber on local level, to identify and focus society on problems of using public funds that are at the regional level and national value.

3. Further development of the activity of the Account chamber of Ukraine territorial managements should be built on such principles as clear separation of plenary powers from a central office, the expansion of rights, duties, responsibility of workers; the expansion objects under control, due to profitable and expense part of the local budgets; development of unified methodology, standards and methods of control, including the cooperation with the other establishments of the state financial control; creation of the single informative system that would provide an exchange necessary information between the subjects of control in both the state and the regions; rapid adaptation to the changes of external and internal economic environment of region; strengthening of control over the implementation of the recommendations on the results of audits.

The prospect of further researches is to ground the suggestions for the improvement of the communications of the higher state financial control at regional level.

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