

INTERNATIONAL ASSOCIATION OF TREASURY SERVICES

AIST – EXECUTIVE BOARD MEETING Paris – 26 June 2015 Preparatory document



Participants

Executive Board members:

President: Mr. Daouda SEMBENE, Senegal

Vice-president: Mr. Pierre-Jean FENO, Madagascar

Vice-president: Mr. Adama KONE, Ivory Coast

Administrators:

Mr. Bruno PARENT, France

Mr. Noureddine BENSOUA, Morocco

Mr. Abdelattif DACHRAOUI, Tunisia

Mrs Tetyana SLYUZ, Ukraine

Guests:

Mr. Mohamed Larbi GHANEM, Algeria

Mr. Sosthène Ossougou NDIBANGOYE, Gabon

Dr. Jozsef DANCZO, Hungary

General Secretariat:

Mr. Didier CORNILLET, Secretary General

Mrs. Christelle VOLPI, Officer-in-charge

Auditor:

Mr. Laurent ROUSSEAU

Agenda :

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- 5.4 Synergies with CREDAF
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1- Financial position

1.1 Financial position of the association at the end of the financial year 2014

1.1.1 Income statement (budget implementation) as of 31/12/2014

The spreadsheet below shows the income statement (expenses and revenue) ended upon 31/12/2014.

AIST income statement			
01/01/2014 to 31/12/2014 financial year			
Expenses		Revenue	
Annual symposium costs	€ 43 120.62	Subscription fees revenues	€ 90 830.47
Thematic Seminar costs	€ 36 090.30	Extraordinary income	€ 354.22
Studies and services	€ 376.74		
Travel, missions and receptions	€ 3 076.81		
Banking services	€ 380.35		
Various charges	€ 5 589.37		
Result			€ 2 325.56
Total	€ 88 589.13	Total	€ 88 859.13

1.1.2 - Budget implementation as of 31/12/2014

1.1.2.1 Revenue

- Subscription fees:

Upon the end of the financial year, on 31 December 2014, 24 countries had paid their subscription for the 2014 accounting period amounting to a total of € 76 080.47.

For information, 3 countries had paid their subscription for 2014 in 2013 (Comoros, Ivory Coast and Madagascar).

The total amount of subscriptions fees collected and registered in the accounting form the 01/01/2014 to 31/12/2014 is € 90 830.47.

The difference corresponds to:

- the payment in 2014 of the COMOROS 2015 subscription fees to deduct for the amount of € 2,625.00 (registered in the 2014 accounting) ;
- the payment in 2014 of the HAÏTI subscription fees for 2011, 2012 (with a remaining balance for € 748.50 and 2013 (registered in the 2014 accounting) to deduct for the amount of € 6,000.00.
- the payment in 2014 of the CAMBODIA subscription fees for 2009, 2012 et 2013 (registered in the 2014 accounting) to deduct for the amount of € 6 125,00.

At the provisional closing of the accounting the 31/12/2014, 6 countries have to pay their subscription fees for the year 2014.

For previous years, arrears of subscription fees are as follows per year:

Pays	2007	2008	2009	2010	2011	2012	2013	2014	Total
1								2 000	2 000
2					1 500	3 000	2 500	2 500	9 500
3							1 500	1 500	3 000
4						750			750
5				1 500	1 500		1 500	1 500	6 000
6	1 500	1 500	1 500	1 500	1 500	2 625	2 000	2 000	14 125
Total	1 500	1 500	1 500	3 000	4 500	6 375	7 500	9 500	35 375

The arrears of subscription fees amounts to € 35 375.00.

- Extraordinary income:

Following the decision of the AIST General Assembly on 29 November 2013, the AIST General Secretary General, Mr. Didier CORNILLET, opened a savings account "A" Savings bankbook in the bank "Credit Agricole Mutuel de Paris et Ile-de-France". The opening of this account has also resulted in the mandatory opening of a current account with means of payment (credit card).

The bank repaid under commercial gesture part of the amount of the original assessment of the credit card.

This repayment resulted in the recording of an extraordinary income of € 68.00.

The booklet A has generated interest in the amount of € 286.22

1.1.2.2 Expenses

- Studies and services:

This charge of a € 376.74 amount corresponds to the costs incurred for the company "ALGO DATA" hosting the online registration sites to the AIST actions. The costs have been also incurred to create the visual identity of the sites from the graphic design of website AIST.

- Symposiums and seminars costs:

The amount corresponds to expenses incurred in connection with the organization of the AIST activities:

- for a total amount of € 43,120.35 for the annual symposium,
- for a total amount of € 36,090.30 for the thematic seminar.

