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**ADDIS ABABA UNIVERSITY SCHOOL OF BUSINESS AND
ECONOMICS DEPARTMENT OF PUBLIC ADMINISTRATION AND
DEVELOPMENT MANAGEMENT STUDIES**

**ASSESSMENT OF THE CHALLENGE AND OPPORTUNITIES OF
PREPARATION AND UTILIZATION OF PROGRAM BUDGET
IN CASE OF FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIAN
GOVERNMENT HOUSE OF PEOPLE REPRESENTATIVE**



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**ADDIS ABABA UNIVERSITY SCHOOL OF BUSINESS
AND ECONOMICS DEPARTMENT OF PUBLIC
ADMINISTRATION AND DEVELOPMENT MANAGEMENT**

**A THESIS SUBMITTED TO THE SCHOOL OF GRADUATE
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FULFILMENT OF THE REQUIREMENTS FOR THE MASTERS
DEGREE OF DEVELOPMENT MANAGEMENT IN THE DEPARTMENT
OF PUBLIC ADMINISTRATION AND DEVELOPMENT MANAGEMENT**

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SCHOOL OF GRADUATE STUDIES
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AND POLICY STUDIES**

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Examiner (Internal)	Signature

DECLARATION

I declared that the thesis is my original work and has not been presented for a degree in any other university.

Name: _____

Signature: _____

Date: _____

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ABSTRACT

Globally, Budget is central to realize national development, goals and programs In the case of Ethiopian budget classification system were assigned to public bodies and their respective departments make division for their effective use of devolution. the annual report of finance department shows the existence of inefficiencies in budget preparation and utilization , that may hinder the preparation and utilization of budgeting in the HPR. Thus, the general objective of the study is to assess the challenge and opportunities of budget preparation and utilization in case of HPR, both qualitative and quantitative methods and descriptive data presentation were done. The data were entered into a computer using to SPSS for Windows version 21.0 version for analysis. The result of the study demonstrate that there was no accountability in budget utilization, lack of attention in program budget preparation and estimation,. lack of adequate and experience program budget experts and deficiency of staff training ,lack follow up monitoring and evaluation mechanisms and absence of computerized information technology system in the institution Therefore, in order to improve budget preparation and utilization in HPR, it calls for assign skilled human power, conduct training for staff members, continuous and strong follow up by leaders should be conducted and software access to information technology of computer networking system remedial actions in the subsequent years.

Keywords: program budgeting system, House of People Representative, program budget planning department.

LIST OF ABBREVIATIONS

CIMA	CHARTERED INSTITUTE OF MANAGEMENT ACCOUNTING
EFY	ETHIOPIA FISICAL YEAR
FDRE	FEDERAL DEMOCRATIC REPUBLIC OF ETHIOPIA
HPR	HOUSE OF PEOPLE REPRESENTATIVE
IBEX	INTEGRATED BUDGET EXPENDITURE FRAME WORK
ICAEW	INTERNATIONAL CONFERENCES ON APPLICATION OF FRACTALS AND WAVELETS
M&E	MONITORING AND EVALUATION
MOFED	MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT
MTEF	MEDIUM-TERM EXPENDITURE FRAMEWORK
PB	PROGRAM BUDGET
PBS	PROGRAM BUDGETING SYSTEM
PFM	PUBLIC FINANCE MANAGEMENT
SPSS	STATISTICAL PACKAGE FOR SOCIAL SCIENCE
UK	UNITED KINKDOM
USA	UNITE STATE OF AMERICA
WB	WORLD BANK

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CHAPTER ONE

1. Introduction

1.1 Background

Budget is central to realize national development, goals and programs. It has multiple functions, Such as: control of public resources, planning for the future allocation of resources and management of resources. However, the relative strength of each function depends on the current view of the function of budgeting tool and techniques, but also depends on the strength of particular organizations arrangement to support these functions, (World Bank 1998). Besides to this, for effective use of resources and to gain an understanding of how public funds have been utilized, and how they contribute to government policies, it is important to monitor the results of expenditure. This has led to the establishment of government monitoring and evaluation (M&E) systems. A common feature of such systems involves the Ministry of Finance keeping spending agencies in check by requesting reports on financial and non-financial performance. The latter is also referred to as the results of government spending and can be measured at the levels of outputs, outcomes and impacts, which involve defining performance indicators.(World Bank 1998)

It is important for governments to define and keep track of indicators to consider what they were trying to achieve with their policies and how far they were progressing and to use the information to plan accordingly. For this reason, there is a strong link between budget monitoring and performance-based budgeting. (Rebecca, S., Natasha, S., & Imran A. 2011). Poor performance is often to be found in the weak links between policy making, planning and budgeting, at one level policy making and planning were unconstrained by what a country was able to afford over the medium term, at another level, policy making and planning were insufficiently informed by their budgetary implications and by their likely impacts in the wider community. The inadequacy of hard budget restraints on decision makers at the planning and budget formulation stage of the cycle leads to inadequate funding of operations, poor expenditure control and unpredictability in the flow of budgeted resources to agencies responsible for service delivery,(Malcolm, H. with Alison, E. 2003)

The national budget is the most important policy vehicle to achieve a country's economic and social priorities within the scarce resources that were available to government for public expenditure. It plays a vital role in the process of government fulfilling economic, political, legal and managerial functions of the government, (Richard, A. and Daniel, T.2001)

In the case of Ethiopian budget classification system, is possible to see exactly which resources were assigned to which public bodies and to follow up that the money has been used in accordance with the intended priorities. Budgets were assigned to public bodies or sector offices and their respective departments make division the programs and assign responsibilities for their effective use of devolution, it is crucial that the planning and budgeting cycles at each level has harmonized and coordinated. This is also why a basic understanding of the procedures and timelines in preparing the budget at federal level is important in order to understand the budget process at regional and district, the purpose or objective of a budget is related to the intended outputs. This means all budget items were related to the planned activities on which the public funds were spent and the purpose of the spending Public budgeting systems were intended for carrying out numerous significant functions. Among the functions of a budget, the most fundamental one is controlling public expenditure, which is commonly carried out by exercising financial control over inputs. It is also instrumental for allocating scarce resources to government priorities so that government objectives were achieved in the most efficient and effective manner, (Bradley B. D.1968)

(Robinson, M. 2010), asserted that a budget is not only a tool of macroeconomic policy but also a management mechanism. It can help to achieve administrative efficiency, economy, and honesty through business like behavior. The budget document can be a major tool of accountability, whether to the legislative body or to the press and the public. It can help hold administrators accountable not only for the funds they receive but also for a given level of performance with those resources. Typically, a budgeting system cannot execute these functions equally well at the same time. The relative strength of each function depends on budgeting tools and techniques, but most critically on political decisions about which issues matter to the government. (Shah, A.2007)

The line-item approach embodies several impediments to promoting efficient and effective public planning, management and to fostering results-oriented accountability in public sector institutions, a line-item budget emphasizes inputs; it provides information on how much money is spent and how it is spent rather than on what it is spent. It does not link inputs with outputs and therefore says nothing about how efficiently resources were used, its focus on detail on control leads to micromanagement of agency operations by central budget offices and finance ministries and to hierarchical controls within the agency, therefore, Public managers thus exercise very limited managerial discretion and cannot be held accountable for the performance of government activities, budget reforms have sought to remedy these deficiencies first in the 1950s by linking planning with budgeting through program budgeting,(Bradley B. D.1968)

Program budgeting system (PBS) is the performance budgeting mechanism which has had the most enduring influence. Program budgeting comprises the objective based program classification of expenditure and the systematic use of performance information to inform decisions about budgetary priorities between programs.(Robinson, M.2007)

The primary objective of program budgeting is improving allocation efficiency through better expenditure prioritization. The major concern is the belief that, expenditure allocation in the public sector is not sufficiently responsive to changing social needs and priorities, and that money could keep flowing year after year to ineffective programs because of a lack of proper expenditure planning processes or of accountability for results linked to the budget process, (Robinson, M.2007),he argued that program budgeting exponents viewed traditional line item budgeting as a key part of the problem, also the line item budgeting approach in the Federal Government of Ethiopia has not been well-attuned to priority setting in order to achieve policy objectives. The shift from line item to program budgeting for the federal government in Ethiopia has occurred progressively since 2005, as part of the budget reform agenda. Starting with a pilot of three ministries, Ministry of Finance and Economic Development (MoFED) has since 2006 made steady progress in developing a program budgeting approach for the federal government. After three years of producing indicative program budgets at the federal level, MoFED has introduced program budgeting embedded in a medium-term expenditure framework to 170 government bodies starting in July 2011 for the EFY 2004.While a good beginning

has been made in introducing performance orientation in the budget process, the PB framework faces a number of challenges which needs to be addressed in the process of deepening this reform,(Khemani, P., Kuteesa, F., Anderson, G., Ayaya, O. and Schaeffer, M., 2011)

Program budgeting in Federal government of Ethiopia is primarily designed to act as a basis for supporting Public Finance Management (PFM) reforms by enhancing performance management and accountability, enabling a stronger linkage between the annual budget and policy objectives, and improving transparency and accessibility of information. Shifting to program budgeting aims to facilitate the flow and quality of information so as to provide a robust basis for resource allocation decision-making and to create the right environment and mechanisms that will strengthen the improved Public Finance Management, Program budgeting requires data collection, and put pressure on information technology and data collection systems. Factors which determine the speed and success of PB reforms include both the character and quality of public institutions and laws within the country, plus the degree of technical knowledge, degree of effort and experience applied to design and implementation of these methods, (Kąsek, Leszek and Webber, David ,2009)

Program budgeting reforms involve a range of complex steps starting from changes to budget classifications, some completely new managerial concepts, introduction of new IT systems and changed behaviors of public servants, all of this requires a positive and determined attitude by government with good communication between the Ministry of Finance and line ministries and spending agencies. An effective program/performance budgeting system depends highly on reliable performance measurement and reporting, (Kąsek, Leszek and Webber, David 2009)

The construction of a performance measurement and reporting system provides a channel for public officials to reach agreement on program goals/objectives and, discuss and compromise on the selection of performance measures, to address their questions and concerns accordingly. House of people representative of Ethiopia has started program budget since 2004 E.C to enhance modern utilization of budget at institution by changing traditional line item utilization of budget in accordance of new reform establishment in the house of people representative office for effectiveness and efficient utilization of budget. Therefore, this research will focus on the analyzing the challenges and prospects of implementing PB (program-1.....program-5) in

Federal Democratic Republic of Ethiopian government House of People Representative and drawing data from the officers and leaders of standing committee and officials of employments.

This paper attempts to show the progresses made in adopting PBS and the extent to which the system is understood and complied with in these public organization. To sum up, this paper explores how the public budget is being prepared and utilized effectively and how this can be enhanced. Having assessed these issues, the paper puts forward viable recommendations for decision makers regarding strategies to take advantage of existing and emerging opportunities for improved sector financing and budget execution. It suggests steps were taken in preparation and utilization of program budget in House of people representative, by taking existing problems into account. This will help contribute towards improved and sustained future financial service interventions

1.2 Statement of the Problem

There are different budget users at different department and each department of the budget users has the responsibilities of preparing and utilizing budget. In budget preparation and utilization there are several type of problem encountering in the case of HPR office, the problems can be categorized in two levels: On each department of budget users and on program budget Planning department of HPR office.

In many of the budget users, gaps are observed in organizing their plans as per the strategy of the HPR, regarding to budget planning and utilization, the annual report of finance department director's shows the existence of inefficiencies in budget preparation and utilization, the deficiencies on utilization of budget identified in the report, no durable follow up and control by successive leaders on the budget preparation as well as utilization at each respective budget users; each budget users unable to periodical report comparisons of utilized and unutilized budget including the reason why it is not consumed. On the other hand, planning and budget department of the HPR office has a role to follow-up the implementation of HPR budget whether it is prepared and utilized for the intended purpose or not. In this regard, there is no strong way in budget reporting, supervising and controlling system by the program budget planning department for each level of budget users and problems would arise for weak budget preparation and utilization as reported and absence of technology information system in institution.

This problem requires further investigation with scientific approach how to understand program budgeting system at institution and link to the organizational structure, likewise in what way the budget preparation and utilization proceeded within the HPR office. There have been significant practical problems that arise in linking organizational unit budgets and program budgets. While the former is organized around activities, the latter rather emphasizes policy objectives

As Robinson (2010) noted, one of the difficulties for program budgeting is the relationship between programs and organizational structure. Similarly, (Clifton, 2010) stated that indeed the lack of analogy between a ministry's organizational structure and its strategy (i.e., outputs and outcomes) is often the biggest challenge in developing a program budget structure that transparently links the budget to service delivery and performance. In addition, (Pugh, 1984) argues that staff capacity to address the information requirements of program budgeting is the main institutional requirement.

The Ethiopian Government has been designing and implementing program budgeting system since 2005 by recognizing the need to improve the efficiency and effectiveness of spending, in order to achieve national goals and objectives and to enhance public service delivery. The budget reforms were primarily focused on curtailing dual budgeting through development of Medium-Term Expenditure Framework (MTEF), and moving from the traditional line-item budgeting system to a Program Budgeting (PB) system that links resources provided to agreed outputs.

