**PUBLIC FINANCIAL MANAGEMENT REFORM PROGRAM**

**STAGE 2**

# Ministry of Economy and Finance

# Department Action Plan
## General Support Group

- Personnel Department
- Administration and Finance Department
- Internal Audit Department
- Economic and Finance Institute

# Public Financial Management Reform Program

Departmental Action Plan for Stage2

**General Support GROUP**

**(Personnel Department- Internal Audit Department- Economic and Finance Institute- Administration and Finance Department)**

# 2. PLATFORM TWO ACTIVITIES TO BE IMPLEMENTED IN STAGE 2

| Objective/Activity/Action | Time(Month) | | | | | | | | | | | | | | | | CG | Dept. | Indicators | TA Support |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Apr 08 | May 08 | Jun 08 | Jul 08 | Aug 08 | Sep 08 | Oct 08 | Nov 08 | Dec 08 | Jan 09 | Feb 09 | Mar 09 | Apr 09 | May 09 | Jun 09 | Onward | | | | |
| **OBJECTIVE 26: IMPROVED INTERNAL AUDITING/INSPECTION AND RESPONSE TO/USE OF AUDIT/INSPECTION FINDINGS** | | | | | | | | | | | | | | | | | | | | |
| 26. 1. Complete coverage of internal audit sections within line ministries. | | | | | | | | | | | | | | | | | **GSG** | **IAD+L MS** | **Internal Audit functional in most important Government Entities and undertakes systems review, issues regular quarterly reports and action is undertaken by managers on issues arising.** **(PEFA Indicator 21)** | **MDTF** |
| 26.1.1 Establish focal point, through which needed document and advices could be communicated and provided | | | | | x | x | x | | | | | | | | | | **GSG** | **IAD+L MS** | | |
| 26.1.2 Develop a set of criteria for testing whether an effective internal audit department is in place in line ministries or not | | | | | | x | x | x | | | | | | | | | **GSG** | **IAD+L MS** | | |
| 26.1.3 Issue fresh guidance based on these criteria an processes for successfully establishing an effective internal audit unit | | | | | | | | x | x | x | | | | | | | **GSG** | **IAD+L MS** | | |
| 26.1.4 Work with line ministries to introduce an internal audit unit where non- exists | | | | | | x | x | x | x | | | | | | | | **GSG** | **IAD+L MS** | | |

| Objective/Activity/Action | Apr 08 | May 08 | Jun 08 | Jul 08 | Aug 08 | Sep 08 | Oct 08 | Nov 08 | Dec 08 | Jan 09 | Feb 09 | Mar 09 | Apr 09 | May 09 | Jun 09 | Onward | CG | Dept. | Indicators | TA Support |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | | | | | | | | | | | |
| 26.1.5 Where an internal audit unit exists , but does not yet meet the criteria established under 26.1.2 work with the line ministries upgrade the performance of their IAD | | | | | | | x | x | x | x | x | x | x | x | x | x | GSG | IAD+LMS | | |
| **26. 2. Improved mechanism to ensure effective response to audit/inspection finding within budget entities.** | | | | | | | | | | | | | | | | | GSG | IAD+Line Depts Units | | |
| 26.2.1 Examine Internal Control Systems of Dept / units under MEF | | | | | x | x | x | x | x | x | x | x | x | x | x | x | GSG | IAD+Line Depts Units | | |
| 26.2.2 Monitor the efficiency of recommenda-tion usage at Dept / units under MEF | | | | | x | x | x | x | x | x | x | x | x | x | x | x | GSG | IAD+Line Depts Units | | |
| 26.2.3 Establish an auditing procedure manual for department and unit under MEF | | | | | x | x | x | x | x | x | x | x | x | x | x | x | GSG | IAD | | |
| 26.2.4 Improve an auditing report structure model | | | | | x | x | x | x | x | x | x | x | x | x | x | x | GSG | IAD | | |
| 26. 3. Develop and Improve Annual Audit/Inspection Plan of LMs based on risk assessment criteria recommended by MEF. | | | | | | | | | | | | | | | | | GSG | IAD+LMS | | |
| 26.3.1 Set out clear standards based on risk assessment criteria recommended by MEF for audit work plans | | | | | | | x | x | x | | | | | | | | GSG | IAD+LMS | | **TA required** |
| 26.3.2 Require preparation of audit plans and submission to MEF for review | | | | | | | | | x | x | x | x | x | x | x | x | GSG | IAD+LMS | | |
| 26.3.3 Review quality of audit plans submitted and feedback constructive suggestions | | | | | | | | | | | x | x | x | x | x | x | GSG | IAD+LMS | | |

