

Primary and Secondary Schools as Spending Units

- Romania has 14k spending units working with one of the 202 operative treasury units. These are spread in 41 counties and the Bucharest municipality.
- Schools in Romania function on two distinct subsectors (as defined by ESA2010): central government (S.1311) and local government (S.1313) with a different hierarchy on each.
- From the central government perspective, schools are subordinated to the Ministry of Education (main credit holder) and school inspectorates (secondary credit holders)
- From the local government perspective, schools are directly subordinated to the city hall.
- The main source of revenue for primary and secondary schools are the state budget, local budgets, own revenues (e.g. canteen, dormitories), internal and external credits or non-refundable external funds (e.g. Erasmus+) in addition.
- All sources of funds in national currency are managed in the treasury but the responsibility and decision making lies with each individual public institution.



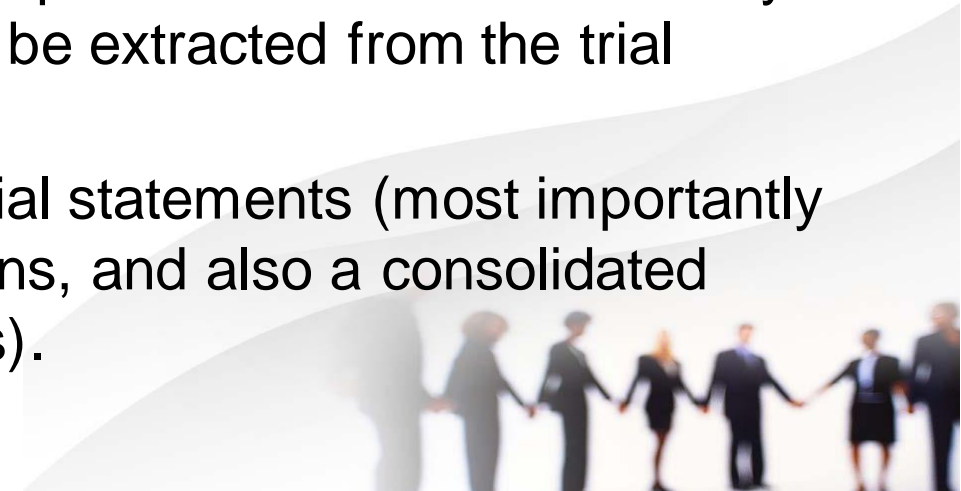
Executing Payments for Spending Units

- Schools can submit payment requests electronically, through the FOREXEBUG National Reporting System by issuing payment orders using intelligent PDFs, signed with digital signatures (certificates) or on paper to the treasury unit they are assigned to.
- The procedure is similar regardless of the source of funds, payments must be within the approved budget and credit openings. Credit openings can not exceed the budgetary provisions for the current trimester.
- However, payments will not be authorized if enough revenues were not collected. An exception is allowed only in the case of the state budget, where MF can rise the payment limit.
- These are automatic checks made in the treasury units using informatics applications (TREZOR and FOREXEBUG).



Accounting and Reporting by Spending Units

- Each public institution uses a system of their choosing for accounting.
- They report all the funds and activities and there are automated checks and correlations made by the system between the data reported in the financial reports and also the payments made through the treasury unit. Funds processed through banks are reported separately.
- The frequency of reporting is monthly or quarterly depending on the report type.
- Schools submit financial reports through FOREXEBUG and only a limited part to the Ministry of Education through a different reporting system depending on requirements.
- Regarding the reporting procedure public institutions report the trial balance monthly and other annexes containing information that cannot be extracted from the trial balance (monthly or quarterly).
- FOREXEBUG automatically generates a set of financial statements (most importantly the balance sheet) that are sent to the public institutions, and also a consolidated report to the primary budget unit (Ministries, City Halls).



Future Plans

- Centralising all treasury units in a core-banking system and providing internet banking services to all treasury clients.
- Generation of a consolidated accounting balance at national level for each subsector (central government, local government, social security funds) detailed by funding source (entirely state/local budget, own revenues, own revenues and subsidies, internal/external loans, grants) from the data collected through FOREXEBUG.