Presently, the implementation of PBS at federal government level faces challenges and needs to be investigated, the persistence of input control, lack of performance information, lack of monitoring and evaluation, ambiguity in conceptual framework and program establishment on the basis of traditional organizational structure were the area that require concrete study in Ethiopia context. In addition, lack of trained staff needed to carry out the required analysis and absence of information system that fully supports the program budgeting system were among the issues salient in the process of implementing PBS. Besides this, no research was done to accentuate the gaps in the area and also in budget preparation and utilization. Hence, there were various problem encountering in the case House of People Representative at each program budget users, such as: program-1 support and service, program-2 oversight and reservation program, program-3 parliamentary outreach and image building, program-4 legislative program, program-5 cross cutting sectors

affairs, so that, the gaps were observed at institution in their plan and to fix according to the strategic plan of the office and Budget Planning Department of the House of People Representative. Therefore, the research concentrated on the assessment of the challenge and opportunity to preparation and utilization of budget in case of HPR, in each sub program such as, perception/attitude to new program, lack of performance measurement and reporting, lack of access of technology utility and that hindrance for preparation and utilization of program budget at the parliament. Therefore, this paper will try to raise the questions and address the critical problem by suggesting possible recommendation in the future.

1.3 Basic Research Question

- What are the outcome of program budget utilization?
- What are the challenges of program budget preparation?
- How the perception of budget users towards program budget system?
- What are the opportunities of program budget system towards budget preparation and utilization?

1.4. Objectives of the Study

1.4.1 General Objective

The main objective of this study is an assessment of program budget challenges and opportunities of preparation and utilization in case of Federal Democratic Republic of Ethiopian government House of People Representative

1.4.2 Specific Objectives

The specific objective is derived from above basic question.

- To determine outcome of program budget utilization in case of HPR
- To identify challenges and opportunities of program budget preparation in case of HPR
- To examine perception of budget users towards program budget system in case of HPR.
- To explore opportunities of program budget system towards budget preparation and utilization in case of HPR

1.5 Significance of the Study

The outcome of this research would have the following significances. The research report gives some necessary recommendation to have relevant information on program budget utilization at large, the study was addressing some of the problems related to program budget preparation and utilization. It was contributed to create awareness among the program budget users and any other concerned body on the role of budget management and to the success of vision of institution. It can be used as a reference for other researchers, who may conduct research in related fields.

Finally the result that was obtained add to the wealth of information currently available on the determinants, intensity and national quality measurement in the country in general and in institute in particular, it can be referred and make the base for further research on the same topic for others researchers.

1.6 Delimitation of the Study

The scope of this research is delimited at House People Representative of federal government of Ethiopia. The research goes through to investigate on how budget was prepared and utilized in the selected area of study accordingly. The time horizon of the study covered by this research had been limited to assess the last three years, an each program budget utilization of 18 standing committee and support employment office covering from 2004 up to 2006 E.C. During the last three years, a program budget preparation and utilization trend of the parliament finance department office.

1.7 Limitations of the Study

When the research was conducted the researcher faced some challenges. There were, time constraints involuntary of respondents, lack of research studies and availability of sufficient current literature on the topic. However, the researcher tried to solve the problems and also in case of literature, navigate from different secondary sources related to program budget preparation and utilization.

1.8 Organization of the Paper

This research paper is divided into five chapters. The first chapter contained the background of the study, statement of the problems and objectives of the study, the second chapter pronounces literature review in program budgeting system, the third chapter described methodology of the study and the data presentation, analysis, and interpretation were presented in the fourth chapter and also the last fifth chapter provides summary of findings, conclusion and recommendations for the planning department and users of budget in House People Representative.

CHAPTER TWO

2. Literature of the Study

In this chapter the concept of budgets, budget preparation, the budget utilization and some empirical literatures were discussed. This is achieved by gathering the available literature by scholars and academicians on the subject.

2.1 Concepts of Budgets

During the middle Ages in England, letters of particulars about taxes and spending was brought before Parliament by putting them in a small leather bag, as centuries passed, the word came to be applied to the contents as well as to the bag itself though originally only in the sense of a group of things.(Quick & New,2001)

The implication of the term has changed since the days when a country's resources were deemed to be the personal property of the king, along with the political evolution from absolute monarchies to constitutional governments. In most countries today, including a majority of African countries, approval of the budget was leading form of legislative control over the executive with public money spent only under the law. (Shah & Von ,2007)

Modern budget institutions stem from the rise of the modern state in Western Europe in the 16th and 17th centuries when the rising costs of warfare were leading to an increase in taxation and a higher tax burden led to public demand for greater accountability, therefore, citizens were wanted a way to ensure public funds served public interests. Thus, oversight role came to be performed by a parliament containing elected representatives with the responsibility to approve and review the government's use of resources. (Campo and Tomasi,, 1999)

As Falk (1994),define the budget ,it is the most widely used accounting tool for planning and controlling organizations and it turns the mangers able to anticipate and correct potential problems and then focus on exploiting opportunities instead of fighting fires, for business plan to fail many of those that flop failed to plan budgets can financially reflect many of the evolving cost accounting and management themes.

According, Andrews (2008) budget outline as detail plan expressed in quantitative terms, that specifies how an organization will a quires and use resources during a particular period of time and a budgeting system comprises the procedures

used to develop a budget and has five primary purpose; planning, facilitating, communicate.

An effective budget pursues three objectives: maintaining fiscal discipline, allocating resources in accordance with policy priorities and efficiently delivering services, budget should be comprehensive, transparent and realistic to promote these objectives, a budget should contain the elements which includes, macroeconomic framework and revenue forecast, therefore, discussion of budget priorities, planned expenditure and past out turns, a medium-term outlook and details on budget financing debt and the government's financial position. (Potter, and Diamond, 1999)

2.2 Budget Preparation and Planning

According to Maitland (2001), the process of preparing and approving on a budget is a means of translating the overall objectives of the organization in to details. The feasible plan of action also it is one of the tedious tasks that any country should look up on preparation process for the annual budget planning involves a great deal of energy, time, and expense. Hence, a country must be able to follow accurately methods of preparing an annual budget planning and to have a follow-up operation for budgeting.

Budgets were financial expressions of a country's plan for a period of time, it tells where and how the organization will spend money and where the money will come from to pay these expenses and that budgets set limits. (Falk 1994)

Andrews and Hill (2003) state that, budgets also provides the assurance that the most important needs of a country were met first and less important needs were deferred until there were sufficient funds in which to pay for them, even though budget preparation is not the simple thing that needs consideration and to have at least close estimation.

As per Shah (2007), preparation of the budget usually takes many months and involves all public Institutions, the Ministry of Finance manages the process, the Cabinet sets or approves the policy priorities, line ministries plan and advocate for their resource needs and the legislative reviews and approves the final plan to allocate the state's limited resources to competing demands.

Preparing a budget proposal that suggests a set of recommended policies and stays within whatever financial limits were considered and politically realistic has been a prominent issue in public budgeting. (Bunch and Strauss man 1993)

According to (Campo and Tommasi ,1999) and (Allen and Tommasi 2001),the main starting points for the preparation of the annual budget should be a clear definition of fiscal targets and a strategic framework consisting of a comprehensive set of objectives and priorities.

As Schiavo-Campo (2007) stats that, a successful budget preparation process combines top-down direction and bottom-up planning with overall budget envelope and sectors spending ceilings set by the Ministry of Finance and the Cabinet in accordance with policy objectives then communicated to the line ministries, which were responsible for preparing their respective sector budgets through an iterative process of review, thus, presented to the legislature, where it is debated and negotiated with the executive and eventually passed into law.

2.3 Budget Utilization/ execution/

Once a budget has been approved by the legislature, the government embarks on the challenging task of spending funds. Utilizing public funds effectively to meet stated policy objectives while ensuring value for money is often just as challenging than planning how to spend it. Several reviews of Public Financial Management performance in developing countries show that countries score significantly better on budget preparation than on budget utilizing and also budget utilization is the phase where resources were used to implement policies incorporated in the budget. (Schiavo-Campo and Tommasi 1999)

As (per Allen and Tommasi 2001), successful budget utilization depends on numerous factors, such as the ability to deal with changes in the macroeconomic environment and the implementation capacities of the agencies concerned. Besides to this, the budget system should assure effective expenditure control and a realistic budget to begin with a good budget utilization system should have complete budgetary appropriation accounting system and spending public funds effectively to meet stated policy objectives.

According, (Schiavo-Campo 2007), budget execution from the perspective of the Ministry of Finance emphasize in accordance with the appropriations and rules to prevent corruption and overspending and its process was usually divided into four steps: authorization and allocation of appropriations; commitment of funds to specific purchases; verification of deliveries; and payment. It is explained as follows:

- **Cash management;** A major challenge for the Treasury is how to manage the flow in order to ensure that funds were available in time to meet payment obligations, in order to ensure central control over cash, governments were advised to operate a treasury single account. It shows set of linked accounts where all government revenue is deposited before it is allocated for expenditure purposes.
- **Budget alterations;** Ministry of Finance responsibility is to monitor and manage in-year changes to the budget. Unforeseen circumstances or poor budgeting may make it necessary to adjust the budget.so, rules were govern transfers between budget categories.

In developing countries and particularly in fragile states, under spending is frequently as much of a problem as overspending, a failure to spend funds in a timely manner and in accordance with the budget points to a failure to deliver planned services. It is therefore useful to consider the budget execution responsibilities of spending agencies.

2.4 Concepts of Under and Over Utilization of Budget

Allen and Tommasi (2001) stated that, over utilizations were sometimes caused by non-compliance of budget managers with the spending limits defined in the budget, when committing expenditures, since cash allocated to spending units for appropriated expenditures is generally controlled. These overruns generate spending whereas; over runs is often the result of off-budget spending mechanisms (payment from special accounts). In some countries, payments made through exceptional procedures were not controlled against the appropriations and were therefore an important cause of overruns; lack of compliance can be addressed through strengthening the audit system and reporting system and ensuring the effectiveness of the basic budget execution controls. Moreover, overruns can be caused by

deficiencies in budget preparation; therefore, Sound budget preparation processes and adequate institutional arrangements were a prerequisite for avoiding overruns.

Also Allen and that Tommasi (2001), describes that, in a number of countries, the official budget is under spent, particularly its non-wages expenditure items. This does not necessarily mean that there is good fiscal discipline in these countries. In some countries with poor governance, under spending of the official budget may coexist with large amounts of off budget spending. On the whole, in most cases, underutilization as well as over utilization is related to inefficiency, corruption and lack of capacity in budget preparation and an over estimated budget and unrealistic projections of revenues may lead to budget revisions during budget utilization.

Peters (1998) identify that, poor planning in a budgeting, poor expenditure control, inadequate funding of operations and maintenance have a little relationship between budget as formulated and budget as utilized. Inadequate accounting systems, unreliability in the flow of budgeted funds to agencies and to lower levels of government and poor cash management

Tommasi (2007), indicate that, there should be distribution of responsibilities for budget utilization, budget appropriation management rules and budget revisions. Several and special issues were related to budget utilization and the monitoring of budget execution covers both activities related to the implementation of policies and tasks related to the administration of the budget. Both the central agencies and the spending agencies were involved in these tasks. The distribution of responsibilities in budget management should be organized according to the agencies' respective of responsibility and accountability

2.5 Variations between Budgeted and Actual Expenditure

As per Omitoogun and Hutchful (2006), state that, a number of factors that can explain why actual expenditure deviates from the levels approved at the beginning of the financial year in any sector.

The reasons for deviations may vary over time. Some of the more common causes are: deviation in aggregate expenditure, reallocation of fund during budget implementation, policy changes during the year, an inability to implement policies,

program and projects, a lack of financial discipline contribute for variation in budgeted and actual expenditure.

As explained by Rebecca, Natasha & Imran (2011), internal control systems were the policies and procedures put in place by the management of a government agency in order to ensure the agency achieves its objectives and complies with external laws and regulations. Such policies and procedures tend to cover financial accounting and reporting, performance monitoring, asset management and procurement.

2.6 The Concept of Program Budgeting

The concept of program budgeting gained prominence in 1961 with its adoption by the US department of defense, although its roots may be traced to earlier years and appreciate success and its boundaries application in the department of defense (Novick, 1967)

Hisch (1966) state that, program budgeting was stimulated by president Johnson, an extension of this initiatives to all departments of the federal government 1965 and following US central government and an experience of program budgeting techniques introduced widely elsewhere.

Novick(1973), In the UK initiatives introduced covered both local authorities and central government were the term output budgeting was preferred. In view of this progress, it was possibly surprising that there developed not definition and description of what become respectively known as program budgeting, planning program budgeting or planning programming budgeting system, as early as 1965.

Wildavsky (1966) noted that, for program budgeting there is no standard definition, Later Dro r(1969) concluded that, no single dimensional and single description can do adequate justice to the heterogeneous phenomena and idea using that name, instead attention focused upon identifying the main element of the approach. Also Novck (1973) suggest that, to carry out the major objective of program budgeting, three general part of administrative and operational activities were involved. These were program structure, analysis, information and reporting. The development of a program budgeting requires the identification and definition of an organization objectives and the grouping of the organizations activities into

programs that can be related to each objective. Program analysis represented a decision making process where the resource and cost implication of program alternative and their expected output estimated, examined and compared.

