

Financial Management and Budgeting in France and Germany and Its Comparison with Iran

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ABSTRACT: This study has been prepared to study the budget planning method in Iran and compare it with the budget systems in France and Germany and explain the strengths and weaknesses of the existing budget system in the country. This research has been tried to study and analyze the most critical problems and increasing budgetary issues of the country from both theoretical and practical aspects and examine the budgeting system after the revolution, especially the study of the budgeting system during the first and second five-year economic, social and cultural development programs of the Islamic Republic of Iran. As a result of a comparative comparison of world budgeting systems with Iran, it can be stated that the budgeting system and workflow in developed countries such as the United States, United Kingdom, France, and other European countries are based on a series of scientific indicators and new principles and criteria. Advanced human knowledge has been directly involved in budgeting and designing key issues and macroeconomic policies and foresight of the economic and financial system.

Keywords: Budgeting, France, Germany, Iran.

INTRODUCTION

Even though budget preparation and regulation in Iran for about five quarters of a century is based on legal-financial systems established and customary in countries with parliaments and based on the acceptance of the principle of separation of powers, budgeting is still one of the main problems of government. Although issues and problems related to budget preparation and implementation in Iran can be considered from different perspectives according to the government's political, social, and economic position. However, in a principled approach, issues related to the quality and budget structure and administrative and organizational organization of the government have Appearance and is more important. In this study, the method of planning Iran's Budget and comparative comparison with budget systems in developed countries and analyzing the weaknesses of the country's budgeting system have been studied and analyzed. As we know, budgeting and budgeting are the principal axes of development. The move towards socio-economic and cultural growth and development is based on the budgeting system. In budgeting, we say which economic sectors should be the center of development and prioritize activities and operations accordingly. The different government takes place. Any change in the country's economic system is due to changes first made in the budgeting system. Today, budgeting is very closely related to the concept of planning. With the help of statistics, information and budget figures, the managers of the administrative apparatus deal with planning in the field of activities and related operations. Budget is considered an operation as a tool to

control activities. In fact, through the Budget, decisions are changed from a qualitative to a quantitative state. By preparing and adjusting the Budget, the government clarifies what it wants to do, both for itself and the people. In general, the Budget is the cornerstone of all socio-economic and cultural activities. Therefore, by examining the analysis and description of the country's budgeting and planning system, the system's weaknesses can be understood, and a necessary reform can be made accordingly.

Budgeting is called the process of allocating limited resources to unlimited needs. Budget, goals, and strategies in financial statements show how to implement the program and control their progress (1).

Since the volume of government intervention in Iran's economy is more than in developed countries and most developing countries, so the importance of budgeting is double compared to these countries. Based on this critical position, many economic experts believe that the treatment of Iran's economic ills, including inflation, unemployment, reduced productivity, and low economic growth should be found in the budget document. Today, budgeting issues are not limited to government revenue and the executive branch's accountability to the legislature. However, in the past, one of the most critical issues related to the Budget was government accountability as a whole and also within the executive branch itself. The budget document and the budgeting system are the most important factors that provide the executive branch with the necessary information to exercise governance.

The budgeting process in Iran

The budgeting system is preparing a one-year financial plan, reviewing it by the legislature, implementing the plan, and finally evaluating and reporting the results. Budget turnover in Iran and the vast majority of countries in the world that follow the parliamentary system. It consists of four steps as follows:

- 1- Preparing, preparing, and proposing the budget bill
- 2- Approval of the Budget
- 3- Budget implementation
- Monitoring the implementation of the Budget

Clause 1- Preparing, preparing, and proposing the budget bill

Preparing and adjusting the Budget is one of the most technical and complex stages of budget turnover, and performing it is one of the duties of the executive branch, according to Article 52 of the Penal Code. "The government prepared the annual budget of the whole country in the manner prescribed by law and submitted to the Islamic Consultative Assembly for consideration and approval ...". The Budget of the whole country is prepared following the provisions of the General Accounting Law and in compliance with this law. Preparing and preparing the budget bill requires going through the following steps:

- 2- Issuing budget circulars
- 2- Preparing and adjusting the Budget in the executive bodies
- 3- Approval in the Cabinet

1- Issuance of budget directives: The mentioned directive includes the necessary policies and guidelines in preparing and adjusting the Budget in the executive bodies.