| Objective/Activity/Action | Time(Month) | | | | | | | | | | | | | | | | CG | Dept. | Indicators | TA Support |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Apr 08 | May 08 | Jun 08 | Jul 08 | Aug 08 | Sep 08 | Oct 08 | Nov 08 | Dec 08 | Jan 09 | Feb 09 | Mar 09 | Apr 09 | May 09 | Jun 09 | Onward | | | | |
| 26.4. MEF reviews adequacy of sample of audit/inspection reports. | | | | | | | | | | | | | | | | | GSG | IAD+LMS | | |
| 26.4.1 Establish a review template for reports judgement. | | | | | | | | | | | | x | x | x | x | x | GSG | IAD+LMS | | |
| 26.4. 2 Review reports and feedback constructive suggestions | | | | | | | | | | | | | x | x | x | x | GSG | IAD+LMS | | |

**OBJECTIVE 28: BUILDING INSTITUTIONAL CAPACITY AND MOTIVATIONAL MEASURES**

| | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.1. Organizational development relevant to Stage 2 including complete functional reviews of all MEF departments and financial department in LMs. Develop and implement strategic plan for each department, develop approach to production and dissemination of system manuals, introduce policies for MEF IT management strategy, department capacity building, effective use of technical assistance, recruitment of advisers to support the capacity development plan,. Improve work practices through increase use of technology. | | | | | | | | | | | | | | | | | | Functional reviews completed<br><br>Departmental Strategic Plans in place (MEF departments and line ministry Finance Departments)<br><br>Process with regards to System Manuals developed and implemented.<br><br>Policies related to effective use of Technical Assistance developed and implemented. Advisors supporting CD Plan<br><br>Institutional support to EFI. And training of Trainers<br><br>Functioning ministry-wide local area networks supporting inter-departmental communication and sharing of data | |

| Activity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.1.1. Establish technical working group of the department to work on PFMRP | X | X | | | | | | | | | | | | | | | | **PD** | |
| 28.1.2. Organize study tour for Department's management | | | | | | X | X | X | X | | | | | | | X | | **PD** | |
| 28.1.3. Improve staff's skills and knowledge by sending them to attend the local and abroad training courses | | | | X | X | X | X | X | X | X | X | X | X | X | X | X | | **PD** | |
| 28.1.4. Collect and update MEF personnel data | | X | X | X | X | X | X | X | X | X | | | | | | | | **PD** | |
| 28.1.5. Establish Personnel database and manage personnel file based on IT based system | | | | | | | | | X | X | X | X | X | X | X | | | **PD** | |
| 28.1.6. Compile law and regulations on Personnel Management | | | | X | X | X | X | X | X | X | | | | | | | | **PD** | |
| 28.1.7. Publish law and regulations on Personnel Management | | | | | | | | | X | X | X | | | | | | | **PD** | |
| 28.1.8. Install the announcement board for staff information | | | | | | | | | X | X | X | | | | | | | **PD** | |
| 28.1.9 Recruit TA of functional review | | | | | x | x | x | x | x | | | | | | | | GS | PD/RCS | functional review policy paper |
| 28.1.10. Develop functional review policy and strategy and Set up guideline and methodologies for conducting functional review | | | | | | | | | X | X | X | X | | | | | | **PD** | |

| Activity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | Indicator | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.1.11 Prepare a manual of functional review of all related department of the MEF. | | | | | | | | | | | x | x | x | x | x | | PD | functional review manual | |
| 28.1.12 Set up arrangements for implementing those procedures of functional review | | | | | | | | | | | | x | x | x | | | PD | arrangements for implementing those procedures of functional review | |
| 28.1.13 Recruit a functional review team externally. | | | | | | | | | | | | x | x | x | | | PD | functional review team | |
| 28.1.14 Conduct functional review and information flow/exchange within the Ministry | | | | | | | | | | | X | X | X | | X | | **PD** | | |
| 28.1.15 Implement functional review of the specific departments who has been considered the overlap responsibilities in the MEF. | | | | | | | | | | | | | | x | x | | PD | functional review has been implemented to LD. | |
| 28.1.16 Develop and implement strategic plan for functional review of all department of the MEF and develop proposals for change | | | | | | | | | | | | | | x | x | GS | PD | strategic plan for functional review has been developed | |
| 28.1.17 Develop any necessary legislation necessary to implement proposals change. | | | | | | | | | | | | | x | x | x | | PD | | |
| 28.1.18 review and revise policy and strategy as well as manuals related to effective use of technical assistance (TA) of the MEF. | | | | | x | x | x | | | | | | x | x | x | | PD | policy and strategy as well as manuals related to effective use of technical assistance (TA) has been revised | |
| 28.1.19 establishes the clear management procedure for the use of technical assistance. | | | | | | | | | x | x | x | x | x | x | | | PD | management procedure for the use of technical assistance has been set up. | |