Information and reporting refers to the importance of adopting ongoing accounting, statistical and reporting system to meet program budgeting requirements. (Henley 1989) state that, the approach was developed in response to the limitation of traditional budgeting was invariably annual incremental input oriented processes, Under such arrangements, there is not only natural tendency to favors existing programs however, the budgetary process becomes simple mechanism for allocation or rationing particular input with no explicit relationship developed between inputs and intended outputs of the particular public service.

In contrast, program budgeting is planning rather than control oriented, it would be more useful if it was related program resource allocation planning to emphasis, this is primarily a planning exercise. The real innovation which permits the shifting orientation is the program structure. It is this defining of object and classification of existing activities in terms of the existing to which they contribute to the stated objectives, which reveals the extent to which existing resource allocation were compatible with an organization planning priorities, therefore, the program structure should cut across conventional lines of responsibility and department structure to draw together all the activities that were directed towards a particular objective (Henley, 1989).

As Robinson (1992) point out, there are two particular lessons we can learn from US experiences, the first, it is important to be realistic about what program budgeting can be expected to achieve in its original conception and it was assumed that, each program budget process to review critically all expenditure and all alternative expenditure options, so that, as to determine an optimal allocation of resource s between competing ends. Such an approach ignores the political and organizational realities of large organizations. The program budgeting use of techniques must dispense with comprehensive, rational centralist intellectual baggage of program budgeting and address the issue in the real world context of incremental, interactive budgeting practice.

The second, insight concerns the importance to be attached to program structure, described by (Wildavsky 1969) there were often huge difficulties encountered in

defining objectives and grouping activities with objectives as exposes; A ordinary recitation of some program categories from the department of agriculture-communities of tomorrow, science in service of man expanding dimension for living makes the point better than any comment, its substantial cost of obtaining reliable information on actual expenditure in terms of output which leads to conclude that the output classification is inferior to the organizational, preferred program structure should be simple, capable of expressing clearly the contribution of activities towards broad objectives and yet should not substantial cost upon organization.

The third, Robinson (1992), States that, the US experiences cast doubt on the effectiveness of program budgeting techniques, the subsequent case studies reveal that, the manner of implementation which will responsible for the aliment failure of federal governments wider approaches and program budgeting technique continue to be applied in the US department of defense, Jones (1991) as well as varying forms in Canada (Sutherland1990), and Australia (Pugh1984)

2.7 Program Budgeting in Practice

As Novick,(1967), indicates program structure is revolutionary aspects of the system and present resources according to the program to which they apply, also it draws together input from different organizations and concentrates attention on competition for resources between programs and on the effectiveness of resource use within programs, therefore, this structure is designed to clarify all the activities ,objectives and expenditure which contribute to each program or sub program irrespective of organizational or agency boundaries.

The political and organizational realities within large organizational prohibit the use of the highly analytical approach usually associated with program budgeting, instead decision was made through pluralistic bargaining between different lobbies, modified by shifting political judgments, make in the light of changing pressures. Program budget analysis involves at strategic level to identify long term planning priorities, such as any arrangements involving major transfers of responsibilities and require senior management involvement, also occurring at lower level of the organization, involves marginal analysis, thus involve, evaluating managerial activities and shifting resource from those of marginal benefit to those of high marginal benefit. (Klien, 1993).

As a Novick (1973), emphasized that on information and reporting of program budget system, the importance of adapting the ongoing accounting statistical system in order to meet program budgeting requirement and provide continuing information (monthly or quarterly) on the use of resources and progress with in programs. Although perhaps optimistic at that time, subsequent improvements in financial information system mean such report writing facilities should be available.

2.8 Program Budgets Preparation and Utilization

John m. Kim, (2004), the program structure links to accounting budget systems and should be the basis for management information system. As envisioned in Korea, the program structure will not cross organization lines within ministries or agencies. In some cases, however, more than one organizational unit was participated in the same program, in these situations, it would be advisable to split the program into Subprograms, each of which would be in a single organization, Conforming programs to organizational boundaries simplifies the program structure nevertheless, diminishes the government's capacity to analyze and coordinate objectives that were shared by two or more ministries. Nevertheless, this is a practical compromise that was made it much easier to design and implement the program budget.

Korea's approach gives due recognition to the reality that organizations manage programs and were accountable for results. A program classification adds value only when it compiles data that would not be available in traditional budget classifications. The key additional data pertain to program costs and results, and to the resources consumed in performing public activities. It is contemplated that data on results was generated by the new performance management system, which should be structured by programs. It may be difficult, however, to develop reliable cost data because the current budget system disperses program costs among various units and subunits.

2.10 Conceptual Understanding of Program Budgeting

Văcărel, (2002) verify, a program budget is an action or a coherent set of actions that relate to the same manager of a public institution, designed to achieve an objective or a set of defined objectives and indicators were established to assess results to be achieved within the approved funding. To this end, the programs were accompanied by annual performance estimation, which must include: actions associated costs, objectives, results and forecast for future years as measured by precise and well

justified indicators. strategic objective means of the actual transition from the budgetary classification structure to a budget structured on activities defined by objectives associated with performance indicators, it is a complex process, justified by the fact that the coverage of public institutions activities through programs containing targets and indicators requires clear allocation of resources for the implementation of the programs and changing the organizational and functioning strategy of the institutions managing the budgetary programs. Also he indicates that, for a clear description and to facilitate an adequate tracking of performance in achieving the desired budgetary programs, it has to be broad and enough indicators. From this point of view, there may be established: indicators of means - measure the costs and quantify the factors used directly or indirectly on the activity;

Physical indicators - measured in numbers or units; Results indicators - measured actual results against the planned results; Environmental indicators - collect data from outside the program that have an influence on it; Impact indicators - measure the effect the program has on the affected group and Quality indicators - measuring the degree of achieving quality within standards.

Cretu et al,(2010).argue that, the ratio between the indicators and the performance have to describe t effectiveness indicators - measuring the degree of fulfillment of the set objectives; Economic indicators - measuring the conditions under which the entity that runs the program procures the necessary resources to implement it and efficiency indicators - measuring the productivity of a service rendered or bought commodity compared to its cost. Therefore, efficiency can be regarded as economic value, being the only aspect which can be neglected at a cost increase related to economic welfare or social targets.

According, Boboc and Petrescu (2008), Setting priorities and the combination of performance indicators is not the necessary and sufficient condition for the success of these programs, resulted in achieving the desired performance. Thus, after the selection of programs follows the definition of objectives with characteristics such as: not very numerous, coordinated, consistent, clear and measurable with deadlines, the indicators related to programs were physical or monetary quantities used to measure issues such as: achieving a high quality (excellence) at minimal cost (inexpensive), fulfillment of objectives (effectiveness) and obtaining the best ratio between resources and results (efficiency). In addition, depending on the characteristics and nature of

each program, indicators can reflect the social impact and equity, these may be obtained and compared with each other when they relate to identical activities conducted in different geographical areas or time periods.

During the period covered so far on the implementation of budgetary programs, the responsibility to run those programs was given to the managers of the public institutions and obligation to adapt the programs to every subordinate institution they were required to manage, according to legal regulations specific to each program separately. (Reviglio 2001)

2.10.1 Program Budgeting as an Instrument of Policy Analysis

As Robinson (1992) confirm that, Policy analysis and program budgeting emerged from the same governmental needs approximately 60 years ago, during World War II, the United States had an overriding need to allocate the resources of the many business firms and public agencies that contributed to the defense effort. In warfare, the key resources were physical not financial. The main ones include the productive capacity of factories, the supply of essential material such as rubber and tin, the capacity to transport men and material, and trained, equipped soldiers. Inasmuch as the supply of these critical resources was severely limited, government had to decide how they should be allocated. In other words, it had to budget for physical resources as well as competing means of pursuing the same objective. Operations research and systems analysis were the principal new tools applied to allocation of defense resources.

2.10.2 Program Budgeting as a Means of Improving Managerial Performance

As the Hawaii story illustrates, first generation program budgets were constructed according to the precepts of policy analysis; more recent versions of program budgeting have been influenced by contemporary management doctrine, which is often referred to as new public management or NPM. The important idea of NPM to perform well for public managers must be given substantial flexibility in using organizational resources. it should not be constrained by extant input controls, such as is common in line-item budgeting, but should have the freedom to employ

resources in the manner of deem most efficient. Only when managers were given operating freedom can they truly be held accountable for results, (Reviglio 2001)

2.10.3 Program Budgeting for Allocating and Managing Costs

Both the analytical and managerial versions of program budgeting concur on the desirability of charging full costs to the activities or entities that incur them. From an analytical perspective, full costing is essential for comparing alternative means of accomplishing the same objective. If one option was charged certain costs but another was not, it would not be possible to determine which has more cost effective. From a managerial perspective, full costing is essential to hold managers accountable for all the resources they consume, including those paid out of other accounts or entities. The two approaches differ, however, in whether costs should be compiled by organizations or programs. The managerial view insists on accounting for costs by organizational units because managers control resources by virtue of their authoritative positions in organizations; the analytical view prefers that costs be reported by program so that substitutes can be compared.

2.10.4 Program Budgeting as a Planning Process

The program budgeting usually lengthens the time frame of budgeting from a single fiscal year to the medium-term. A single fiscal year is too short to account for either costs or results. A program may have modest startup costs in the year it is launched, but higher costs in subsequent years when it becomes fully operational. If the budget were to consider only the year immediately ahead, out-year costs would be ignored in making program decisions. Moreover, money spent in one year might not yield substantive results for several years. Although program budgeting tends to elongate the budget process, many countries that have conventional budgeting systems have introduced a medium-term framework. In other words, a program structure is not a precondition for a multiyear budget capacity but multiyear frames may be a precondition for program budgeting. Program budgeting has the potential to inject more strategy into budgeting and more fiscal constraint into planning. It can make budgeting into a more strategic (and less incremental) process by focusing on government objectives and by shifting the basis of decision from what was spent in the past to what is wanted for the future. It can make planning more sensitive to fiscal constraints by injecting financial considerations into decisions on the future and by

requiring tradeoff among planned programs. In practice, however, national governments have rarely succeeded in combining the strategic vision of plans and the fiscal prudence of budgets.(Burgstahler & Schatzberg, 2008)

2.11 Empirical Literature

According to Burgstahler & Schatzberg, (2008) state that, study of more than 150 organizations in North America listed program budget preparation and utilization as the most frequently used as most important part of budget process. One of the usefulness of the process of budgeting forces manager to become a better administrator and puts planning in the fore front of managers' mind. In the same book, (horngreen *et al.*, 2008) also point out that the result of a survey carried out in the same place (North America) shows that most managers still agree that good program budget preparation and utilization correctly used as significant value to management. They reported that over 92% of the 150 companies in North America prepared and utilized program budget and remarked budget process as the top among the top activity expected from management.

In the same view, in a round table discussions organized by(CIMA and ICAEW ,2004) on “the traditional role of budgeting process in organization”, it is stated that budgeting and the accompanying process were indispensable, research in organizations seems to suggest that this is a commonly held view. It was further stated that, traditional budget process remains wide spread, Some claim that as many as 99% of European companies have a budget in place and no intention to abandon it.(kennedy & Dugdale 1999), cited in (CIMA-ICAEW, 2004).Consistent with this, Anand (2004) in a survey carried out in India found out that good budget process as one part of management control system is wide spread. Precisely, 88.7% of the respondents in their study prepared budgets, they assert that nearly all the companies in Australia, Japan, UK, and USA prepare budgets (Asada *et al.*, 1989),(Blayney & Yokoyoma, 1991)and(Chenhall & Langfield 1998)

On the contrary, research also shows that over 60% of companies claim they were continuously trying to improve the budgeting process to meet the demands set for management in creating sustainable value (Ekholm & wallin, 2000),

According to Bourne (2004), Cran field University in 2001 teamed up with Accenture's finance and performance management service line to undertake a large

worldwide review of planning and budgeting, They focused on 15 companies in the US and Europe which already made adjustments to their budgeting practice. In addition, the researchers reviewed over 100 academic and practitioner books on the subject. The result showed a widespread dissatisfaction with the budgeting process (Bourne, 2004). However, empirical evidence from Nigeria showed that from country other than the developed ones on the value of program budget preparation and utilization, most companies in Nigeria operate budgets annually, thereby confirming its widespread use, also conclude that, program budget preparation and utilization is a veritable part of budget process. It is recommended that efforts through researches should be directed towards improving the budget preparation and utilization rather than calling for its total abandonment.

According Yemisrach Fenta and Mulugeta Abebe (2012), the PBS launched in Ethiopia 2005, that, the task of introducing program budgeting undertaken from 2006-2008 on the pilot basis and in 2009 and 2010 shadow program budget undertaken then fully fledged of PBS started to be implemented in 2011. Development and assurance of a program budget manual and training module, there were different challenges that PB faces during its implementation. These include among others, lack of commitment from all stakeholders in promoting or supporting program budgeting even though it is believed that, PB is an appropriate way of PFM. However, also problems including lack of capacity in the MoFED to follow up whether line ministries properly implement the reform, methodological problems related to terms and terminologies, absence of clear program objectives that make it difficult to set performance measures/targets and lack of accurate and timely data to serve as input for performance measures.