2- Approval of the budget circular: according to Article 2 AH. In other relevant laws, to guide and coordinate the country's economic affairs, a council called the Economic Council is formed under the chairmanship of the President, and the approval of the budget directive is one of the tasks of that council (2).

3- Approval of the Council of Ministers: The budgeting sub-headquarters of the Management and Planning Organization of the country have compared the proposed budgets of the national and local executive bodies so that they do not contradict the medium-term plans and macro-policies of the country. After reviewing the Budget in those sub-headquarters, the result is referred to the country's budget headquarters for comment. After various studies, the preliminary consolidation of the Budget will be done in the above-mentioned headquarters and will be sent to announce the opinion of the Cabinet. The review of the Budget in the Cabinet has a formal aspect and considers the interests and interests of the country from the police's point of view. The Cabinet adapts the Budget to the country's macro-policies and considers political, legal, economic, monetary, financial, and currency perspectives from various perspectives.

Budgeting issues and problems in Iran

1. Allocate funds for the survival of the device, not the performance of duties

From the point of view of budget regulation, the primary criterion for using budget credits is the principle of establishing and maintaining organizational existence. In other words, the primary justification for allocating credit is based on the organizational unit and the need for the system's survival, which was created to perform a task or tasks. The problem is that in this justification of credits, meeting the organization's needs has replaced the priority of performing the organization's tasks.

The current Budget of government agencies in the country is determined based on the number of employees, the number of vehicles, the area of buildings, the number and type of equipment, and such factors. Given that the

preference of managers of government agencies is such that they tend to increase the number of employees, equipment, facilities, and Budget of the agency under their tenure, there is always a double pressure from managers to increase facilities. As a result, continuously, The country's bureaucracy is expanding. If the current Budget of government agencies is adjusted based on the number of services provided and managers are forced to provide specific services in terms of quantity and quality in exchange for the facilities they receive or reduce the cost of services provided by the device under their control. Government agencies will increase, and it will be possibly better to monitor the Budget of the agencies (3).

It is worth noting that there are references to budgets that are both substantial and shocking in some cases. For example, they suggest that in the Budget of Tabriz Municipality, years after electricity (and its use for street lighting), there is still a budget for lamp oil for street lighting.

2. Lack of connection between the annual Budget and economic conditions

If the Budget is a fiscal policy document, it must be based on well-defined policies for stability, prosperity, and recession. For example, in times of recession, pursue expansionary policies, and in times of inflation, pursue contractionary policies. However, budgeting is more about the role of cost-sharing for different organs and devices and has not been directly related to the conditions of prosperity, recession, and inflation.

3. Failure to consider the financial burden of current government activities on future expenditures

Currently, when discussing the implementation of a specific plan or bill and proposing it for implementation, the financial burden of that proposal on a budget of the same period is examined, but it is not considered that this plan or bill or proposal is in the future expenditures. What is the impact of the government and what obligations will it create for the government in the future, and what is the financial burden of these commitments? For example, when discussing the construction of an educational or medical center, all attention is focused on whether the cost of the start year of the project has been provided or not. However, it does not consider how much of the financial commitments will be made to the Budget for the coming years to complete this project. Due to the lack of attention to the financial burden of recent decisions and activities on the future expenses of the government, plans and bills are regularly approved in the country, which creates heavy obligations for the following years and even for the next generations.

4. Inconsistency between budget resources and expenditures

In the above context, the most critical problem arises because the country's non-negative production capacities do not play a significant role in financing government activities. In terms of resources, the country's Budget relies mainly on revenues derived directly or indirectly from the oil export sector, while direct taxes on commodity production activities in society are minimal and other direct taxes. Revenues from various economic activities in the country have either been affected by currency fluctuations or have not been particularly important. However, this feature causes the sources of budget revenues to be strongly influenced by external factors such as price affect oil and exports.

In addition, the establishment and operation of state-owned companies, which in principle, after a reasonable period, should provide significant sources of revenue for the country's Budget, in practice, could not be successful in this regard. Regarding budget expenditures, it should be said that there are many issues and problems in this field; Among other things, the volume of government duties, regardless of the revenue capacity of the Budget, was constantly expanding. This has also imposed significant expenditure obligations on the government. For example, 60% of the country's total Budget is related to state-owned companies (4).