▪ Costs for the annual symposium:

- costs for the written transcription of the roundtable held in plenary session during the 7th AIST Annual Symposium in Abidjan (Ivory Coast) on 28 November 2013, amounting to € 928.00;

- translation costs (French/English) of the summary of the 6th AIST Annual Symposium held on 15 and 16 November 2012 in Hammamet (Tunisia) and translation costs (French/English and English French) of working documents for the 7th AIST Annual Symposium held on 28 and 29 November 2013 in Abidjan (Côte d'Ivoire). The total amount is € 2,745.68;

- expenses incurred during the preparatory missions for the 8th AIST Annual Symposium to be held from 10 to 13 November 2014 in Antananarivo (Madagascar).

The first mission was conducted in Antananarivo by the AIST General Secretary, Mr. Didier CORNILLET, from 20 to 25 of January 2014. The costs involved included: travel (airport taxi transfers), accommodation and restoration for a total amount of € 1,000.27.

The General Secretary-General conducted a second preparatory mission from 17 to 23 of August 2014, incurring costs amounting to € 181.76 (tips and airport transfers by taxi);

- costs incurred for the 8th AIST Annual Symposium (34,589.63, see annex).

▪ **Costs for the thematic seminar:**

- preparatory meeting for the AIST Thematic Seminar held on 2 and 3 of July 2014 in Paris (France) for an amount of € 477.00 (Hosting experts);
- costs for the organization of the AIST Thematic Seminar in Paris for a total amount of € 33,788.90:
 - accommodation costs for each head of delegation on two nights from the 1 to the 3 July,
 - accommodation costs of the AIST General Secretary and AIST Adviser,
 - partial subsidy of the extra nights for the delegates forced to extend their stay because of the air service,
 - catering costs (welcome cocktail on the evening of the 1 July, lunches and coffee breaks during the two working days),
 - rental fees for work rooms and technical equipment;
- translation costs (French/English and English/French) for working documents of the Paris Thematic Seminar for a total amount of € 1,124.40 ;
- Visual fresh design and realization of the identity of the thematic seminar in Paris for a total amount of € 700

- Travel, missions and receptions:

These charges for a total amount of € 3 076.81 correspond to:

- the expenses (€ 821.22) for travel, accommodation and catering of the AIST General Secretary, Mr. Didier CORNILLET, as part of the mission of representing the AIST during the 15th International Symposium of Francophone Treasury Services held from 3 to 6 February 2014 in Ouagadougou (Burkina Faso);
- catering costs (€ 677.79) incurred in connection with the reception of guests (greeting ceremony of New Year, reception of a Malagasy delegation in Paris, reception of the SDNC service for the realization of the new presentation brochure of the AIST, reception of the AIST Auditor);
- expenses incurred for the President of the Treasury of Serbia, Mrs. Svetlana LJUBICIC, during the AIST Executive Board Meeting on 30 June 2014 (French/Serbian interpretation for the amount of € 786.00 and taxi fares for € 23.00);
- travel and accommodation expenses (€ 738.90) from Bordeaux to Paris incurred by Mr. Jacques ORTET, AIST Auditor, during his interventions to check the accounts of the AIST on 19 June 2014 and during the AIST Executive Board Meeting on 30 June 2014 and in the context of the cessation of his employment as auditor of the AIST.

- Banking services:

Bank services have been charged to the AIST for an amount of € 244.35 by the “Caisse des Dépôts” financial institution holding the account of the Association (management of bank accounts, credit card fees, commissions for foreign exchange ...).

Opening a current account with the bank “Credit Agricole Mutuel de Paris et Ile-de-France” caused the billing of € 136.00 subscription fees (account management).

- Various charges:

They correspond to:

- the accommodation costs of the AIST website and the subscription fees for the business messaging of the AIST to the "Orange" operator for the amount of € 71.28;

- the reimbursement to the CREDAF of the share that goes to the AIST for the common operation expenses of the General Secretariat for the amount of € 2,511.87 (a deposit of € 2,000.00 has been paid on 30 December 2013):

- investment expenditure (computer and office equipment),
- seminar fee (training),
- management costs (gifts, advertising, documentation, printing, maintenance, office supplies, computers, small equipment, pharmaceuticals, telecommunications, internet, travel, missions, receptions, other expenses);

- registration fees of the AIST to the French Register of Commerce and Companies for the amount of € 31.00,

- down payment to CREDAF for the AIST quota of shared costs allotted to the running of the General Secretariat (€ 2,975.22).

1.1.3 Financial position and assets as of 31/12/2014

The following spreadsheet presents the financial and property statement of AIST at the closing on the 31 December 2014.