2.12 Budget Process Overview in the Case of Ethiopia

Currently the annual budget formulation process has two dimensions: the identification of priorities of goals and allocation of management funds. The budget formulation process has four stages: the planning stage, the budget preparation stage, the budget legislation, budget implementation and control stages. Several stakeholders were involved at each step of the budget cycle and with the some contributing remarkably more than others. The executive body has considerable power in the budgetary process with Ministries playing important roles in planning, budget

formulation and implementation, thus, Ethiopia has a dual budgeting system in which recurrent and capital expenditure were considered separately (MOFED, 2009).

MOFED is the major clearing house for the preparation of the federal budget in Ethiopia, although this is done in consultation with the various ministries that were the beneficiaries of the budget. The responsibilities of the Minister of Finance and Economic Development as stipulated in the Council of Ministers Financial Regulations No 17/1997, consist of formulating and issuing directives that detail government financial policies in all areas of government finances to develop and maintain an appropriate standards of work and conduct for application throughout all public bodies; also to conduct internal auditing functions and preparing a financial plan for the country. Each public body needs to take the initiative to commence budget preparations before they receive the budget call letter from Ministry of finance and economic development (MOFED) with their budget ceilings, such as development of unit costs (where appropriate), a midyear program review, and the preparation of work plans.

Various steps were involved in the process of budgeting in Ethiopia. The first step in the process is sending of Budget Calls and ceiling notifications to line ministries by the MOFED. The numerous line ministries submit their budget request as per the established regulations, after the budget hearing and defense process at the MOFED; the final budget was submitted to Parliament by the Prime Minister for approval. It is important to distinguish between the approved budget and the annual appropriations then the budget that is approved by the Council of Peoples Representatives is a detailed budget i.e., by public body, sub-agency, project, expenditure item, etc. However, the appropriations were at a more aggregate level. An appropriation is a legal mandate to spend money out of the consolidated fund, so that, after the Council of Peoples Representatives has approved the budget, it is the responsibility of the civil service to implement that budget.

Implementation of the approved budget is also known as budget execution (MOFED, 2006). The implementation phase of the budgetary process covers not only measures for disbursing funds already allocated but also the monitoring of how funds were spent to ensure that they were used judiciously and for the intended purposes. It is responsibility to Ministry of finance and economic development to inform all public bodies of their approved budget to use forms to notify each public body of their

approved recurrent and capital budget respectively, between July 8 and 15 (MOFED, 2006).

Funds were dispersed to ministries each month on the basis of the allotted budget. Ministry was required to submit a monthly disbursement request in which it reports the previous month's expenditure were detailing what was spent and how it was used and makes a request for the next month's allocation through a work plan.

The Ministry's Fund disbursement department handles the process of fund disbursement for the ministries and keeps records of all transactions. The budget registrar in the Disbursement Authorization Department records the original budget and all transfers and supplementary budgets, the disbursements made and any undisbursed allocation.

Each public body is required to enter details of its approved budget onto their budget expenditure subsidiary ledger cards for each budget institution, sub-agency or project. The cards were used to keep track of approved budget, budget adjustments/transfers, supplements, and commitments. Although planning and budget processes should be thorough and attempt to anticipate needs of the next year, not all future circumstances can be foreseen with accuracy. When the situation demands, the approved budget can be legally adjusted during the year to adapt to unforeseen circumstances. Budget adjustments were not desirable and can be avoided by proper planning and budgeting. There were two types of budget adjustment permitted by law: budget transfer and budget supplement.

2.13 Budget Transfer

It is Possible to move budgeted funds between public bodies, budget institutions, projects or items of expenditure without changing the total approved budget. Budget transfers between public bodies, budget institutions, projects or items of expenditure were authorized by the Financial Administration Proclamation No. 648/2009 and the Financial Regulations No. 7/1997, subject to certain restrictions and the required level of approval or authorization. These include: No transfers were permitted from other recurrent expenditure to salaries, wages or allowances; No transfers were permitted from the capital budget to the recurrent budget and All other transfers must be approved by the authority specified in Part Four of the Financial Administration Proclamation No. 648/2009 and the Financial Regulations No.

17/1997. On the other hand, MOFED is empowered to transfer funds within items of expenditure of the recurrent budget; and budget from one capital project to another within a public body (FDRE, 2009).

2.14 Budget Supplement

The total approved budget can be increased with the approval of the Council of Peoples Representatives on recommendation of the Council of Ministers. It is additional authority to spend beyond the original approved budget during a budget year while an approved budget in the process of being implemented, it is possible that an unforeseen or urgent need for increased expenditures arises, (e.g. a natural disaster) or a new project, not included in the original approved budget is approved for commencement during the budget year and additional resources become available (e.g. from external assistance or loans) that can fund increased total expenditures including any new projects.

Any of these circumstances may require additional expenditures during the budget year by a public body beyond those in the approved budget; in these situations a supplementary budget and appropriation were required. These were also authorized by Part Four of the Financial Administration Proclamation No. 648/2009 and the Financial Regulations No. 17/1997.

Supplementary budgets were coordinated and prepared by MOFED, based on requests or proposals received from public bodies and Public bodies were required to prepare their supplementary budget requests in writing and submit to MOFED Budget Department. Then MOFED notifies public bodies of their approved supplementary budget. Subsidiary ledger card must be kept up to date by public bodies so as to show the correct adjusted budget and to prevent any overspending or over commitment of funds available.

MOFED coordinates the management and control of public funds in Ethiopia. It is this Ministry that keeps the accounts of the federal budget and prescribes regulations on financial management and control for ministries and government agencies. In addition, ministries were required to manage and control funds allotted to them following the central regulations and directives on financial management set out by MOFED.

The regulatory mechanisms of the budget include requirements that: Budgetary receipts are recorded in the appropriate budgetary account as prescribed in the financial regulations and in a timely manner; collected revenue is recorded under the appropriate revenue account; expenditure only is made in compliance with the financial regulations; all books of accounts were closed each month and a monthly receipt and disbursement be prepared and submitted to MOFED at the center and regional finance bureau in the regions; periodic financial statements were prepared and submitted to the Council of Ministers and regional executive committees by MOFED at the center and regional finance bureau in the regions;

A consolidated annual report be prepared and sent to the Council of Ministers and regional executive committees by MOFED and regional finance bureau. MOFED can be seen to play a central role in the budgetary process of the country. It controls the formulation and implementation of the budget of line ministries at various levels. During the writing of the Budget Calls, it can make changes in the budget allocation of line ministries after review and analysis of the budget estimate submitted by the ministries. It decides the level of the budget to be recommended to the Council of Ministers. During implementation, it has the power to disburse funds. Through the monthly accounting reports, it scrutinizes the performance of the ministries in budget implementation, and it can decide on the level of funding to be authorized for disbursement. It can also approve transfers and recommend supplementary allocations.

As stated by Alemayehu Geda and Dawit Birhanu (2011) the new fiscal year budget implementation begins with the issuance of budget notification from MOFED to budgetary institutions. Institutions were expected to submit action plans (financial and physical) for the budget year based on the approved budget spending. Budget utilization is implemented using a three month rolling disbursement request to MOFED by the budgetary institutions. MOFED in turn releases funds according to their request. Previously institutions were obliged to submit their requirement monthly. The annual budget cycle were devoted to budget implementation and control and it focuses on: Notification of the approved and allocated budget to the budgetary institutions by MOFED; Submission of annual and sub-annual cash flow need planning by the budgetary institutions, release of fund by MOFED through zero-balance cash flow management system, evaluation and monitoring of implementation of projects and comprehensive auditing of Federal Government accounts by the

Office of the Federal General Auditor and submission of the audit report to the Parliament; and approval of the report by Parliament; and take corrective actions based on the audit findings and recommendations by MOFED.

2.15 The Federal Democratic Republic House of People Representative of Ethiopia

Budget Process has undergone decentralization since 2003 and also the administrative structure has been decentralized in actual policy implementation, the House of People Representative budget department office plan is based on the MOFED strategic plan. Even though the House of People Representative budget department office plan is considered to the program owner and it develops instructions how to spend funds by MOFED.

The House of People Representative budget department office mainly cooperates with MOFED directly through financial activity reports for the allocation of recurrent budget discussions were made among representatives of each standing committee and approved by the coordinator committee of parliament.

2.16 Program Budget utilizing department in House of People Representative

According to the budget guideline, House of People Representative has identified the following budget executing department: such as, Human Resource management department, budget Planning and department, Finance department, Purchasing and store administration department and Communication department

Those program budget utilizing department were regarded as the major users that hold the direction of the House of People Representative office in terms of activities and programs based on the strategy of institution and activities and programs were implemented through the whole budget users.

Program Budget utilization since 2004---2006 E.C in case of Federa, Democratic Republic of Ethiopia.HPR.

Program classification	Budget year	Budget allocation	Budget execution	Over utilization	Under utilization	%
Program -1	2004	19,796,206.91	17,014,861.74	-----	3,781,345.17	19.1
Program -2		23,346,710.73	18,646,446.05		4,700,264.68	20.1
Program -3		28487585.82	22614828.41		5,872757.41	20.6
Program-4		21715214.02	14167947.29		7,547,266.73	34.8
Program-5		40,378,052.00	32,166,095.00		8,211,957	20.3
Total		133723769.48	104610178.49		30113590.99	22.5
Program-1	2005	26239909.65	21679263.43		4,560646.22	17.4
Program-2		30344300	26217269.44		4,127,030.56	13.6
Program-3		23061600	18202312.12		4,859287.88	21.07
Program-4		20912300	17454897.01		3,457,602.99	16.5
Program-5		13035100.00	9,037427.97		3,997,672.03	30.7
Total		113593209.65	92591169.97		21002039.68	18.5
Program-1	2006	34344486.67	28,514266.56		5,830220.11	17
Program-2		35,616,250.61	30,850930.32		4,765,320.29	13.4
Program-3		18,051,659.39	11,775,680.72		6,275,978.67	34.8
Program-4		21,114,188.97	17,190707.44		3,923,481.53	18.6
Program-5		13,093,769.03	10,025,167.31		3,068,601.72	23.4
Total		122220354.67	98356752.35		23863602.32	19.5

Source: survey data

2.17 Conceptual Framework

Several challenges could be facing the preparation and utilization of program budget in an any organization, such as, when the organizational culture does not compatible with budget planning and resource allocation t, also its design should be clarifying all activities, objectives and expenditure which contribute to each program or sub program irrespective of organizational boundaries.

The lack of information and reporting communication might be created hinders to implement program budget system, in order to meet program budgeting requirement and provide continuing information in the use of resource and progress with in program and subsequent improvement in financial information system, so that, an accessibility of report system facilities should be available and also program budget system should be based on IFMIS.

Successful budget utilization depends on ability to deal with changes in macroeconomic environments and the implementation of capacities of employment in organization and complete budgetary appropriation accounting system and rules to prevent corruption and misuse, inefficiency leads to over and underutilization of budget ,corruption and misuse, due to lack of capacity in the budget preparation ,also distribution of responsibility for budget utilization ,budget appropriation management rules and budget revision and monitoring of budget execution activities related to administration of budget and the perception of workers for new program may influence the program budget objective achievement. Therefore, Leader ship should be identifying the challenges, and to make solution then ,to attain the objective of institution and through practice opportunities in proper ways.

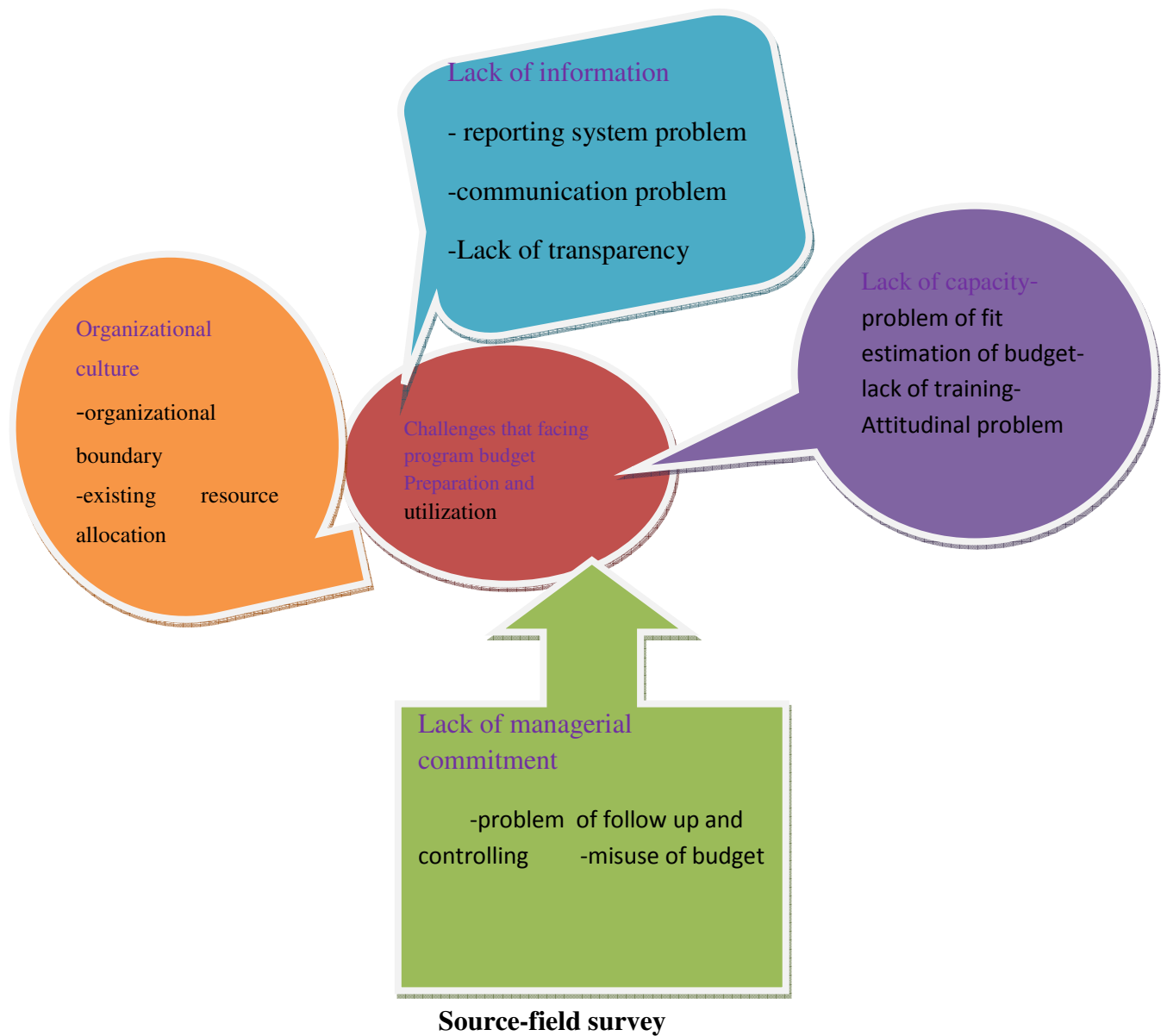


Figure 1: Conceptual Framework

2.18 Conclusion

In general, a chapter deals with in concept of program budget system and how to make linkage with in organizational structure and implementation in institution. Also researcher try to assess secondary data of institution and different literatures that were rose by altered scholars to contracts with finding of facts for dedication of observed gaps in study institution.