5. Existence of hidden expenses in the Budget

Budget expenditures do not cover all government expenditures. The country's total Budget, in addition to the general expenses of the government, includes only the expenses of about 500 companies and government institutions. In comparison, the auditing organization had identified 707 government companies by 1996, but according to the Court of Accounts, the number of companies Government companies are more than 2000 companies.

In the Iranian Budget, several separate parts can be enumerated, each of which has its characteristics and are:

1. General government budget (excluding government-specific Budget)
2. Government-specific budget
3. Budget of state-owned companies
4. Banks' budgets
5. Budget of government-affiliated for-profit organizations
6. Budget of institutions and foundations
7. Leadership Institution Budget
8. Municipal budgets
9. Budget of the Social Security Organization

Each of the above items is subject to specific criteria. The total of the first five rows constitutes the country's total Budget, which in 1998 was predicted to be about 234 thousand billion. The budgets of the sixth and seventh

rows are not recorded in government accounts, and there are no special rules on how to spend them. The eighth and ninth rows earn money according to special regulations (5).

Of the above nine rows, the legislature actually approves each year are the first and second rows. Given that the second tier, the state budget, according to the law, benefits from certain revenues and expenditures that various laws have already determined. Therefore, it can be said that the government's annual Budget, which is approved by the legislature, is only the first line. This line of the country's total Budget in 1998 has a share of about 27% of the country's total Budget. (The Budget of the whole country does not include the sixth to ninth rows.

The budgeting process in Germany

The legal framework for German budget processes has a comprehensive and detailed legal framework for regulating budget processes at various levels of government. The Basic Law defines the roles of key actors in budget processes and details the financial responsibilities of the federation and the laundries (states). According to the constitution, the federation and the states formulate, approve, and implement their budgets independently. Also, one of the chapters of the constitution is dedicated to budget management.

A robust set of laws and regulations (Box 1) completes the constitution. The most critical budget laws that set budget principles based on macroeconomic stability date back to the early 1990s. One of the features of the legal framework that distinguishes Germany from other countries is the Budget Principles Act, which applies to the federal government to the independent states and all local governments and municipalities. The first part of the Law on Budget Principles sets out the obligations related to budgeting, budget implementation, government auditing, and independent auditing. The requirements of the Budget Principles Act are set out in more detail in the Budget Code (the Federal Budget Code and the separate rules of each of the sixteen German states). Each of these sets has the status of a law. The state budget set is similar to the federal budget set because it is based on a common framework of the Budget Principles Act. State budget laws (including the former East German laws) are not the subject of this study. The Federal Court of Auditors was established in 1985 to clarify governance structures and procedures for independent auditing (6).

Unlike some federal states, which do not have formal arrangements for coordinating fiscal policies between different levels of government, the constitution states that the budget management of the federation and the states must be done to maintain macroeconomic balance (Constitution, Article 109).). The German constitution also provides for adopting a federal law that governs budget management at both the federal and state levels and guarantees multi-year financial planning. Thus, the Law on Increasing Stability and Economic Growth (StWG) requires the formulation of five-year plans. The law emphasizes responsible financial management and requires federal and state governments to formulate their economic and fiscal policies based on national goals. The law is based on Keynesian economic theories, which were widely accepted when it was passed in 1997. Some of the provisions of this law, such as the creation and use of contingency funds to counteract the economic boom by controlling economic cycles, do not make much sense in the face of widespread unemployment and growth below the economy's potential. It is also questionable from the point of view of liquidity management to maintain this fund, which is not entitled to interest according to the Constitution (Articles (109), (6)).

To ensure intergovernmental cooperation, the Law on the Promotion of Economic Stability and Growth (Section 18) and the Law on Budgetary Principles provide for establishing a coordinating body called the Financial Planning Council. The body is made up of the federal finance and economy ministers, state finance ministers, and four municipal representatives, who are appointed by the Bundesrat (part of the German Parliament that supports the interests of the states) at the suggestion of local government associations. One of the main objectives of the Financial Planning Council as a coordinating body is to formulate coherent medium-term financial plans and to prioritize national financial policies. According to the Budget Principles Law, all levels of government are required by municipalities to provide all the necessary information. All companies that are subject to public law and all insurance companies (at the federal and state levels) are required to submit these reports so that the Financial Planning Council can provide all the information needed to monitor budget developments. At the national level, the decisions of the Financial Planning Council are politically binding but not legally binding.