	Balance Sheet as of 31-12-2013	Balance Sheet as of 31-12-2014
ASSETS		
1- Current asset		
CDC* Bank Account	€ 66 025.64	€ 25 511.60
CA** Bank Account		€ 2 546.78
Cash	€ 152.14	€ 148.74
2- Savings Account		
CA** - "A" Saving bankbook		€ 44 296.22
Total	€ 66 177.78	€ 68 503.34
LIABILITIES		
1- Retained earnings		
Debit balance	€ 77 130.74	€ 66 177.78
2- Financial result		
Result	€ - 10 952.96	€ 2 325.56
Total	€ 66 177.78	€ 68 503.34

* CDC: Caisse des Dépôts

** CA: Crédit Agricole

1.2 Provisional financial position of the association as of 31/05/2015

Preliminary note: Slovenia left the AIST in 2015. 30 countries are currently members of the AIST.

1.2.1 Income statement (budget implementation) as of 31/05/2015

The spreadsheet below presents the income statement (expenses and revenue) provisionally closed on the 31 May 2015.

AIST income statement on 31-05-2015			
accounting period from 01-01-2015 to 31-05-2015			
Expenses		Revenue	
Annual Symposium costs	€ 3,340.14	Subscription fees revenues	€ 56,680.15
Thematic Seminar costs	€ 13,760.35		
Travel, missions and receptions	€ 123.09		
Banking services	€ 246.60		
Various charges	€ 914.69		
Result	€ 38,295.28		
Total	€ 56,680.15	Total	€ 56,680.15

1-2.1.1. Revenue:

- Subscription fees:

As of 31 May 2015, 20 countries had paid their subscription for the 2015 accounting period amounting to a total of € 56,056.65. 14 countries had paid their subscription (€ 37,122.90) at the same period in 2014.

The total amount of subscriptions fees collected and registered in the accounting from 1 January to 31 May 2015 is € 56,680.15.

The difference corresponds to:

- the payment in 2013 of the IVORY COAST 2015 subscription fees to deduct for the amount of € 2,500.00 (registered in the 2013 accounting) ;
- the payment in 2015 of the IVORY COAST 2016 and 2017 subscription fees to add for the amount of € 5,000.00 (registered in the 2015 accounting);
- the payment in 2014 of the COMOROS 2015 subscription fees to deduct for the amount of € 2,625.00 (registered in the 2014 accounting); the rest of € 625 are considered as a prepayment on the next subscription fees.
- the payment in 2015 of the HAÏTI remaining balance for the subscription fee 2012 (registered in the 2015 accounting) to add for the amount of € 748.50.

At the provisional closing of the accounting on the 31 May 2015, 10 countries have to pay their subscription fees for the year 2015. Calls for contribution were sent to the AIST member countries on 4 January 2015, indicating a payment date of 31 March 2015. A country cannot pay its contribution for the year 2015 which amounts to € 2,500.00.

The last follow-up letter was sent in May for the 9 countries that had not yet made the payment.

As of 31/05/2015, the contribution arrears are as follow per year :

Country	2 007	2 008	2 009	2 010	2 011	2 012	2013	2 014	Total
1								2000	2000
2					1500	3000	2500	2500	9500
3							1500	1500	3000
4				1500	1500		1500	1500	6000
5	1500	1500	1500	1500	1500	2625	2000	2000	14125
Amount	1500	1500	1500	3000	4500	5625	7500	9500	34625

The arrears amount to € 34,625.00. The situation improved in 2015 compared to the same period in 2014 (€ 47.625,00 €).

1-2.1.2 Expenses:

- Symposiums and seminars costs:

The amount corresponds to expenses incurred in connection with the organization of the AIST activities:

- for a total amount of € 3,340.14 as for the annual symposium,
- for a total amount of € 13,760.35 as for the thematic seminar.

▪ Costs for the annual symposiums:

- expenses incurred during the preparatory mission for the 9th AIST Annual Symposium to be held from 16 to 18 November 2015 in Dakar (Senegal). The first mission was conducted in Antananarivo by the AIST General Secretary, Mr Didier CORNILLET, from 18 to 21 January 2015. The costs involved included : travel (airport taxi transfers), accommodation and catering for a total amount of €1,550.34.
- expenses incurred during the 8th AIST Annual Symposium (Antananarivo). These expenses correspond to the purchase to the purchase of briefcases (amount paid in 2014 and 2015 following a bank error) for a total amount of € 1,789.80.