| Activity | | | | | | | | | | | | | | | | | | | Responsible | Remark | |
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| 28.1.20 design arrangements for using advisers to contribute to training programme. | | | | | | | | | | | | | | | x | x | x | | PD/RCS | sharing findings and expertises | |
| 28.1.21 develop approach to production and dissemination of system manuals, and introduce policies for effective use of TA | | | | | | | | | | | | | | | x | x | x | | PD/RCS | approach to production and dissemination of system manuals, and introduce policies for effective use of TA has been developed | |
| 28.1.222 develops institutional support to the EFI in delivering training to line departments and line ministries by extending its capacity through doing some outsourcing. | | X | X | X | X | X | X | X | X | X | X | X | | | | | | | PD/RCS | EFI become a reliable training institution for PFM | |
| 28.1.23 Draft the Human Resource management policy paper | | | | | | | | | X | X | X | X | X | X | X | | | | **PD** | | |
| 28.1.24 Submit the draft Human Resource management policy for the MEF consultation and seek endorsement by the MEF management | | | | | | | | | | | | | | | X | | | | **PD** | | |
| 28.1.25 Develop work guideline and practice for the MEF's personnel and elaborate job descriptions and job specifications | | | | | | | | | | | | | | | X | | | | **PD** | | |
| 28.1.26 Create statistical and legal database for Department and units under MEF | x | x | x | x | x | x | x | x | x | | | | | | | | | | IAD | | |
| 28.1.27 Create internal audit works and experience database | x | x | x | x | x | x | x | x | x | | | | | | | | | | IAD | | |

| Activity | | | | | | | | | | | | | | | | | | Resp. | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.1.28 Apply for IIA membership and establish contact with other institution alike | x | x | x | x | x | x | x | x | x | | | | | | | | | | IAD | |
| 28.1.29 Establish and maintain IA library, learning room and IA document storage | x | x | x | x | x | x | x | x | | | | | | | | | | | IAD | |
| 28.1.30 Obtain electronic software, ACL and get auditors trained to use it | x | x | x | | | | | | | | | | | | | | | | IAD | |
| 28.1.31 Install IA post box at 26 places (2 at Phnom Penh and 24 at provinces) | x | x | | | | | | | | | | | | | | | | | IAD | |
| 28.1.32 IT network between Dept where FMIS installed and IAD | | | | | | | | | | | | | | | | | | | IAD | |
| 28.1.32 Prepare inventory of MEF assets financed by government budget and projects | | | | | | | | | | | | | | | | | | | AFD | |
| 28.1.33 Prepare MEF procurement plan per annum | | | | | | | | | | | | | | | | | | | AFD | |
| 28.1.34 Accelerate cash advance issues solving within MEF | | | | | | | | | | | | | | | | | | | AFD | |

| Activity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | Lead | Responsibility | Output | |
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| 28.2. Human resource development relevant to Stage 2 including establishment and development of cadre of fast streamers, external recruitment in key skill deficiency areas, development of job rotation policies, development of retention plans in key skill areas. | | | | | | | | | | | | | | | | | | | GS | GS/PD/RCS | implementation of revised HR Policies in the light of MEF/LM Organisational Reviews and Departmental Strategic Plans | |
| 28.2.1. Identify necessary skills and knowledge for PFMRP stage 2 and propose recommendations on staff recruitment and redeployment | | | | | X | X | X | X | X | X | X | X | | | | | | | | PD | | |
| 28.2.2. Develop policy for the use of cadre of fast streamers | | | X | X | X | X | X | X | X | X | X | | | | | | | | | PD | | |
| 28.2.3. Identify areas which require the use of fast streamers and Develop criteria for identification of as cadre of fast-streamers | | | X | X | X | X | X | X | X | X | | | | | | | | | | EFI/PD | A criteria for identification of as cadre of fast-streamers | |
| 28.2.4 Develop arrangements for selection. | | | x | x | x | x | x | | | | | | | | | | | | | EFI/PD | Selection arrangement | |
| 28.2.5 Develop and conditions to be applied to fast streamers | | | | x | x | x | x | x | x | | | | | | | | | | | EFI/PD | Condition is in place | |
| 28.2.6 Development of job rotation plans for fast streamers. | | | | | | | x | x | x | x | x | x | x | x | | | | | | PD/RCS | job rotation plan | |
| 28.2.7 Develop plan for the MEF human resource and Staff development | | | | | | | | | | | | | | | X | X | X | | | PD | | |