In Germany, the concept of the rule of law has been well developed, and legal approaches to public administration have become increasingly important. According to the constitution, the government must obtain the consent of the Bundesrat before promulgating public administrative regulations (Constitution, Article 86), and "the federal government also monitors compliance with the law and the appropriateness of administrative regulations" (Constitution, Article 85). (4) Civil service based on different laws is proud to provide professional services to political authorities. Civil service is more accessible for law graduates to enter (7).

Decisions before cabinet meetings are another area that is less formal and rooted in party needs. These decisions complement the legal framework. Ministerial consultations outside of formal cabinet meetings may lead to a consensus on controversial budgetary issues before a formal cabinet decision. The primary decision-makers are influential party figures who may be members of the Bundestag or even the government.

Finally, Germany is a member of the European Union, which has issued macroeconomic stability budget regulations. In particular, the Maastricht criteria limit the general government budget deficit to a maximum of 3% of GDP and public government debt to 90% of GDP. These quantitative restrictions are not included in domestic law. However, accurate budget decisions represent a power play between political parties, especially those that make up the coalition government. Although Parliament's budget (or finance) committees are somewhat influential, Parliament's key role is legitimacy. Part of it is limited to the decisions of the coalition government. Any non-compliance with the Maastricht criteria indicates difficulty reaching a political agreement on the federation and state spending commitments. Such goals are essential to achieving the overall goals of public government revenues, expenditures, and deficits.

Budget Execution Budget execution is subject to the Budget Principles Act and the set of budget rules. The law allows the federal government to finance the administration of finance and administration (Federal Budget Code, Section 5). The detailed regulations that are laid down accordingly are binding on federal ministries and their affiliates. The sixteen states make similar rules (8).

The budgeting process in France

The legal framework for French budget processes The state budget has a comprehensive legal and constitutional framework that delegates broad powers to the executive. The 1908 constitution limits the role of Parliament in budgetary matters to changing the composition of expenditures. Parliament cannot increase total expenditures or reduce budget revenues. The constitution also contains some of the basic principles of the state budget, and since 1999, the budgeting principles of social security organizations have been added to it (9).

The primary law of the budget process is the "Organic Budget Law," adopted in 2001, which was supposed to be fully implemented in 2009. The law sets out the principles related to the content, drafting, approval, and reporting of the country's annual budget bills, but annual government expenditures account for only 37% of total public government expenditures. While various extra-budgetary funds account for 45% of public government spending, the central extra-budgetary funds are related to health services, pensions, unemployment insurance, and family support. Since 1999, Parliament has begun reviewing the financing of social security funds, the terms of which are set out in a separate organic law. Covered by a comprehensive legal framework called the Local Government Code, there is a set of foreign auditing rules such as public taxes, government procurement, and social security. There is no separate set of rules for public finance, but this idea has been raised.

A hierarchy of laws and regulations accompanies the constitution and the two organic laws mentioned.

They are detailing budget processes and procedures. The 1992 Audit Ordinance sets out the responsibilities of the key players in the budgeting and auditing processes. Under a law passed in 1992, financial auditors operate under the supervision of the Ministry of Economy, Finance, and Industry, which is responsible for controlling expenditure commitments. Audit and control of costs reflect the traditional, highly centralized approach to budget management.

France is a member of the European Union, subject to budget laws to achieve macroeconomic stability. In particular, the principles of the Maastricht Treaty limit the federal government deficit to a maximum of 3% of GDP and public government debt to 90% of GDP. . But these few restrictions are not provided for in any French law and, more specifically, are not legally binding on France.

Definition of general budget figures

The Organic Budget Act of 2001 and the Organic Social Security Financing Act of 1999 do not begin with a comprehensive list of definitions, but some terms are defined in various articles of the Act. For example, according to the Organic Budget Law, total input (resources) includes revenues and financial resources, input and total output (expenditures) include costs and financial resources, budget output (Articles (2) and (6)). It also defines financial outputs (Article (20)) and requires the display of the budget balance in the annual budget table (Articles (8), (1)).