▪ Costs for the thematic seminar:

- preparatory meeting in Paris (20 April) for the AIST Thematic Seminar held on 17 and 18 June 2015 in Rabat (Morocco) for an amount of € 256.99 (Hosting experts). These charges correspond to:
 - catering cost of the facilitators and the General Secretary,
 - accomodation costs for one facilitator (2 nights 18-19 and 19-20 April).
- purchase of tickets (Rabat-Paris round trip) of the General Secretariat for an amount of € 703.36;
- down payment to "Hotel Rabat" as for the AIST thematic seminar for an amount of € 12,800.00 (accommodation costs of delegates, catering costs, rental and equipment work rooms);

- Travel, missions and receptions:

These charges for a total amount of € 123.09 correspond to:

- gifts buying for several Directors-General.
- travel and accommodation expenses (€ 84.00) from Le Mans to Paris relating to Mr. Laurent Rousseau, AIST Auditor, during the AIST Executive Board Meeting on 30 June 2014.

- Banking services:

Bank services have been charged to the AIST for an amount of € 110.60 by the "Caisse des Dépôts" financial institution holding the account of the Association (management of bank accounts, credit card fees, commissions for foreign exchange ...) and for an amount of € 136.00 by the "Crédit agricole" (credit card fees).

- Various charges:

They correspond to:

- the accommodation costs of the AIST website and the subscription fees for the business messaging of the AIST to the "Orange" operator for the amount of € 23.76;
- catering costs of the General Secretary and the graphic designer (relating to the booklet of the 10th anniversary of the AIST for the amount of € 45).
- the reimbursement to the CREDAF of the share that goes to the AIST for the common operation expenses of the General Secretariat for the amount of € 845.93 (a deposit of € 2,975.22 was paid on 29 December 2014):
 - investment expenditure (computer and office equipment),
 - seminar fee (training),
 - management costs (gifts, advertising, documentation, printing, maintenance, office supplies, computers, small equipment, pharmaceuticals, telecommunications, internet, travel, missions, receptions, other expenses);

1.2.3- Financial position and assets as of 31/05/2015

The following spreadsheet presents the financial and property statement of AIST at the provisional closing on 31 May 2015.

	Balance Sheet as of 31-12-2014	Balance Sheet as of 31-05-2015
ASSETS		
1- Current assets		
CDC* Bank Account	€ 21,511.60	€ 54,948.55
CA** Bank Account	€ 2,546.78	€ 7,410.78
Cash	€ 148.48	€ 143.07
2- Savings Account		
CA** - "A" Savings bankbook	€ 44,296.22	€ 44,296.22
Total	€ 68,503.34	€ 106,798.62
LIABILITIES		
1- Retained earnings		
Debit balance	€ 66,177.78	€ 68,503.34
2- Financial result		
Result	€ 2,325.56	€ 38,295.28
Total	€ 68,503.34	€ 106,798.62

* CDC: Caisse des Dépôts

** CA: Crédit Agricole

2 – Preparations for the General Meeting

2.1 Partial renewal of the Executive Board

According to the AIST statute adopted in Hammamet (Tunisia) in 2012, the Executive Board will be partly renewed upon the General Meeting which will be held in Dakar. In compliance to the rules in place, the Presidency will be held by the country organizing the seminar, whereas the two vice-president offices will be held by the countries which organized the seminar in the years N-1 and N-2.

Thus, the Presidency of AIST will be held by the country organizing the 2016 seminar (Kuwait), whereas the vice-president offices will be held by Madagascar (organizer of the 2014 seminar).

The General Meeting will be requested to elect three new administrators: Ivory Coast, Tunisia and Ukraine will leave the Board on this occasion. All member states can become candidates for the positions as long as their membership is accompanied by all rights and obligations enshrined in the statute. Furthermore, the three countries leaving the Board have the right to apply for one of the positions if they wish to seek for a new term, the members of the Board being eligible for re-election.

It is recalled that, according to the statute of the AIST, the composition of the Executive Board should “reflect as much as possible the geographic diversity of the members of the Association”.

2.2 Call for candidates willing to host future events

The Secretary General will make a call for countries willing to host future events (conferences and seminars) in order to be able to plan ahead and thus better organize AIST activities.

2.2.1 Conferences

The General Meeting in Antananarivo unanimously adopted the program for the next conferences and General Meetings. These will be held as follows:

- **2015:** Senegal
- **2016:** Kuwait.

2.2.2 Seminars

At the General Meeting in Antananarivo, two members have applied for hosting a seminar: Burkina Faso and Haiti.

The General Meeting decided to grant Haiti the task of hosting the 2016 seminar. The application needs to be confirmed by official letter from the host authority.

It is recalled that the applications for hosting future seminars can be brought to the attention of the General Secretariat after the General Meeting. Candidate countries must be up to date with payment of their membership fees.

3 – Organization of the 2015 thematic seminar

According to a decision taken in 2012, at the General Meeting in Hammamet, a second event was organized for AIST members only. This event has taken the form of a thematic seminar.