CHAPTER THREE

3.1 Methodology of Study

3.1.1 Research Design

In this study, both qualitative and quantitative approach and descriptive study method used to collect and analyze the data, the main reason for selecting this research method was decided to take only the case of using key informants in attempt to describe and analyze the program budget utilization in federal parliament of Ethiopia.

The choice of Key informants were based on purposively select program budget users from each sub-program and officers of standing committee, planning department and finance office experts and from chief head of department and directorates ,thus, the samples was selected for the purpose of the assessment of budget preparation and utilization therefore, the adoption of this sampling method was based on the fact that the Study did not use any sampling frame from which a random sample could be drawn, since the needed sample for this research not more than hundreds as a result, no requirement of put on procedure to select sample from population.

3.1.2 Study Setting

The study was conducted at House of People Representative of federal government of Ethiopia, which was found at Arat kilo, close to Sillies Orthodox Church. House of People Representative consist about 547 seats and. 450 civil servants of government.

3.1.3 Population and Sample of the Study

House of People Representative of Federal Democratic Republic of Ethiopia has 18 standing committee and civil servants (whose support day to day activities of parliaments) of budget users. Thus, the study was used purposively selected budget users, accordingly, 18 officer were selected from each standing committee of program budget users, 42 respondents of program budget operators from each sub – program and 30 experts from program budget planning department and finance

office, wholly 90 respondents was selected purposively for the structure questionnaire, Moreover to this, for the purpose of more information clarification of the program budget issues five respondents from chief department heads of each sub- program budget holders and two respondents from chief head of program budget planning department and finance office directorate respondents were selected, totally seven respondents were selected purposively for the open ended of in-depth interview. To this up total numbers of 97 respondents were involved in study.

3.1.4 Data Collection Procedures

The methods of study was both quantitative and qualitative, the structure questionnaire to gather data on hinders of program budget utilization, questionnaires were prepared in English and translated into Amharic language then back to translation to English by other person who is proficient in both languages to maintain the consistency of the questionnaires. The questionnaire was pre-tested at about 5% of the study sample was administered to organization other than that of the study area and modification was done accordingly.

3.1.5 Methods of Data Analysis

The data was gathered through primary methods were analyzed by using both qualitative and quantitative data analysis methods, the collected data through questionnaire were analyzed using tabulation and percentage. Qualitative methods of data analysis were used for open-ended question through using interview for each respondent of budget experts presented with in explanatory way.

3.1.6 Data Quality Control

During the supervision, quality and completeness of gathered information by the data collectors were checked periodically by the supervisor first then by principal investigator and timely corrections was made to maintain quality, consistency and completeness of data of subsequent interviews.

3.1.7 Ethical Consideration

Ethical clearance was obtained from the Research and Publication of the Addis Ababa University and Permission was gotten from administration office of HPR.

In addition, verbal consent was secured for all participants after explaining the purposes of the study and what could be expected from them. Confidentiality and anonymity were maintained at all levels of the study.

CHAPTER FOUR

4. Data Presentation and Analysis

In this study, a total number of 97 sample respondents were participated with a response rate of 93(95.9%) and classified them into three types namely: program budget users, program budget Planning experts and head of department and directorate of program budget from HPR office. Data was gathered through structured questionnaires and in-depth interviews. Structured questionnaires were administrated for 60 respondents to program budget user's and fifty seven of them (95%) were returned the questionnaires and also 30 questionnaires were distributed to respondents of program budget planning experts then twenty nine of them (96.7%) have filled properly and return it.

The others respondents for in-depth interview: were five from program budget planning head of department and two from budget and finance office directors were done totally, hence the characteristics of the respondents were presented below as follows in terms of gender, education level, and work experience.

4.1 Demography of Respondents

Table 1: present's demographic information of sample respondents in terms of level of education, service year, and gender that the respondents possess

Table 1: Respondents by gender, level of education and work experience

Level of Educational	Service year	Gender		Total
		Male	Female	
12th Grade	16 years and above	0	3	3
	Total	0	3(3.22%)	3(3.23%)
Certificate	5 years and below	1	0	1
	6 to 10 years	1	2	3
	Total	2(2.15%)	2(2.15%)	4(4.30%)
Diploma	5 years and below	7	5	12
	6 to 10 years	4	4	8
	11 to 15 years	1	7	8
	16 years and above	2	1	3
	Total	14(15.5%)	17(18.27%)	31(33.34)
Bachelor degree	5 years and below	13	10	23
	6 to 10 years	8	3	11
	11 to 15 years	3	1	4
	16 years and above	6	1	7
	Total	30(32.25%)	15(16.12%)	45(48.38%)
Master's Degree and above	5 years and below	3	3	6
	6 to 10 years	4	0	4
	Total	7(7.52%)	3(3.22%)	10(10.75%)
Total	5 years and below	24	18	42(45.2%)
	6 to 10 years	17	9	26(27.9%)
	11 to 15 years	4	8	12(12.9%)
	16 years and above	8	5	13(14%)
	Total	53(56.98%)	40(43.2%)	93(100%)

Source: field survey

The above table demonstrates that, out of 93 sample respondents were 53(56.98%) male and 40(43.2%) females. In terms of work experience, 42(45.2%) of them worked <5 years and followed 26(27.9%) have worked 6-10 years, 12(12.9%) and remain 13(14%) are worked 10-15 years and above 16 years respectively. It displays that, in the first five years an amassing of human power is very high then with in increasing service year to decrease human power; it might be shown employee's turnover is very high at an institution. Table also describes qualification of the sample respondents. Thus, were 45(48.38%) of them holders of BA degree and 31(33.34) have studied diploma, followed by 10(10.75%) are studied master's degree, while 4(4.30%) and 3(3.23%) have certificate and 12th grade respectively.

4.2 Data Presentation

Some questions were forwarded to assess the budget preparation process. The response of program budget users is depicted as follows in relation to budget preparation. The summary of the response presented in table 2 below

Table 2: Program Budget Preparation in Budget users and their response rate

No.	Questions	Measurement N=57					Total
		Strongly agree	Agree	Neutral	Disagree	Strongly disagree	
1	Do have adequate understanding to prepare program budget plan	18 (31.6%)	19 (33.3%)	12 (21.1%)	8 (14%)	0	57 (100%)
2	Does office has adequate number of needed human power and qualified expert to prepare and estimate program budgeting plan	11 (19.3%)	15 (26.3%)	7 (12.3%)	22 (38.6%)	2 (3.5%)	57 (100%)
3	Does department office preparing annual program budget based on guideline budget of house of people representative plan	10 (17.5%)	29 (50.9%)	11 (19.3%)	7 (12.3%)	0	57 (100%)
4	Does department of office frequently revises program budget in fiscal year	11 (19.3%)	26 (45.6%)	8 (14%)	10 (17.5%)	2 (3.5%)	57 (100%)
5	Does program budget plan Preparation has related to organizational structure	15 (26.3%)	18 (31.6%)	4 (7%)	18 (31.6%)	2 (3.5%)	57 (100%)
6	Does annual request of program budget preparation based on fiscal year of budget	15 (26.3%)	20 (35.1%)	5 (8.8%)	14 (24.6%)	3 (5.3%)	57 (100%)
7	Does preparation of Program budget plan of department prepared based on past financial position information and focusing reliable estimation	9 (15.8%)	27 (47.4%)	6 (10.5%)	8 (14%)	7 (12.3%)	57 (100%)
8	Is there Each sub-program budget department has horizontally communicated each other	19 (33.3%)	28 (49.1%)	6 (10.5%)	4 (7%)	0	57 (100%)
9	Does Over estimation of program budget has seen repeatedly in your department	2 (3.5%)	18 (31.6%)	8 (14%)	17 (29.8%)	12 (21.1%)	57 (100%)
10	Does department of sub-program has tendency requesting program budget without reliable information and focusing estimation	5 (8.8%)	21 (36.8%)	3 (5.3%)	16 (28.1%)	12 (21.1%)	57 (100%)
11	Is there mismatching between resource budget planning and program budget have seen in department	8 (14%)	23 (40.4%)	4 (7%)	12 (21.1%)	10 (17.5%)	57 (100%)

Source; field survey

As it is shown on the table-2 the respondents were asked their level of understanding of program budget plan preparation ; out of 57 respondents 37(64.9%) agree and 12 (21.1%) of them neutral followed by 8(14%) disagree, it shows that, some of them have not adequate knowledge and equal understanding of program budget how to plan preparation. Regarding to question provided to respondents, institution have had ample number of human power and qualified expert were asked, 39(68%) respondents agree and 11(19.3%) neutral, also the remain of them disagree, it illustrates that, an institution has not sufficient number of human resource and qualified experts accordingly, to face difficult to prepare program budget and implement with efficiently in given period of time.

Pertaining the replication revision of program budget plan in fiscal year were seen in the institution, respondents were asked :37(68.4%) of respondents agree to recurrence of plan in a given budget year, due to lack of capacity to make program budget plan preparation and to fix with fiscal budget year and some of them 12(21.05%) disagree amendment of program budget plan. It displays that, lack of involvement and participation of workers during program budget preparation and implementation period. Regarding to question for the linkage between program budget plan and organizational structure were administered to respondent and their answer were as follows; 33(57.9%) respondents were assented to association has been between it and also 20(35.1%) . It shows that, about one third of respondents not approve to linkage of organizational structure and program budget plan whereas, above half of them to confirm that, there is tied between it. Therefore, it might be seen a lack of consciousness to program budget system implementation at institution employments.

Relating to question to Program budget plan of department in each annual budget based on past financial position information and focusing reliable estimation: 27(63.2%) respondent were confirmed, it was based on the passed financial information and consistent approximation and about 15(26.6%) of them disagree to idea and followed by 6(10.5%) were neutral to answer provided question. when the respondent were administrated question while preparation of the program budget over estimate or not: 20(35.1%) of them were accepted to over estimation of preparation in program budget plan and 29(50.9%) disagree to over estimation of plan when request budget ,the remain 8(14%) of them were neutral from providing idea.

Concerning to question for tendency of requiring program budget without preparing plan, respondents were asked: about 26(45.1%) agree to desire request budget without making plan followed to 28(49.2%) disagree to raise question and others few remaining numbers make them neutral. For reason different idea in the same institution, it might be lack of information due to communication gap and less participation of employees in each steps of planning and implementation of PBS in the institution.

Relating to question that mismatching have seen to resource budget planning and program budget: 31(54.4%) respondents agree to that of mismatching and 22(38.8%) respondents were answered disagree to mismatching between it and remain respondents make them neutral.it shows above half of them contracted to mismatch resource and program budget planning and some of them differ from the risen idea, therefore it describes that, lack of knowledge to analysis whether there is gap or not.