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| Activity | | | | | | | | | | | | | | | | Resp. | Output | |
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| 28.2.8 Research and analyze job rotation practices and policy and identify areas in which job rotation should be applied | | | | | | X | X | X | X | X | X | X | | | | **PD** | | |
| 28.2.9 Draft job rotation policy for the MEF | | | | | | | | | | | | X | X | X | | **PD** | | |
| 28.2.10 Submit the draft job rotation policy for consultation and seek endorsement by the MEF management | | | | | | | | | | | | | X | X | | **PD** | | |
| 28.2.11 Design job rotation plan and how it is to be applied. | | | | | | | | | | | | | X | X | | PD/RCS | | |
| 28.2.12 Development of retention plan in key skill areas | | | | | | | | | | | | | X | X | | PD/RCS | retention plan | |
| 28.2.13 Conduct research on retention policy in the public sector and identify areas in which retention should be applied. | | | | X | X | X | X | X | X | | | | | | | **PD** | | |
| 28.2.14 Develop retention policy for staff in key skill areas | | | | | | | | X | X | X | X | X | X | | | **PD** | | |
| 28.2.15 Develop recruitment policy of the MEF. | | x | x | x | x | x | x | x | | | | | | | | EFI/PD | one recruitment policy paper | |
| 28.2.16 Establish recruitment procedure | | | | x | x | x | x | x | x | x | | | | | | EFI/PD | technical process | |
| 28.2.17 Create technical process | | | | x | x | x | x | x | x | x | | | | | | EFI/PD/SCS | attractive policy | |

| Activity | | | | | | | | | | | | | | | | | | | Resp | Remarks |
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| 28.2.18 Analyse areas of skill leakage | | | | | | | | | | x | x | x | x | x | x | | | | PD/RCS | |
| 28.2.19 Develop and evaluate options for tackling those problems | | | | | | | | | | x | x | x | x | x | x | | | | PD/RCS | |
| 28.2.21 Implement the options that are preferred | | | | | | | | | | x | x | x | x | x | x | | | | PD/RCS/ MEF | |
| 28.2.20 External recruitment in key deficiency areas | | | | | | | | | x | x | x | x | x | x | x | x | | | EFI/PD | A group of skill staff has been identified |
| 23.2.22 Recruit 05 staff and get trained for FMIS control | | x | x | | | | | | | | | | | | | | | | IAD | |
| 28.3. Skill development and training relevant to Stage 2 including expansion in delivery of skill development and foundation courses, initial design of new courses in key areas, initial design of courses in key areas, first implementation of those courses and development of Capacity Development Plans by line ministries under the umbrella of MEF plan. In parallel, continuation of overseas training scheme for selected fast streamers, develop and implement a study tour plan. | | | | | | | | | | | | | | | | | | GS | EFI | Staff trained in MEF/LM-Budget in -Accounting (150) -Computer (200) -Procurement (150) -Managers (100)<br><br>Evaluation mechanism developed and implemented.<br><br>Overseas Training Scheme & Study Tour Arrangements |
| 28.3.1set up on request training programme | x | x | x | x | x | | | | | | | | | | | | | | EFI/LD | |

