



Ministry of Finance of Georgia State Treasury



Migration of comprehensive schools, preschool institutions and other educational establishments to treasury services

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TREASURY AT A GLANCE



- Established in 1995.
- TSA introduced in 2006.
- Services up to 1,500 budget organizations
 - 2023-2024 – gradual addition of 2,073 educational establishments
- Comprises 5 departments + administrative unit
- About 80 staff
- Covers all stages of budgets



TREASURY OPERATIONS



- Placing surplus funds on deposit in a commercial banks to generate interest income
- Revenue collection control
- Refund of erroneously credited and overpaid amounts
- Execution of spending part of the budget, including payroll



TRANSFER STAGES



- Development of a strategy for the transfer of organizations by a joint working group composed of the State Treasury, the Ministry of Education and the Financial and Analytical Service
- Reviewing software coverage of business processes of organizations being transferred
- Engaging the Academy of the Ministry of Finance to conduct training that involves hands-on sessions
- Giving new users access to video tutorials
- Providing users with access to the Electronic Service System of the State Treasury of Georgia



TOPICS OF THE TRAINING



- Overview of the budgetary processes, general overview of budget classifications, practical exercises in budget managing IT system “eBudget”
- Registration of commitments and payment orders
- General Accounting
- Accounting of incomes and their management
- Practical tutorials in a test regime



TRANSFER OF ORGANIZATIONS



- Issuing the appropriate legal act
- Closure of settlement accounts in commercial banks and transfer of funds to the TSA
- Creation of special revenue codes developed in accordance with the budget revenues classification
- Allocation of expenditures in accordance with the budget classification of costs



RIGHTS AND OBLIGATIONS OF THE ORGANIZATION



- In spite the fact, that the amount is transferred to TSA, through using corresponding budget code, it is settled on the account of the certain organization (own income)
- Funds placed on the “own income account” are disposed by the organization
- For further income (interest) purposes, organizations are able to place these funds in commercial bank(s)
- Organization spends this amount only within accepted appropriations
- All operations are done in *eTreasury*



TREASURY CONTROL



- Performing only operations permitted by law
- Recipient's bank account validation when making transfers
- Monitoring of deposit accounts with commercial banks
- Making expenditures as per budget classifications



THIRD WAVE OF REFORM OBJECTIVES



- Enhance/expand TSA coverage
- Unified standards for revenues, expenditures and institutional accounting
- Effective and transparent PFM, minimization of time and financial costs
- Real-time information availability



FORTHCOMING



- New phase of the reform has been started from 2024, which aims to migrate State Owned Ltds to Treasury
- Because of its size, embracement and complicatedness the process is planned for several years
- At the end of both processes TSA will embrace all state entities (reach its maximum)



Thank you!

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