Table 3; Program Budget Users Response rate in Budget Utilization

No	Questions	Measurement N=57					
		Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
1	Does effectiveness and efficiently resource utilization in program budget system	7 (12.3%)	21 (36.8%)	5 (8.8%)	15 (26.3%)	9 (15.8%)	57 (100%)
2	Is there the shortage of budget and item have been seen in office	11 (19.3%)	22 (38.6%)	6 (10.5%)	13 (22.8%)	5 (8.8%)	57 (100%)
3	Does underutilize of program budget resource at department of program budget users	11 (19.3%)	26 (45.6%)	6 (10.5%)	9 (15.8%)	5 (8.8%)	57 (100%)
3	Is there staff training were conducting to improving lack of capacity for implementation of program budget	1 (1.75%)	8 (14%)	12 (21%)	29 (50.9%)	7 (12.3%)	57 (100%)
4	does access of software information technology and networking system to data base to program budget resource utilization	0	8 (14%)	4 (7.01%)	30(52.6%)	15(26.3%)	57 (100%)
5	Does Regular monitoring and evaluation of program budget resource utilization	3 (5.3%)	15 (26.3%)	8 (14%)	20 (35.08%)	11 (19.3%)	57 (100%)

Source: field survey

Table 3 shows that, 28(49.1%) respondents agree that the practice of program budget system was created efficient and effectiveness utilization of resource, in contrary 24(42.2%) of the respondents not agree to program budget system has generated proficient and efficacy utilization of resource and followed with 5(8.8%)

were answered neutral opinion. It spectacles that, two parallel outlook idea were appreciated at institution; it might be deficiency of understanding in out come from program budget system. Concerning the question administrate to respondents about perceive to lack of budget and item in the fiscal year: 33 (57.9%) of them agree to shortage of budget in a given budget year and 18(31.6) respondents were disagreed and followed with 6(10.5%) were responded neutral opinion while when respondents were asked underutilization of budget in department program budget users :37(64.9%) confirmed to under-utilization of budget although 14(24.6%) and 6(10.5%) were responded disagree and neutral respectively.it depicts that, both above idea indication in contrast to each other's for the reason that, near half of respondents approve to efficient and effectiveness utilization of resource in institution and in the other hand above half of respondents have confirmed to underutilization of resource in the same institution, as a result at this point is a problem of clarity misperception seen inter-workers of institution

Regarding staff training were given to employment or not: about 36(63.2%) of respondents were answered no staff training was given to workers and only 9(15.75) respondents agree to have had training however 12(21%) subjects were no have opinion to staff training given or not. While about 58.9% of the respondents asserted that PBS calls for new computer software technology to run PBS were disagreed and only 8(14%) respondents were responded agree and the remain of the respondents rather expressed that they have no idea whether a new software was introduced.

Table 4: Budget experts response rate on program budget preparation, planning, evaluation and challenges.

No.	Questions	scale of measurement N=29			Total
		Yes	No	No opinion	
1	Is there enough number of skilled human power in the department that to conduct program budget analysis?	11 (37.9%)	15(51.7%)	3(10.3%)	29(100%)
2	Does budget holders give special attention when they prepare their program budget ?	7(24.1%)	15(51.7%)	7(24.1%)	29(100%)
3	Is there a mismatch between budget plan and program budget in department of budget users	22(75.9%)	3(10.3%)	4(13.8%)	29(100%)
4	Does plan of program budget users estimation was based on valid assumptions and developed by knowledgeable individuals?	7(24.1%)	18(62.1%)	4(13.8%)	29(100%)
5	Do budget users submit program budget utilization report to your department as per the calendar?	7(24.1%)	16(55.2%)	6(20.7%)	29(100%)
6	Do budget holders utilize their program budget resource based on their plan?	16(55.2%)	8(27.65%)	5(17.2%)	29(100%)
7	Does your department provide timely feedback to program budget users to correct the detected weakness on budget utilization?	12(41.4%)	12(41.4%)	5(17.2%)	29(100%)
8	Does develop software access to information technology and with networking system recording and reporting program budget system?	7(24.1%)	21(72.4%)	2(3.5%)	29(100%)

Source: field survey

As it is depicted on the table- 5, out of 29 respondent only 11 (37.9%) agree that the department has enough number of skilled human resource that conduct effective program budget analysis whereas 15(51. 2%) respondents were not agree on the availability of enough number of skilled human resource to analysis program

budget, on the other hand 3(10.3%) respondents were answered no opinion on position. Similarly out of 29 respondent only 7(24.1%) believe that request while 15(51.7%) respondents were disagreed that the budget holders give special attention when they prepare their program budget whereas the remaining respondents were not offered their opinion.

Concerning timely submission of program budget utilization report to department office: 16(55.24%) of them the budget users have not submitted report within given period of time and respondents 7(24.1%) were responded report submit to office per calendar, also the remaining 6(20.7%) have no idea and information. It confirms that of no monthly communication and discussion at the implementation of plan between employees and managements. When the question delivered to respondents about providing timely feedback to program budget users for correct the detected weakness on budget utilization: were 12(41.4%) and 12(41.4%) answered the same response to question and 5(17.2%) of them no have opinion. It illustrates that, not at all follow-up and evaluate budget utilized with in the same manner, also it might carelessness on commotion were seen among experts. While concerning to develop software access to information technology and with networking system carried out recording and reporting program budget system: 21(72.4%) of them were confirm no access of software computer information technology utility in institution whereas 7(24.1%) agree to access of technology and a few respondents no have opinion and suggestion.

Among the respondent (program budget experts) about three fourth 22(75.9%) of them agreed that there is a wide mismatch between plan and program budget and were 4(13.8%), 3(10.3%) of them response disagree and no have opinion respectively.

4.3 Discussion

4.3.1 Program Budget Preparation and Utilization among Budget Users

The data was collected from various department of House of People Representative office related to program budget preparation and utilization were discussed, the data were presented and analyzed according to the flow of budgetary process starting from program budget preparation, budget utilization and followed by program budget planning.

The overall level of understanding to program budget plan; about third fourth of them have accommodating to prepare program budget plan whereas about quarter of them have not understanding of preparation to program budget and the few of respondents does not awareness to program budget preparation and plan. It shows that, the level of understanding among the employees in the program budget users departments of the institution is dissimilar; the respondents claimed that narrowly understood. Therefore, some reasons why this diverse level understanding on program budgeting? it might be deficiency of open exchange of ideas and communication, lack of training , motivation and commitment, an alike literature to indicate, Yemsirach Fanta (2012) states that, the low level of understanding to PB preparation and implementation due to absence of perfection and practical training scheme, absence of open exchange of ideas and communication between top management and program implementers.

An availability of adequate human resource to sustain PBS is also another aspect of the requirement for its effective execution in the public organizations. To this end, respondents were asked whether the existing human resource is adequately provided to run PBS, while the most of respondents agree to presence of human power and qualified experts. Whereas, in the given similar question respondents suggest that, there are lack of understanding to preparation and implementation of PBS, in contrary to this a suggestion rise qualified experts have been in department. In other hand an interview results demonstrated that program budgeting is not that an easy undertaking which rather demands sufficient and capable manpower not only for planning and budgeting however, for monitoring and evaluation. The literature validates that when introducing program budgeting model, which promotes managerial freedom, it

became evident that greater managerial flexibility and trained personnel could be seen not only as a tool to improve efficiency but also to achieve expenditure targets that had been set (West et al, 2009).

According repeatedly revision of program budget plan in fiscal year: about most of them (third forth) reach agreement and some of them were not agreed to recurrently review program budget plan at the fiscal year. It shows that, the repeatedly revision of budget was mainly contributed by failing to consider the amount of budget needed for the fiscal year at the beginning of the budget year. On the other hand, other departments are considered that plan is always prepared by the planning department; such situation has resulted in preparing budget without the precise estimation of data. This is comparable to Peters (1998) stated that, when there is poor planning and budgeting; little relationship between budget as formulated and budget as utilized and moreover if there is no strong linkage between plan and budget preparation the result will become revision of budget repeatedly. Therefore, if there is a strong relationship between plan and budget we do not expect revision of budget repeatedly.

Concerning to make PB in line with the program structure of the institution, program structures have been designed for the implementation of PB: above half of the respondents agreed that there is close relationship between program budgeting and organizational structures and one third of respondents claimed that PB and organizational structures have no association.: In addition, interviewees supposed that, the problems that have hindered in adopting PB structure are lack of understanding of the essence of PB, lack of well trained and capable manpower at all levels and the resistance to accept new structure. It might be indicated some reform is needed to be carried out for the purpose of designing organizations to serve in enhancing the implementation of PB. The program budgeting principle calls for programs to be result-based, although organizational structures are not always results-based.

The finding Similar to Cabri (2010) state that, the design of program budget strategic plan must be linked to an organizational structures and output indicators relevant to the program rather than the administrative structure. Therefore, it might be indicated that the PB does not require change in the organizational design but demand adjusting the new budgeting structure within existing organizational design of an organization.

The trend that have been seen in institution to request budget without preparing plan were about half of o respondents confirm also similar number of them disagree, the result shows that ,both views were constricted each other ,therefore it indicates that lack of involvement of workers during program budget preparation in institution. Regarding, mismatch of resource budget plan to program budgeting: about 45.3% of respondents were confirmed that, there is mismatching between resource budget planning to PB observed in institution, In contrary, about 49.2% were asserted that not mismatching seen, therefore the result describes that, almost near to the same idea were raised from respondents ,it might be defined, low attention is given from workers in order to adjust when preparation of program budget plan with budget. The cause for the modification of budget was mainly contributed by weakening to consider the amount of budget needed for the fiscal year at the launch of the budget year.

4.3.2 Program Budget Utilization

Public budgeting systems are projected for carrying out several important tasks. Among the functions of a budget, the most crucial one is controlling public expenditure, which is commonly carried out by exercising financial control over inputs, the key objective of program budgeting was improve allocation efficiency through better expenditure prioritization. Based on these realty, for the question provided to HPR office program budget preparation and users, whether PBS can create efficient and effectiveness of resource utilization or not: almost equal response were opposing idea response on question, PBS can create effectiveness and efficiently resource utilization: it shows that, less understanding and awareness limitations, in order to lead to the confusion for accepting whether some change bring by PBS or not. The similar study have been done in the same field shows different result,As deliberated in the literature (MacManus,1998), the disadvantage of line item budgeting is focuses on inputs that have little connection with outputs, and it is also difficult to reach any conclusion about effectiveness, efficiency and equity in spending. In other words, line item budgeting system is oriented toward how much resources, staff, facilities, etc. are made available for a program. In contrast, program budgeting allows to make political choice among objectives and rational allocation of resources by prioritizing expenditures, this ensures that public money is spent on programs which are effective by redesigning or improving management of programs,

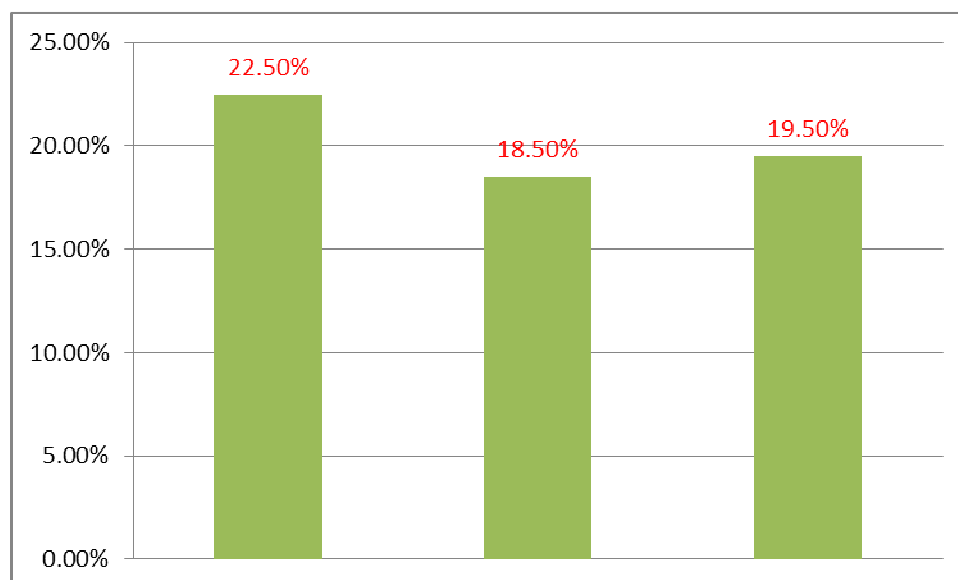
also concerning whether the opportunity of training gave to staff for capacity building improvement or not.

As the survey result, majority (two third) of the respondents in the sample budget users have confirmed that, the fact of under budget utilization and few numbers of respondents were denied to under budget utilization, nevertheless the last three years finance report of institution indicate, about 20.2% underutilization were understood.it might be defined lack of follow-up weaknesses in their respective offices and according interview provided to the planning and budget department of HPR office in the last three years including 2007 EFY , the following problems were observed in budget utilization for the past budget years. There is weak supervision and control by the budget user: leaders and their continual attendants; almost there is no performance evaluation on budget utilization; unable to make continuous and regular evaluation in order to correct the observed problems.

According to Allen and Tommasi (2001), state that, to utilize budget successfully it depends on various factors, such as the executing capability of the agencies or institution concerned. Budget user department has the obligation to register transaction of budget movement and maintain the balance on the ledger prepared for this purpose in principle, Budget users under HPR office has the responsibility to submit monthly report to budget and planning department office. Further, the budget user is required to utilize the allocated budget for the specified period. In the same way, Allen and Tommasi (2001) were expressed in most cases underutilization is related to insufficiencies in budget and program preparation.

Similar to this study, Allen and Tommasi (2001) were expressed that, in some countries with poor governance, under spending of the official budget may coexist with large amounts of off budget spending. On the whole, in most cases, underutilization as well as over utilization is related to inefficiency, corruption and lack of capacity in budget preparation and an overestimated budget and unrealistic projections of revenues may lead to budget revisions during budget utilization

Figure 2: Program Budget utilization since 2004---2006 E.C in case of HPR office report, Ethiopia.