| Activity | | | | | | | | | | | | | | | | | | Responsibility | Indicator | Mode |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.3.2diversify training curriculum | | x | x | x | x | x | x | x | | | | | | | | | | EFI/LD | | |
| 28.3.3 cooperate with the national and international training institutions | | | x | x | x | x | x | x | x | x | x | x | x | x | x | | | EFI/LD | | |
| 28.3.4 On-going repetition of skill development courses | x | x | x | x | x | x | x | x | x | x | x | x | | | | | GS | EFI/LD | At least one course delivery per annum | Outsource |
| 28.3.5 Develop framework for Development of capacity development plans of the line ministries | | | | x | x | x | x | | | | | | | | | | | EFI/SCS | | |
| 28.3.6 Require and support development of a plan by each line ministry | | | | | x | x | x | x | | | | | | | | | | EFI/SCS | | |
| 28.3.7 Review capacity development plans submitted by line ministries | | | | | | x | x | x | x | | | | | | | | | EFI/SCS | Capacity development plans submitted by line ministries has been reviewed and commented. | |
| 28.3.8 updating capacity development plan of line ministries | | | | | | | | | x | x | x | | | | | | | EFI/PD/SCS | capacity development plan | |
| 28.3.9 Prepares a retreat to review and evaluate the capacity development plan of line ministries. | | | | | | | | | x | x | x | | | | | | | EFI/SCS | retreat | |
| 28.3.10 Establish short, medium and long term skill training plan | X | | | | | | | | | | | | | | | | | IAD | | |
| 28.3.11 Establish end year training program | | | | | | x | x | x | | | | | | | | | | IAD | | |

| Activity | | | | | | | | | | | | | | | | | | | Resp | Notes |
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| 28.3.21 Establish HR training program for publishing, design, | | | | | | | | | | | | | | | | | | | AFD | |
| 28.4. Motivational development relevant to Stage 2 including review and further develop the MBPI scheme encompassing broader range of recipients, develop measures to support those whose jobs are affected by process and organisational change, develop demand led approach to access to training, develop awareness of and participate in the capacity development plan. | | | | | | | | | | | | | | | | | | | | MBPI scheme reviewed and updated to support stage 2 activities. - MEF Rollout - LM Rollout |
| 28.4.1 Further develop the MBPI scheme encompassing broader skill development to support those whose job are affected by process and organization change | | x | x | x | x | x | x | x | | | | | | | | | | | PD/SCS | |
| 28.4.2 review existing MBPI strategy and performance measures | | | x | x | x | x | x | x | | | | | | | | | | | PD/SCS | |
| 28.4.3 implement rotation of MBPI package to the most productive target | | | | x | x | x | x | x | x | | | | | | | | | | PD/SCS | |
| 28.4.4 develop proposals for extension to line ministries | | | | | | | x | x | x | | | | | | | | | | PD/SCS | |

| Activity | | | | | | | | | | | | | | Responsible | Output |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28.4.5 Identify steps in extending MBPI to line ministries. | | | | | x | x | x | x | x | | | | | | PD/SCS | |
| 28.4.6 Develop criteria. | | | | | x | x | x | x | x | | | | | | PD/SCS | |
| 28.4.7 work with line ministries to apply those criteria | | | | | | | x | x | x | x | x | | | | PD/SCS | |
| 28.4.8 Work with line ministries to put in place performance review arrangements. | | | | | | | x | x | x | x | x | | | | PD/SCS | |
| 28.4.9 Develop communication program for both reform program as a whole and the Capacity Development Program | | | | | | x | x | x | x | x | | | | | RCS/MEF | communication program |
| 28.4.10 Develop a communication plan. | | | | | | | x | x | x | x | x | | | | RCS/MEF | communication plan |
| 28.4.11 Advise staffs know about that plan and timetable. | | | | | | | | x | x | x | x | x | x | | RCS/MEF | timetable |
| 28.4.13 Review the current motivational measures and Propose recommendations | | X | X | X | X | X | X | X | | | | | | | **PD** | |
| 28.2.14 Create rewarding policy | | | | | | X | X | X | X | X | X | | | | PD/SCS | rewarding policy |
| 28.4.2. Review criteria for promotion and staff deployment | | | | | | X | X | X | X | X | X | X | X | | **PD** | |

| Activity | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | Resp | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 28..4.15 Review  other incentive schemes at the MEF | | | | X | X | X | X | X | X | | | | | | | | **PD** | |
| 28.4.16 Review procedure and mechanism to monitor MBPI and other incentive scheme beneficiaries | | | | | X | X | X | X | X | X | X | | | | | | **PD** | |
| 28.4.17 Review  Staff Performance Evaluation Form | X | X | X | X | X | X | X | X | | | | | | | | | **PD** | |
| 28.4.18 develop demand  led approach to access to training | | x | x | x | x | x | | | | | | | | | | | PD/SCS | |
| 28.4.19 Study impacts on Human resource management resulted from the PFMRP and propose relevant strategies and recommendations | | | | | X | X | X | X | X | X | X | X | X | X | | | **PD** | |