NHSSP

THE TRANSACTION ACCOUNTING AND BUDGET CONTROL SYSTEM (TABUCS)
Improving Financial Management And Planning In The Health Setor

MAIN POINTS

The Ministry of Health and Population (MoHP) is introducing a Transaction Accounting and Budget Control System (TABUCS) across all its cost centres.

The TABUCS:

- ◢ will allow the better management of payments and receipts, and the capturing of data on all revenue and non-revenue receipts and all capital and revenue expenditure;

- ◢ will automatically generate reports at all levels down to cost centre level to facilitate financial management and planning; and

- ◢ is a key component of a fully-fledged MoHP financial management information system.

THE NEED FOR A TABUCS

The more than 270 cost centres (spending units) under MoHP implemented 57 separate programmes and more than 2,000 types of activities in fiscal year 2012/13. All these units have to produce financial reports every month, trimester (4 months) and year soon after the end of each reporting period.
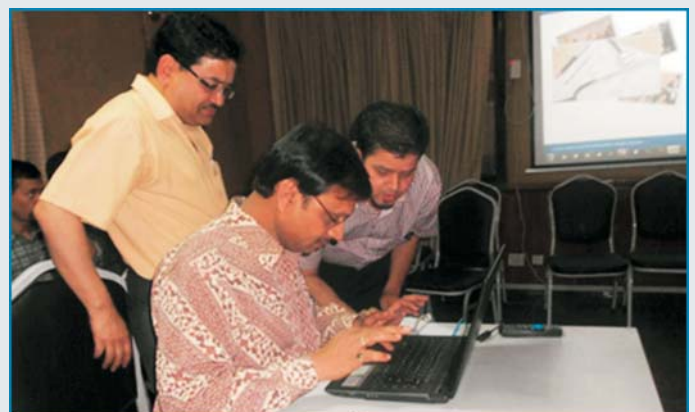
However, the production of these reports has been hampered by MoHP not having its own integrated financial management information system and the absence of a standard accounting package in district health offices. The current system depends entirely on the preparation of vouchers and manual calculations.

This situation delays the submission of consolidated reports within MoHP and reporting to the Financial Comptroller General Office, the Office of the Auditor General (OAG) and external development partners. It also delays the preparation of the following year's budget. Another shortcoming is the frequently late monthly reconciliation of accounts by district treasury comptroller offices (DTCO) and MoHP cost centres.

The availability of reliable and up-to-date accounting data from cost centres is a fundamental requirement of modern financial management systems. A key objective of NHSP-2 is therefore to introduce a computerised accounting system in MoHP.

THE SYSTEM

Work has been underway since mid-2011 to introduce a TABUCS system in MoHP. The software was designed in 2012/2013 and launched in April 2013 to mark the beginning of the piloting of TABUCS in 11 cost centres (MoHP; DoHS; Dept of Ayurveda; the National Health Education, Information and Communication Centre [NHEICC]; Western Regional Hospital; Western Regional Health Directorate; DHOs/DPHOs in Kaski, Mustang, Banke, and Morang; and Morang Ayurveda Centre). This piloting is going ahead to check the functionality of the system and to identify any usability issues.

The health secretary inaugurating TABUCS on 26 April 2013 at MoHP

SYSTEM COMPONENTS

The TABUC system operates at two levels:

- Cost centre modules capture all accounting data at source on local desktop computer servers. These data will be directly accessible by the central server thus allowing regular cost centre monitoring.

- The central level module (in MoHP) will be based on web technologies, but will be designed to work both online and offline as internet connectivity at many cost centres is poor. Offline working will also be possible through local cost centre servers.

The system itself logs all receipts and payments budget-, programme- and activity-wise at the cost centre level and has components for:

- processing expenditure, payments, and cash and bank receipts and revenues;

- automatically posting income and expenditure to ledger accounts, summary accounts, and cash and bank books;

- generating all ledgers and accounting and management information system (MIS) reports, including cost centres' monthly, trimesterly and annual financial and physical progress reports, and financial monitoring reports (FMRs) for external development partners; and

- recording progress in clearing audit queries.

The system will be automated as follows:

- the central module will automatically dial into each cost centre daily to download all receipt and payment data and upload budget data; and

- the entire process of data aggregation (for receipt and payments) and disaggregation (for budgeting) will work automatically.
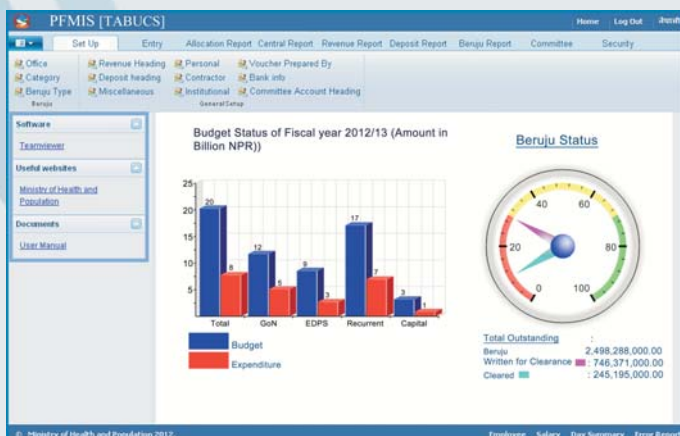
SOME OF THE MANY BENEFITS

TABUCS will:

- Enable the systematic recording of financial and physical programme data and the rapid availability of reports at all levels.

- Enable more efficient accounting, make better quality accounting data available, improve financial monitoring and reporting, reduce workloads and facilitate right to information requests.

- Provide more robust budgetary controls by not allowing expenditure outside approved budgets.

- Reduce the negative impact of the frequent transfers of accounting staff.

- Promote evidence- and output-based budgeting and planning and make more time available for information analysis rather than data gathering.

IMPLEMENTING TABUCS

Once the piloting is completed in 2013 any necessary changes will be made to the software, user manuals and guidelines. Account and planning officers will then be trained on using the new system. It is planned to then go ahead with the expansion phase by installing hardware and software and phasing in the system across all 274 cost centres. MoHP also plans to bring all autonomous health institutions including the large referral hospitals under the TABUCS system.

The TABUCS system is an important part of the proposed comprehensive financial management system in MoHP and will operate alongside the recently introduced e-AWPB database that details annual workplans and budgets. The plan is to add additional modules in the future for payroll management, income management, clearance of irregularities, and inventory management to establish a comprehensive health sector financial management information system.

This screenshot shows the status of the national budget versus expenditure for 2012/13 and the status of audit queries (beruju). Once up and running TABUCS will be able to immediately show this kind of information at district and cost centre level - an extremely useful financial management and planning tool.

MoHP and NHSSP contributions

This initiative is being rolled out by the Finance Section of the Ministry of Health and Population. NHSSP is providing technical and financial support.

NHSSP (Nepal Health Sector Support Programme) is funded and managed by DFID and provides technical assistance to the Nepal Health Sector Programme (NHSP-2). Since its inception in January 2011, NHSSP has facilitated a wide variety of activities in support of the NHSP-2 objectives, covering health policy and planning; health financing; human resource management; essential health care services (EHCS); gender equality and social inclusion (GESI); procurement and infrastructure; and monitoring and evaluation. For more information visit our website: www.nhssp.org.np