3.1 Choice of topic

The two day seminar (17-18 June 2015) focused on “Accounting standards”. This topic was chosen by the members of the Board at their meeting in June 2014.

The seminar has alternated plenary sessions with workshops. Four members of the association have presented their experiences: Hungary, France, Morocco and Senegal.

Two experts, Mrs. Stéphanie LEDOUX (France) and Mr. Birahim GUEYE (Senegal), had agreed to design and moderate this seminar. They were accompanied by Mrs. Selma NACIRI from CNOCP who has moderated one workshop.

3.2 Seminar: date and place

Morocco hosted this seminar in Rabat on 17-18 June, 2015. It is recalled that the General Meeting in Antananarivo had validated Serbia's application. However, Serbia had to withdraw its application at the beginning of the year due to financial reasons.

The Secretary General had to address this problem by asking another member state to step in for Serbia. This request was made during a trip to Rabat and the Kingdom of Morocco has immediately accepted it. The Secretary General is very grateful for the efforts undertaken by Morocco.

3.3 Financial arrangements

As set out in the resolution n°8 adopted by the General Meeting in Hammamet, AIST covers costs related to accommodations and meals for two participants per member country, provided that the respective member country is not behind with its membership fee payment.

The attention of the members is drawn to the accommodation costs which need to be covered in the case of last minute cancellations by delegates ("no show"), or in the case of delegates who do not always inform the General Secretariat that they will not be able to attend the event even if they had registered to attend. Even if the efforts undertaken by the General Secretariat limit the financial impact of these costs (counter it entirely in some cases), the fact remains that this type of situation results in expenses covered by AIST. For your information, these costs amounted to 2,283 € in 2014.

The Board should therefore ask the General Meeting to adopt the amending of the rules in place: the "no show" costs should be covered by the countries whose delegates do not attend the events they are registered to attend from now on.

3.4- Estimated budget

At the time the present document was drafted, the estimated budget amounts to 20,146 €. AIST will cover the costs for 46 participants (of 61 registered).

The final budget will be brought to the attention of Board members at their meeting on 26 June.

4 – Organization of the 2015 annual conference

4.1- Choice of topic

AIST's General Secretariat has gathered several contributions and proposals by means of online assessment questionnaires:

- 1) State's budget and accounting information systems/ Dematerialization;
- 2) Local public sector/ Decentralization/ The management of public establishments;
- 3) Liquidity and debt management/ Banking activities/ Role of Central Bank; Single Treasury Account; Strategic Management of public debt: challenges and stakes;
- 4) Internal audit/ Internal control;
- 5) Accounting standards/ Public sector budgetary and accounting consolidation/ Valuation and financial reporting;
- 6) The role of the Treasury in the financing of the economy; the role of the Treasury services in the State budget review; the place and role of Treasury services in the management system of the State's financial information; Strategic guidelines for the Treasury's missions: three subthemes:
 - ✓ Modernizing public revenue and expenditure execution;
 - ✓ Better management of public undertakings;
 - ✓ Developing the role of the Public Treasury on financial matters.
- 7) Control of budget expenditure;

- 8) Authorising officers: authorising officers and accounting architecture; relation among the services in charge of drafting the State's budget, authorizing officers and Treasury's services: the stakes of public finances; civil and compensation liability of the accountant before the Court of Auditors; solidarity and liability of third parties in the recovery of public claims;
- 9) Presentation of accounts: situation and prospects; preparation of revenue and expenditure account (budget review law, financial statements, administrative accounts etc.); program-based budgeting and accruals accounting; transition from cash basis accounting to accrual basis accounting: challenges and stakes;
- 10) Resources: payroll systems for civil servants;
- 11) Accruals basis accounting: challenges for public finance management.

The General Secretariat presents the Executive Board with a choice of various topics in annex 2.

4.2- Annual conference: date and place

The General Meeting in Antananarivo (10 November, 2014) has unanimously approved Senegal's application. The General Secretary has undertaken a preparatory mission to Dakar on 20-25 January, 2015.

In agreement with the AIST President, the annual conference will be held from 16 to 18 November 2015.

4.3- Organizational arrangements

Board members were asked via e-mail on the 24 March to give their opinion on the dates and format of the 2015 annual conference. Due to schedule and organizational constraints, the AIST President, together with the Secretary General, suggest a three day annual conference (traditional format). The three days will include a cultural visit (like in Abidjan). It is recalled that the four day annual conference in Madagascar was an exception, as discussed at the Executive Board meeting on the 30 June 2014.

This conference format, as it is designed, nonetheless offers the possibility of increasing the number of sessions as compared to the conference in Madagascar: there will be 7 instead of 5 sessions. Annex 3 to this report presents two conference scenarios which are referred to the Board members for discussion. According to option 1, the General Meeting is to be held at the end of the annual conference, while option 2 places the General Meeting on the first morning of the annual conference. To this day, only France has expressed its agreement to option 2.