Source:field survey

When to introduce a new system, apparently it is imperative to conduct training so that employees have understanding of the principles, the concepts and the objective behind adopting the new system. For the question were asked respondents, whether employees took training to promote their understanding of PBS: most of respondents (third fourth) disagree to conduct training for staff and a few numbers of subjects were asserting to conduct training for employments, When an organization brings training, the staffs become familiar with the basic concepts and ideas of the new system, else lead to fail expected results. It depict that, lack of training make to incapable, inefficient and ineffective employees to utilize budget and outdate report and hinders to attain objective of an institution.

Comparable study to (West et al, 2009) the literature corroborates that, when introducing program budgeting model, which promotes managerial freedom, it became evident that greater managerial flexibility and trained personnel could be viewed not only as a tool to improve efficiency but also to achieve expenditure targets that had been set.

4.3.3 Program Budget Planning and Challenges among an Experts

For the implementation of PBS, the obtainability of adequate human resource to sustain PBS is also another feature of the requirement for its effective carrying out in

the public organizations. To this end, respondents were asked whether the existing human resource is effectively provided to run PBS: Above half respondents were reacted that human resource is not sufficient for the implementation of PBS, nevertheless, one third of them to agree with availability of adequate number of HR in institution. Interview responses, on the other hand, shown that the availability of the required staff to support PBS implementation is called into question, in all questionnaire and interview results demonstrated that program budgeting is not that an easy undertaking which rather demands sufficient and capable manpower, moreover it is preferable to fulfill human resources and avoid under budget utilization.

The budget preparation being need responsiveness by the budget holders, based on this fact, at least half of the respondents were not confirmed to attention for program budget preparation from budget holders and interview results shows that, not stress were given to budget preparation by budget holders .due to mistreatment and lack of capability on PBS: it shows that, the budget holders give less emphasis to preparation of program budgeting. Similarly the study which has related to Andrews and Hill (2003) declared that, budget preparation is not the simple thing that needs consideration and to have at least close estimation

For open-ended questions indicated there were mismatch between plan prepared and annual budget requested. As the respondents stated, because of the mismatch between plan and budget, the departments are obligated to revise plan to include new activities. In most of the case low attention is given to the preparations of plan and budget

As recognized from their written response, some budget users units prepare their annual budget by coping from the previous year budget request because of inexperience. Furthermore, respondents were explained that budget users plan does not consider the approved budget of HPR and overall there is seldom orientation given about plan and budget preparation by Budget department for the budget users.

On the other hand, interview response revealed by plan and budget department during 2007 E.C third quarter report, the following problems were observed by budget users in connection with plan and budget preparation for consecutive budget years.

The plan and budget was prepared without the participation, discussion, and approval of concerned units and persons, prepared budget did not include the relevant issues and the HPR strategic plan entirely and there is a tendency of presentation of budget demand without work plan. In addition to this, there was questions forwarded to budget experts and some of them are depicted as: greater part of budget experts agreed on the existence of weaknesses in budget preparation even though there are others who do not agree. Some of the respondents explained that some budget users prepare their annual budget by over estimating. And they do not give priority of activities while preparing the financial plan.

Moreover, most of the time the amount of budget requested for each item is purposely exaggerated. The main reason is they considered as the office responsible for budget approval allocates budget by reducing some percentage from the initial request. So that, according to their intention, if they submitted actual demand without overestimation, the amount approved for that budget year would become less than what is expected. The practice of budget users is not on the right track with the budget preparation principles.

In addition to this, it contradicts with what literatures mention on budget preparation.

For instance, according to Schiavo-Campo and Tommasi (1999) and Allen and Tommasi (2001), the main starting points for the preparation of the annual budget should be a clear definition of fiscal targets and a strategic framework consisting of a comprehensive set of objectives and priorities.

According to budget users whether submit report to department office or not as per the calendar: above half of respondents were confirmed that, budget users have not summited report within given period of time while a few of them agree to submission of report at proper period, it shows that, the most of respondents to agree that no information reported with in schedules, therefore timely monitoring and evaluation of task where undermine so that ,it is difficult to made to decision making and also providing feedback from top managers. As it was stated by MOFED(2006), every department were required to submit a monthly disbursement request in which it reports the previous month's expenditure, detailing what was spent and how it was used, and makes a request for the next month's allocation through a work plan.

Similarly as explained by Rebecca, Natasha & Imran (2011) internal control systems are the policies and procedures put in place by the management of a government agency in order to ensure the agency achieves its objectives and complies with external laws and regulations. Such policies and procedures tend to cover financial accounting and reporting, performance monitoring, asset management and procurement. Large agencies will have an internal audit unit comprising internal auditors that independently review and report on the implementation of management policies to the head of the agency.

Information technology is one factor that can advance public financial management. It enhances improved budget planning and execution through provision of accurate data for budget management and decision making. PB is an information intensive system so that appropriate information system should be put in place to manage the flows of information and there by assist sound decision-making. For the provide question that, to develop software to information technology and with networking system to recording and reporting program budget system: almost great number of respondents were approved that, there is no information technology access in an institution: it shows that to run PBS as usually not supported with technology so that it might be inefficiencies and less performance. In addition respondents for open ended question, Integrated Financial Management Information System (IFMIS) was introduced, but it remained not functional and installed .therefore, information technology software computerizing system for program budget reporting and recording to file data is significantly very important for any institution.

As stated by Kąsek, Leszek and Webber, David (2009), Program budgeting requires data collection, and put pressure on information technology and data collection systems. Factors which determine the speed and success of PBS reforms include both the character and quality of public institutions and laws within the country, plus the degree of technical knowledge, degree of effort and experience applied to design and implementation

4.4 Summary of Findings

As it is indicated in chapter one introduction part, the general objective of this research paper was to assess challenge and opportunity of budget preparation and utilization of HRP office of federal government and to recommend on the key problem areas that seek attention and improvement Therefore, the following findings were identified during the analysis.

- It was found that, repeatedly revision of program budgeting plan at annual budget.
- There were seen the problem of budget preparation, it was impaired by lack of skilled manpower or plan expert
- The lack of involvement of workers were presented at budget preparation plan in Budget department however, some units were presented their annual budget by coping from the previous year program budget request
- It was found lack of regular reporting system, supervision and strict follow up of budget holder for their subordinate.
- An existence of underutilization of budget and follow-up weaknesses in their respective offices.
- There were seen budget used up below the agreement by budget users
- Planning and Budget Department of HPR office do not arrange short-term trainings to improve skill of budget experts.
- absence of software access to information technology and with networking system carried out recording and reporting program budget system

CHAPTER FIVE

5. Conclusion and Recommendation

5.1 Conclusion

In general, there is inadequate and inexperienced manpower that has been worsening results of plan and budget preparations disparities; there is also lack of awareness of budget users about the role of plan and budget to HPR office; it is possible that to assume budget users have various levels of understandings during budget preparations and on top of these, plan and Budget Department does not arrange short-term training to improve the skill of budget personnel involved in budget holders. The root cause of repeatedly revision of program budgeting in annual budget plan created due to lack of capacity to prepare program budget plan and impaired by lack of skilled manpower or plan expert ,also the lack of participation of workers were presented at budget preparation at Budget department however, some units were presented their annual budget by coping from the previous year program budget request and lack of regular reporting system, supervision and strict follow up of budget holder for their subordinate, an existence of underutilization of budget and follow-up weaknesses in their respective offices.an absence of software access to information technology and with networking system carried out recording and reporting program budget system

To sum up, the researcher concluded that the causes for underutilization of budget are mainly due to lack of coordinated effort in purchasing, lack of consistency and delay in purchase processes, incapacitated budget staffs in terms of skill and knowledge in each respective budget offices and lack of information by management at each level of the program budget department to evaluate the budget utilization status which lead towards underutilization of budget.

5.2 Recommendation

The major interest of this research paper is to assess the challenges and opportunity of program budget preparation and utilization of HPR office weaknesses observed by budget users and experts that suggests possible recommendations to overcome such problems. Therefore, the following recommendations are suggested to of parliament.

In program budget preparation

- The HPR office should assign skilled professionals who have adequate knowledge on program budget at each level of respective program budget departments and to create conducive environment for budget expert to minimize planning problem.
- Trainings should be arranged and delivered to develop uniform skills among budget workers.
- The budget workers found at each level in the department office should participate during budget preparation period
- The annual budget should be prepared according to the plan that has been already targeted items should be considered.

In program budget utilization

- Responsibility and accountability should be given to each level unit's for effective utilization of their program budgets.
- Purchase procedure should be shortened and there should be coordinated effort with other departments.
- There should be strong supervision and control by the budget holder leaders and their successive subordinates; on budget utilization in order to correct the observed problems.
- HPR office should take all possible actions to correct the observed weaknesses, and to avoid repetition of the problems in advanced years.

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APPENDICES

Appendix- 1

Addis Ababa University School of Business and Economics

Department of Public Management and policy program

The purpose of this questionnaire is used to collect the information from your organization related to an assessment of challenges and opportunity to budget preparation and utilization process and to suggest some recommendation based on the finding. For anything you have responded on, the confidentiality is strongly kept.

Thank you very much for your time and cooperation.

Appendix 1: Questionnaires distributed to House of People Representative Budget users

General Instructions:

Please indicate your choice by putting the symbol mark (x) where you think is appropriate in the boxes provided to each preference, and comment where necessary.

PART I- Demographic Information

1. Please indicate your Gender: Male Female

2. Level of Education: 12th Grade Certificate
Diploma Bachelor Degree Master's Degree and above

3. Please indicate your Service Year: ≤ 5 years 6 to 10 years
11 to 15 years Above 16 years

Part 1- structured questionnaire for program budget users

Questions	Measurement					
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
You have adequate understanding to prepare program budget plan						
Your office has adequate number of needed human power and qualified expert to prepare and estimate program budgeting plan						
Your department office preparing annual program budget based on guideline budget of house of people representative plan						
Your department of office frequently revises program budget in fiscal year						
Preparing program budget plan has related to organizational structure						
An annual request of program budget preparation based on fiscal year of budget						
Program budget plan of your department in each annual budget based on past financial position information and focusing reliable estimation						
Each program budget department has communicated each other's						
Over estimation of program budget has seen repeatedly in your department						
your department office has tendency requesting program budget without reliable information and focusing estimation						
There is mismatching to resource budget planning and program budget have seen in your department						

<i>Questions</i>	<i>Measurement</i>					
	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
In your office has seen effectiveness and efficiently resource utilization in program budget system						
The shortage of budget and item have been seen always during fiscal year						
underutilize of program budget has seen at each department of program budget users						
Off and on job staff training is given to improving lack of capacity to implementation of program budget						
Your department access to software information technology and networking system to recording and reporting program budget resource utilization to others						
Regular monitoring and evaluation has been seen program budget resource utilization						

Part III: Open-Ended Questions

1. What would you suggest about the causes of the mismatch between program budget and plan in your office, if there is any? What the solution?

2. What would you suggest about the causes of the problem that, facing utilization of program budget, if there is any in your office? What the solution?

3. In your suggestion, what challenges does your office face with regard to program budget preparation and utilization?

4. In general, what should be done to improve House of People Representative program budget preparation and utilization process?

5. Any other comment

Thank you for your time!!

Appendix -2

Addis Ababa University School of Business and Economics

Department Of Public Management and policy program

The purpose of this questionnaire is used to collect the information from your organization related to an assessment of challenges and opportunity of budget preparation and utilization process and to suggest some recommendation based on the finding. For anything you have responded on, the confidentiality is strongly kept.

Thank you very much for your time and cooperation.

Questionnaires distributed to Planning and Budget Department experts

Part I- demographic information

- 1. Gender: Male Female
- 2. Level of Education: Certificate Diploma Degree
Masters Degree
- 3. Number of Year Service: ≤5years 6 to 10 years
11 to 15 years ≥16 years

Part II- budget preparation issues

4. . Do you think that the department has enough number of skilled personnel that conduct effective program budget analysis? Yes No No Comment

5. Do you believe that budget holders give special attention when they prep were their program budget request? Yes No No Comment.

6. If “No”, in your opinion, what were the reasons for giving less attention in the Program budget preparation? -----

7. Do you agree that there is a wide mismatch between plan and program budget in budget users? Agree Disagree No Comment.

If “Agree”, what were the reasons, in your opinion-----

8. Were the plans and program budgets of budget users realistic, based on valid assumptions and developed by knowledgeable individuals? Yes No
No Comment

9. Would you please mention some of the main problems in your organization program budget preparation?-----

Questions	scale of measurement			Total
	Yes	No	No opinion	
Do you think that the department has enough number of skilled human powers that conduct effective program budget analysis?				
Do you believe that budget holders give special attention when they prepare their program budget request?				
Do you agree that there is a wide mismatch between plan and program budget in budget users?				
Are the plans and program budgets of budget users realistic, based on valid assumptions and developed by knowledgeable individuals?				
Do budget users submit program budget utilization report to your department as per the calendar?				
Do budget holders utilize their approved program budget based on their plan?				
Do budget users have unutilized program budget without being functional?				
Does your department provide timely feedback to program budget users to correct the detected weakness on budget utilization?				
Does develop software access to information technology and with networking system recording and reporting program budget system?				