Legal arrangements for each stage of the budget process

Preparation and presentation of Budget by the executive branch

Institutional coverage of the Budget

The Organic Budget Law relates only to the annual budget laws that cover the government budget. In practice, the state budget covers only a part of the central government apparatus, i.e., central offices, national offices, and local offices of the central government (Organization for Economic Co-operation and Development, 2003, Table 10). The government budget does not cover public and local organizations, but their financial aid is included in the Budget.

Extra-budget funds and revenues with specific uses

The Organic Budget Act of 2001 retained some of the provisions of the 1909 Act, which were devoted to specific expenditures, budget annexes, and special accounts. However, compared to the 1959 law, the allocation of auxiliary funds provided through co-financing must be approved by the Parliament, included in the total expenditure (Article 17), and controlled by the Parliament. In addition, goals and programs should be set for budget annexes and special accounts

The framework was created for them in 2006). The Organic Budget Law allows the executive branch to spend surplus revenues in certain expenditure accounts (revenues that exceed budget forecasts at the discretion of Parliament (Article 21)).

Health and Social Security Funds are not covered by the Organic Budget Act and are not part of the national Budget. Salary). (34) Determines the purpose of spending and financing the social security funds in the Parliament. Social security defines mandatory programs and related organizations. There is no mandatory spending ceiling for each sector and parliament votes on only seven groups of social security revenues. This prevents health expenditure priorities from being set. In 2001, the Senate introduced an amended Organic Law to address some of the Organic Funding Act of Social Security problems, adopted in 1996 (27), but it was not approved (11).

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Financial rules

According to the constitutional amendments to Articles (2) and (88), France agrees to provide the financial assistance needed for the European Economic and Monetary Union. However, it has not changed its local laws so that the financial laws proposed by the European Union in Taking over. However, according to the Organic Budget Law (Article 50), budget forecasts must be made "following the country's European obligations" (indirect references to EU directives such as the Maastricht Principles on Budget Debts, Debts and "There is no golden rule in the state budget, but the set of local government laws imposes such a law on local government budgets."

Schedule of preparation and submission of Budget to Parliament

The Organic Budget Law sets the first Tuesday in October as the last day for submitting the draft annual government budget to Parliament (Article 39). The beginning of the fiscal year is January 1 (Organic Budget Law, Article (1)). This timing begins the budgeting process in December of the previous year by submitting a multi-year medium-term budget framework report. There are non-binding internal deadlines for the main stages of budgeting (OECD, 2003).

The approval process in the executive branch

According to the constitution, the prime minister must be accountable to Parliament for the government's program. Article (39), Organic Budget Law Article (38) stipulates that the Minister of Finance prepares the draft budget law by the Prime Minister, the timing and most of the procedures for drafting and approving the draft budget law in the executive branch with regulations Internal are determined. The president can also play an essential role in shaping the draft budget law. In particular, under the Organic Budget Law, the draft budget law is debated in the Council of Ministers, which the President chairs (Constitution, Article 9.) In practice, the roles of the President, the Prime Minister, and the Minister of Finance It depends on the political situation: Under normal circumstances, the president has the final say in budget disputes in the Council of Ministers (which rarely happens), in contrast, in cases where the president and prime minister Different policies belong. The Prime Minister makes the final decisions on the Budget in the meetings of the Council of Ministers without the presence of the President (12).

The budget process in Parliament

The Parliament is increasingly receiving more information from the government on the draft budget, especially before the draft budget is submitted to Parliament; the National Assembly and the Senate can discuss the government's preliminary budget report. Organic Budget has formalized this procedure, called "budget orientation negotiations."

The draft budget law must be submitted to Parliament by the first Tuesday in October (Organic Budget Law, Article 39); the annual budget laws for the government and the financing of social security organizations must be proposed by the government, not the Parliament (Gickwell 1998). (39) The Constitution stipulates that the draft annual budget law must first be debated in the National Assembly, which means that the government cannot submit the draft budget law to the Senate first. This article is symbolic of political importance. Shows the National Assembly,

The constitution explicitly sets strict time limits for parliamentary deliberations on the annual Budget. The purpose of these arrangements is to expedite parliamentary negotiations and pass the budget law and the law on financing of social security organizations before January 1; The number of days after receiving the draft budget law in early October to complete the first budget review is specified in the law: this deadline is 40 days for the National Assembly, Article (67) and 20 days for the Senate. (Organic Budget Law, Article (60). Parliament must announce its final decision on the Budget within 70 days of receiving the draft budget in early October; this restriction also includes the consideration of the committees of both parliaments. In case of disagreement between the commissions of the two parliaments, the Prime Minister may form a joint commission to resolve this impasse (Constitution, Article 45) (29). There is also a 50-day deadline for a parliamentary decision on a draft law on financing social security in Article (1) and (47) of the Constitution.