The program will be drafted according to the Executive Board's decisions on the format and on the topic of the annual conference.

5 – Other issues

5.1 Request for termination

On 19 March 2015, by means of official letter, Slovenia's Finance Minister has informed the General Secretariat of his country's decision to withdraw from the association in 2015. Slovenia's intention had been previously brought to the attention of the General Secretariat via e-mail, on the 18 September, 2014. Substantial budgetary cuts have led to this decision. Slovenia has paid all its membership fees. The General Meeting in November 2015 will be informed about Slovenia's decision.

5.2 Accession of a new member

During a CREDAF official mission to Burundi, the Secretary General has had the chance of meeting the country's Director General for Public Accounting and Treasury. The Director General expressed great interest in our association and is awaiting an answer from the responsible minister. The General Secretariat is waiting for the formal decision of the responsible minister. The decision has been most certainly delayed by the recent tragic events in Burundi.

5.3 Change of the date of the annual conference

At the last General Meeting in Antananarivo, members have raised the question of changing the dates of the annual conference. Up until now the annual conference has been held in November. But since the finance law is also being voted in November in the AIST member states, this is a period in which financial officials of the administrations and Treasury are unavailable. This situation has an important impact on the number of participants attending the AIST annual conference, which is an essential event for the association, given the fact that the General Meeting is also held on that occasion.

A decision on this topic must be taken before 2017. The 2016 annual conference will still be held in November as was requested by Kuwait. Three proposals can be drafted and debated during the next General Meeting:

- advance the annual conference by one month;
- interchange the dates for the seminar and the annual conference (annual conference in June or July and the seminar in October). The timely constraints would leave little margin for the General Secretariat, since the Secretariat is also responsible for organizing the CREDAF seminar for the 1st semester (May). There is also the question of the transition year in which two AIST annual conferences should be organized, a few months apart;
- organize the annual conference at the beginning of the year (February). In this case the necessary appropriations must be made available.

5.4 Synergies with CREDAF

In 2011, in an effort to pool resources, CREDAF's (association active in the fiscal area) General Secretariat team has taken over AIST management. The idea behind this decision was to allow AIST to benefit from the experience and the networks created by the CREDAF General Secretariat which has frequent interactions with large international organizations and to create, when possible, synergies between the two associations. Such a joint action was organized in 2012 on recoveries.

This pooling of resources is mutually beneficial and brings the two networks together for the benefit of their members.

The General Secretariat wants to develop this synergy by suggesting common fields of action (recovery or cross-disciplinary topics like training, management of human resources etc.).

5.5 Hosting a trainee

The General Secretariat has received an application for a 6 months on-the-job training from a 4th-year student of the Paris Institute of Political Studies. This type of training is required by the Paris Institute and should cover the period 1 July - 31 December, 2015. Since the period is longer than two months, the trainee must be paid. The monthly wage is estimated at 460 €. Only the hours actually worked are paid (on the basis of the 35h week).

The trainee would help with the drafting of various reports, research activities, updating of the website or translations into English, this being a language he is fluent in due to the year spent in Singapore. The trainee would reinforce the General Secretariat whose team is made up of three collaborators.

Provided that the Executive Board agrees, the financial costs would be covered by CREDAF and AIST according to the usual breakdown of common expenditure, i.e. expenditure is divided proportionally to each organisation's total committed expenditure for the given financial year.

Expenses related to the annual conference in Antananarivo (Madagascar)

<u>EXPENSES</u>	<u>AMOUNTS</u>
<p><u>HOTEL CARLTON</u></p> <ul style="list-style-type: none"> - accommodation for the heads of delegation from the AIST member states - accommodation for the Secretary General, the auditor, the project leader and her substitute - meals - venue and technical equipment 	€22,398.21
<p><u>INTERPRETATION AND TECHNICAL SERVICES</u></p> <ul style="list-style-type: none"> - interpretation services (French/English) 	€6,023.06
<p><u>TRAVEL EXPENSES</u></p> <ul style="list-style-type: none"> - airline tickets (Secretary General, Auditor and Project Leader) - accommodation costs for auditor (1 night Roissy-transit) - taxi fares (transfers domicile-airport Officer-in-charge + substitute and Secretary General outbound and return journeys) 	€5 574.85 €142.25 €248.90
<p><u>OTHER EXPENSES</u></p> <ul style="list-style-type: none"> - meals and tips before the conference (Secretary General, Auditor, Officer-in-charge and substitute) 	€202.36
<u>TOTAL</u>	€34,589.63

TOPIC 1 The presentation of accounts: relevance and perspectives?
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The presentation of accounts is a legislative and regulatory obligation. It gives the Parliament the possibility to check the budget implementation that they authorized by voting on the budget, and it gives the financial jurisdictions the possibility to make sure of the good use of public funds.