Appendix-3

Part III- budget utilization

10. Do budget users submit program budget utilization report to your department as per the calendar? Yes No No Comment

If "No", why? -----

11. Do budget holders utilize their approved program budget based on their plan?

Yes No no comment

If "No", what is your opinion-----
-----?

12. Do budget users keep unutilized program budget without being functional?

Yes No no any comment

If "Yes", what is your opinion-----
-----?

13. Does your department provide timely feedback to program budget users to correct the detected weaknesses budget utilization? Yes No

No Comment

If No" what is your opinion? -----

Thank you for your cooperation

በአዲስ አበባ ዩኒቨርሲቲ ቢዚነስ እና ኢኮኖሚክስ ኮሌጅ የህዝብ አስተዳደር እና ፖሊስ ፕሮግራም ትምህርት ክፍል

ይህ መጠይቅ በዋናነት በመስሪያቤትም በፕሮግራም በጀት አዘገጃጀትና አጠቃቀም ላይ ያለውን ተግዳሮቶችና መልካም አጋጣም ለማጥናት እና በጥናቱ ግኝት መሰረት መፍትሄ አቅጣጫ ለመስጠት የተዘጋጀ ስለሆነ ለሚሰጡን መልስ በማመስገን አጠቃላይ ለሚሰጡት መልስ

እና አስተያየት ሚስጥራዊነቱ የተጠበቀ ነው።

አጠቃላይ መመሪያ

ከዚህ በታች ለተዘረዘሩት ጥናቲያዊ መጠይቆች ከተሰጡት አማራጮች ውስጥ የክፍልም የፕሮግራም በጀት አዘገጃጀት እና አጠቃቀም እንቅስቃሴ የሚታየው ተግዳሮቶችና መልካም አጋጣሚዎችን በሚመለከት ገላጭ ነው ብለው የሚያስቡትን መልስ አንዱን በመምረጥ ከሣጥኑ ውስጥ ምልክት እንዲያደርጉ በአክብሮት እጠይቃለሁ።

ክፍል አንድ፡- የግል መረጃ

1. ጾታ፡ ወንድ ሴት

2. የትምህርት ደረጃ፡ 12ኛ ክፍል ሰርቲፊኬት ዲፕሎማ
የመጀመሪያ ዲግሪ የማስተርስ ዲግሪ እና ከዚያ በላይ

3 በዚህ ሥራ ላይ ያገለገሉበት ጊዜ ፣ ከ5 ዓመት በታች

ከ6-10 ዓመት ከ11-15 ዓመት ከ16 ዓመት በላይ

ክፍል ሁለት፣ ስለ ፕሮግራም በጀት አዘገጃጀትና አጠቃቀም

	በጣም እስማማለሁ	እስማማለሁ	አይመለከተኝም	በጣም አልስማማም	አልስማማም
4 ስለፕሮግራም በጀት ዕቅድ አዘገጃጀት በቂ እውቀት አለዎት					
5 ክፍልም ፕሮግራም በጀት ዕቅድ የሚያዘጋጅ በቂ የበጀት መቶተኛ አለው					
6 ክፍልም ዓመታዊ የፕሮግራም በጀት ዕቅዱን በህ/ተ/ም/ቤት በስትራቴጂክ ሰነድ /ዕቅድ/ መሠረት ያዘጋጃል					

7 መስሪያ ቤት ስራ በተደጋጋሚ ከፕሮግራም በጀት ጋር በተያያዘ ክለሳ ያደርጋል					
8 ክፍል ፕሮግራም በጀት ዕቅዱን ተንተኖ ያዘጋጃል					
9 በክፍል የሚዘጋጀው የፕሮግራም በጀት ፍላጎት በፀደቀ ዕቅድና ንፍቅ ላይ ተመስርቶ ነው					
10 ፕሮግራም በጀት ሲዘጋጅ ተግማኒነት ባላቸው ዳታና ግምቶች ላይ ተመስርቶ ነው					
11 ክፍል ለእያንዳንዱ ንፍቅ በጀት፣ በጀት ያዘጋጃል					
12. ክፍል ለእያንዳንዱ ንፍቅ የተጋነነ በጀት ያቀርባል					
13. ክፍል ያለ ዕቅድ የፕሮግራም በጀት ጥያቄ የማቅረብ ዝንባሌ አለው					
14 በክፍል ዕቅድ ከፕሮግራም በጀት ጋር ያለማዛመድ ችግር ይታያል					
15 ክፍል በፕሮግራም በጀት ከተያዙ ዋና ዋና ሥራዎች ጋር አቀናጅቶ ለመገምገም የሚያስችል አቅም አለው					
16 ክፍል የተፈቀደለትን ፕሮግራም በጀት በአግባቡ ያለመጠቀም ችግር ይታያል					
17 ክፍል በበጀት ዓመቱ					

ወቅት የበጀት እጥረት ያጋጥመዋል					
18. ክፍልዎ ከተፈቀደለት በጀት በታች ይጠቀማል					
19. በፕሮግራም በጀት አጠቃቀም አቅም ችግር ለባሙያና ሠራተኛ በየጊዜው ስልጠና ይሰጣል					
20. ፕሮግራም በጀት ከማቀድና በአግባቡ ለታለመለት ዓላማ ከማዋል አናገር ከፍተኛው አመራር ክትትልና ድጋፍ ይሰጣል					
21. የፕሮግራም በጀት የሪፖርት መረጃ ልወወጥ በኤለክትሮኒክስ ቴክኖሎጂ አግባብ የበለፀገና እየተገበረ ነው					

በአዲስ አበባ ዩኒቨርሲቲ ቢዚነስ እና ኢኮኖሚክስ ኮሌጅ የህዝብ አስተዳደር እና የፖሊስ ፕሮግራም ትምህርት ክፍል።

ይህ መጠይቅ በዋናነት በመስሪያቤትም በፕሮግራም በጀት እቅድ አዘገጃጀት እና አጠቃቀም ላይ ያለውን ተግዳሮቶችና መልካም አጋጣሚዎች ለማጥናት እና በጥናቱ ግኝት መሰረት መፍትሄ አቅጣጫ ለመስጠት የተዘጋጀ ስለሆነ ለሚሰጡን መልስ በማመስገን አጠቃላይ ለሚሰጡት መልስ እና አስተያየት ሚስጥራዊነቱ የተጠበቀ ነው።

አጠቃላይ መመሪያ

ከዚህ በታች ለተዘረዘሩት ጥናቲያዊ መጠይቆች ከተሰጡት አማራጮች ውስጥ የክፍልዎ የፕሮግራም በጀት አዘገጃጀት እና አጠቃቀም እንቅስቃሴ ተግዳሮቶችና መልካም አጋጣሚዎች በሚመለከት ገላጭ ነው ብለው የሚያስቡትን መልስ አንዱን በመምረጥ ከሚገኙ ውስጥ የ(x) ምልክት እንዲያደርጉ በአክብሮት እጠይቃለሁ። እንዲሁም በተሰጡት ክፍት ቦታዎች የግልዎን አስተያየት እንዲሰጡ በታላቅ አክብሮት እጠይቃለሁ።

ለዕቅድ እና ፕሮግራም በጀት የሥራ ክፍል ባለሙያዎች የቀረበ መጠይቅ

ክፍል አንድ:-የግል መረጃ

- 1 ጾታ: ወንድ ሴት
- 2 የትምህርት ደረጃ: ከ12ኛ ክፍል ሰርቲፊኬት ዲፕሎማ
የመጀመሪያ ዲግሪ የማስተርስ ዲግሪ ከዚያ በላይ
- 3 በዚህ ሥራ ላይ ያገለገሉበት ጊዜ; ከ5 ዓመትና ከዚያ በታች
ከ6-10 ዓመት ከ11-15 ዓመት ከ16 ዓመት በላይ
ስለ በጀት አዘገጃጀት
- 4. በሥራ ክፍልዎ የፕሮግራም በጀት ትንተና የሚሠራ በቂ የሰለጠነ የሰው ኃይል ቁጥር አለ ብለው ይገምታሉ? አዎ አልገምትም አስተያየት የለኝም
- 5 የፕሮግራም በጀት ተጠቃሚ የሥራ ክፍሎች ልዩ ትኩረት ሰጥተው የበጀት ዝግጅት በማድረግ የፕሮግራም በጀት ጥያቄዎችን በበጀት ካላንደር /አቆጣጠር/ መሠርት ያቀርባሉ ብለው ያስባሉ ?
አዎ አላስብም አስተያየት የለኝም
- 6. በተራ ቁጥር 5 ላይ መልስዎ አላስብም የሚል ከሆነ ለፕሮግራም በጀት ዝግጅት የሥራ ክፍሎች ልዩ ትኩረት የማይሰጡበትን ምክንያት ቢገልጹልን ?--

7. የፕሮግራም በጀት ተጠቃሚ የሥራ ክፍሎች ዕቅድን ከበጀት ጋር ያለማዛመድ ችግር ይታይባቸዋል ብለው ይገመታሉ?

እስማማለሁ አልስማማም አስተያየት የለኝም

8. የሚሰማሙ ከሆነ በእርስዎ ግምት ምክንያቱ ምን ሊሆን ይችላል ብለው ያስባሉ?-----

9. የፕሮግራም በጀት ተጠቃሚ ክፍሎች የፕሮግራም በጀት ዕቅድ አዘገጃጀታቸው በአውቀት ላይ እና በመረጃ ላይ ተመስርቶ የተዘጋጀ ነው ብለው ያመናሉ? አዎ አይደለም አስተያየት የለኝም

10. በመሥሪያ ቤትዎ በፕሮግራም በጀት ዝግጅት ዙሪያ የሚታዩ ዋና ዋና ችግሮች ምንድናቸው ብለው ይገምታሉ? በዝርዝር ቢያስቀምጧቸው::-----

ክፍል ሁለት

የፕሮግራም በጀት አጠቃቀም

11. የፕሮግራም በጀት ተጠቃሚ የሥራ ክፍሎች የበጀት አጠቃቀም ሪፖርታቸውን ለሥራ ክፍል ወቅቱን ጠብቀው ያቀርባሉ?

አዎ አያቀርቡም አስተያየት የለኝም

መልስዎ አያቀርቡም የሚል ከሆነ ምክንያታቸው ምንድነው?-----

12. የፕሮግራም በጀት ተጠቃሚ የሥራ ክፍሎች በጀታቸውን ሲጠቀሙ በተፈቀደላቸው በጀት መሠረት ነውን?

አዎ አይደለም አስተያየት የለኝም

አይደለም ከሆነ መልስዎ ያለዎት አስተያየት ቢገልጹልን ?-----

13. የፕሮግራም በጀት ተጠቃሚ ክፍሎች የተፈቀደላቸውን በጀት ከጥቅም ላይ ሳያውሉ የሚቀሩ አሉ?

አዎ ይጠቀማሉ አስተያየት የለኝም

መልስዎ አዎ የሚል ከሆነ ለምን እንደማይጠቀሙ አስተያየት ቢሰጡበት::-----

14. የሥራ ክፍል የፕሮግራም በጀት አጠቃቀም ላይ ክፍተት ያለባቸውን የሥራ ክፍሎች ማስተካከያ እንዲያደርጉ ግብረ መልስ ይሰጣልን?

አዎ አይሰጥም አስተያየት የለኝም

በአዲስ አበባ ዩኒቨርሲቲ ቢዚነስ እና ኢኮኖሚክስ ኮሌጅ የህዝብ አስተዳደር እና የፖሊስ ፕሮግራም ትምህርት ክፍል::

ይህ መጠይቅ በዋናነት በመስሪያቤት የፕሮግራም በጀት አዘገጃጀት እና አጠቃቀም ላይ ያለውን ተግዳሮቶችና መልካም አጋጣሚዎች ለማጥናት እና በጥናቱ ግኝት መሰረት መፍትሄ አቅጣጫ ለመስጠት የተዘጋጀ ስለሆነ ለሚሰጡን መልስ በማመስገን አጠቃላይ ለሚሰጡት መልስ

እና አስተያየት ሚስጥራዊነቱ የተጠበቀ ነው::

1. በክፍል ወቅት ከፕሮግራም በጀት ጋር አለማዛመድ ችግር ካለ መንስኤዎቹ ምንድናቸው ብለው ያምናሉ? መፍትሄውስ ?

2. በመሥሪያ ቤት ያልተጠቀሙበት የፕሮግራም በጀት ካለ መንስኤው ምንድነው ብለው ያስባሉ?

3. በመሥሪያ ቤትዎ /በሥራ ክፍልዎ/ በፕሮግራም በጀት አዘገጃጀት እና አጠቃቀም ዙሪያ የሚታዩ ችግሮች ዋና ዋናዎቹ ምንድናቸው ?
4. በእርስዎ እይታ በፕሮግራም በጀት ዕቅድ ክፍል ላይ የሚታዩ ድክመቶች እና ሊስተካከሉ የሚገቡ ጉዳዮች የሚሏቸውን ቢገልጹልን ?
5. በመሥሪያ ቤትዎ የፕሮግራም በጀት አጠቃቀም ላይ ሊሻሻሉ ይገባሉ የሚሏቸውን ቢገልጹልን?
6. በአጠቃላይ በፕሮግራም በጀት ዝግጅት እና አጠቃቀም ላይ መሻሻል ያለባቸው ምንድናቸው ?
7. ሌሎች አስተያየቶች ካለዎት ቢገልጹልን?