The 1st aspect concerns the presentation of accounts. Does the accounting direction cover only the central government's accounts, or those of local governments as well, and, in this case, are the mechanisms and the obligations identical?

A correct presentation of accounts involves speed and quality.

A rapid processing is a guarantee of relevant information for the Parliament that can get precise information in a timely fashion. And thus, they can react more swiftly when making future budgetary choices. The processing and editing work are regulated by texts that stipulate deadlines. Checking whether these obligations were respected in the recent past is a measure for how accountants mobilized to supply this financial information to political decision makers within deadlines.

A delay can signify that the authorizing officers issue too many orders at the end of the year, or mandates which put off the closing of the financial year, and they also have an impact on cash flow. It is similar for the processing of orders that accumulated at the end of the financial year whereas they could have been recorded all along the year and thus facilitate the processing of the yearly accounts.

The delay can stem also from the difficulty accountants have in receiving the latest useful operations (state of the debt, operations with embassies, difficulties in centralizing secondary accounting operations...)

The delay also shows a lack of internal control during the financial year and a concentration of checks at the end of the year.

The quality of centralized information is essential because the direction in charge with public sector accounting is the guarantor for the information sent to the Parliament, and the jurisdictions are searchable by the financial partners of the government.

Thus, several elements require a careful check: exhaustiveness of the operations, the accounts of proceeds and expenditures in order to get the exact result, the exactitude of the state's financial situation, a guarantee for the debt and the amount still to be collected.

The switch to accruals accounting only reinforces these obligations and sets out the calendar and the qualitative indications for the presentation of accounts. This qualitative approach entails the infra-annual organization of calendar checks run by authorizing officers, and the implementation of internal control.

These activities may anticipate the certification of accounts which is already in place in certain countries, they also position the accounting directions as partners to other administrations that are equally actors of the rapidity and quality of the presentation of accounts.

TOPIC 2: The budgetary and accounting IS of the state, a reform within a reform

Numerous countries are committed to a structural reform of public sector accounting which adopts rules and methods of accruals accounting. The goal of this reform is to offer the most complete information to political and economic decision makers. The exhaustiveness of information also entails a reasonable assurance for the inviolability of records, and the presence of internal controls in the information systems.

Nonetheless, current systems were designed and developed some years ago and they have to be adopted in order to meet these requirements and in order to be in contact with other, more recent, technical tools. It is difficult to pursue the accounting reform project and that of the change of the information system at the same time, but the second has to follow shortly after the 1st, and as soon as the legal and accounting rules are known.

Drafting a new information system entails heavy investments in order to meet three objectives: getting the most integrated tool, integrated between authorizing officers and accountants, on the one hand, among accountants themselves as well, and integrate automatized internal controls and internal safety procedures, in order to generate reliable and rapid presentation of accounts.

It is often difficult to make several information systems communicate, and the most efficient is to have a unique IS for all accounting activities: from expenditure to collection. Border areas between the authorizing officer's and the accountant's scopes of responsibility are risk areas for the loss of information (manual data recording or exchange of information); they negatively impact the information sent by the accountant to the authorizing officer and still, the latter needs it in order to coordinate his activity. They make the control of the public action more cumbersome for the Parliament and the inspection bodies.

The accountants from the same direction have a unique tool equipped with automated interfaces in order to speed up the reliable traffic of data. And, since there are several accounting networks, it is best to have integrating tools in general accounting that faithfully record the operations, the financial flows and the amount still to be collected.

The system to be drafted is also supposed to embed all consistent internal controls in order to make operations more reliable and detect anomalies. These embedded controls also enable the generation of annual financial statements more rapidly if the controls were carried out during the budgetary execution. This entails thus a significant change in its design and drafting. Safe and traceable links reinforce the choice of a reliable tool.

The information system should be able to meet the objectives assigned to accruals accounting in order to supply the expected data (profit and loss account and balance sheet) and to have a clear picture of assets and debts, for instance. This information also enables a more subtle coordination of public action in order to improve the quality of the presentation of accounts.

TOPIC 3: Organizing the public expenditure cycle

The public sector is a decisive actor in the economic cycle of a country. On the one hand, it levies a part of the funds produced via taxes and royalties, on the other, it introduces funds in the form of salaries and public orders. Therefore, the public services of the Treasury are essential actors in the expenditure operations.

1- Treasury services – are they monopoly-holders?

Depending on the administrative structures implemented in each country, Treasury services cover more or less the expenditure both of the central government and of local governments, they are autonomous, but sometimes they report directly to the authorizing ministries. A mapping of activity areas covered by Treasury services should be drawn.

2- what's the percentage of the expenditure in the economy?

Before examining the cycle of the expenditure, it is useful to measure the financial weight of public expenditure in the economy of the country.

3- legal challenges in the public expenditure – security of payments

The first indicator for quality expenditure is the legal assurance of the supplier, or of the staff, to be paid according to the order placed by the public authority. The legal texts that represent the framework of the activity should thus be analyzed to check whether there is a separation between the administration that orders the expense, the one that instructs it and the one that makes the payment. In this structure, what is the role of treasury services: are they supposed to keep the accounting for the expenditure and the payment? What controls must be done prior, and what means do they have at their disposal in order to refuse an inappropriate payment? What organizational structure was there implemented in the direction for budget and authorizing administrations? Is it important to identify elaborate legal tools (e.g. codes for procurement contracts) in order to measure how independent the administration is from some suppliers.

The tools that are already in place in public treasury services should also be scrutinized, so that the controls that these services are supposed to perform are traceable and of good quality.

4- efficacy of public expenditure (payment deadlines, handling of arrears)

Public expenditure represents a significant part of the sums introduced in the economic cycle, it is thus important that payments to suppliers or to public staff (in case of salaries) be swift. Administrations elaborated thus methods to guarantee that all suppliers are paid as soon as the order was placed, and if this is not the case, the existing tools should be analyzed in order to monitor the arrears and handle them. Methods were also issued so that payment deadlines can be measured and reduced by introducing selective checks on risky expenditure or on ones of major financial importance and significant subsidy schemes.

5- IT tools and payments made through bank transfers

Modernizing the cycle of expenditure entails a good IT flow among stakeholders and integration of controls in order to facilitate these operations. In some countries where the rate of payments made through bank transfers is still low, it is important to conduct an analysis and see whether treasury services are favorable to the opening of bank accounts in order to make payments and reduce the cycle of important amounts of paper money.

6- ongoing reforms

The sector of public expenditure is not rigid and each country makes legal, accounting and financial changes to the public expenditure. Different experiences can be analyzed, as well as the objectives that were set and the expected results.

7-internal and external controls

Given the amounts at stake and the legal impact in terms of security of transactions, the sector of public expenditure requires the implementation of regular internal controls within treasury services and that of controls conducted by authorities independent from the administration (court of auditors) in order to insure the regularity of operations and impose (financial or other type of) sanctions if dysfunctions are proven.

PROGRAM - Dakar – SENEGAL – 16-18 November, 2015

OPTION 1

Sunday 15 November, 2015

19h30 – 21h00: **Welcome cocktail****Monday 16 November, 2015**

Morning8h30: **Welcome and registration**9h00 – 9h30: **Opening session**

- Opening address by President of AIST

1- Address by AIST Secretary General

2- Address by Finance Minister or his representative

9h30 – 10h00: **Break**

10h00 – 12h30: Working session 1

12h30 – 14h00: **Lunch****Afternoon**

14h00 – 15h30: Working session 2

15h30 – 15h50: **Break**

15h50 – 17h30: Working session 3

Dinner**Tuesday 17 November, 2015**

Morning

9h00 – 10h30: Working session 4

10h30 – 10h50: **Break**

10h50 – 12h30: Working session 5

12h30 – 14h00: **Lunch****Afternoon**

14h00 – 15h30: Working session 6

15h30 – 15h50: **Pause**

15h50 – 17h00: Working session 7

17h00 – 17h30: **Closing remarks**

- Address by AIST Secretary General

- Address by President of AIST

- Address by Finance Minister or his representative

Dinner**Wednesday 18 November, 2015**

9h00 – 11h00: **General Meeting**12h00 – 16h00: **Cultural visit**

OPTION 2

Sunday 15 November, 2015

19h30 – 21h00: **Welcome cocktail**

Monday 16 November, 2015

Morning

8h30: **Welcome and registration**

9h00 – 9h30: **Opening session**

- Address by President of AIST
 - 3- Address by AIST Secretary General
 - 4- Address by Finance Minister or his representative

9h30 – 10h00: **Break**

10h00 – 12h30: **General Meeting**

12h30 – 14h00: **Lunch**

Afternoon

14h00 – 15h30: Working session 1

15h30 – 15h50: **Break**

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Dinner

Wednesday 18 November, 2015

9h00 – 12h00: Working session 7

12h30 – 13h00 Closing remarks

- Address by AIST Secretary General
- Address by President of AIST
- Address by Finance Minister or his representative

15h00 – 17h30: **Cultural visit**