Budget execution

Sharing of expenditures at the disposal of ministries (Organic Budget Law, Article (7) Section 4). None of the Organic Budget Law clauses directly mentions how this license is distributed during the year. This is done according to the rulings of the executive branch.

Cancellation of budget appropriations and other budget controls throughout the year to prevent budget imbalances, especially in the event of a reduction in revenue, the executive branch can issue a decree, and after the report of the Minister of Finance, up to 0.1 percent of budget appropriations (Organic Budget Law, Article (16)), but the relevant parliamentary committees must be informed before the ruling is issued. The law is unclear whether this 1.5 percent includes all appropriations, including appropriations in budget annexes and special accounts, or whether it applies only to the general Budget.

The Organic Budget Act provides for three stages for expenditures: commitment, payment order, and payment. In 1922, a law was passed that centralized the control of expenditure obligations.

Payment order and payment

In 1922, a law was passed that centralized the control of expenditure obligations. One of the main tasks of financial auditors, who are deployed in all ministries that spend Budget, is to control most of the non-personnel expenditure commitments and all the credits given to managers other than the central budget office. Financial auditors must submit an annual report on the approved expenditure and revenue operations (Article 7 of the 1922 Act). This text is amended to focus financial control on budget execution and limit pre-implementation controls to specific cases.

Most government spending programs set a maximum legal ceiling for spending. In contrast, the Organic Law does not impose mandatory restrictions on the financing of social security organizations and amends the funding rules to change policies to Avoiding extra costs is essential and not mandatory. The annual rules of expenses of social security organizations should only indicate the ceiling of expenses of social security organizations. In the case of ONDAM health costs, the total amount is set, but the government is not legally required to provide a detailed report of all options and priorities to ensure these goals are met. The Senate in 2001 amended the Financing Act. Social security agencies suggested that it address some of the regulatory weaknesses of the 1999 law but failed to secure the political support needed to turn the proposed amendments into law.

Emergency expenses, additional expenses, and emergency expenses fund

For routine emergencies, the executive can increase some budget appropriations by issuing rulings, provided it does not affect the budget balance, and refer the matter to two parliamentary budget committees (who can appeal the decision within seven days). (Article 13) In such circumstances, excess tax revenues may be used, or other budget appropriations may be canceled. The cumulative amount of the new appropriations shall be limited to one percent of the total appropriations approved in the annual Budget. Ministers must first obtain the opinion of the Council of State and adopt this decision in the following amendment to the budget law

In very urgent circumstances and in cases where national interests are at stake, the executive branch can increase parliamentary credits by issuing a decree, even if this means deviating from the intended budget deficit

(Article 13); in such circumstances, The decree of the government is issued after receiving the opinion of the Council of State, and the government must immediately request the approval of this decree in the Parliament (13).

Annual budget laws include concentrated unallocated funds for natural disasters or other unpredictable emergencies, including salary issues, the details of which are not known at the time of budget approval (Organic Budget Law, Article 7). The report of the Minister of Finance and the allocation of funds for the programs shall be implemented by government decrees (Article (11)).

Transfer of budget credits during the year

Organic Budget Law Article (12) distinguishes between the transfer of budget licenses for programs in a ministry and budget licenses between programs of different ministries. The transfer of budget licenses between programs of a ministry is allowed up to two percent of the program's total budget. Transfers of funds between programs that pursue a goal are allowed. Transfers of funds between programs of one ministry or between programs of different ministries are possible according to the rulings of the executive branch, but parliamentary commissions must first review the report of the Minister of Finance (14).

Liquidity Planning and Management of Government Assets and Debts The Organic Budget Law does not specify the principles of the annual management of government assets and liabilities. This law emphasizes the resources available to the Treasury for the management of liquidity (part of the Ministry of Economy, Finance, and Industry) (Article (20)). These resources include the mandatory reserves of local governments, various public organizations, and some funds of government financial institutions (including the French Investment Bank, which manages a large portion of public assets. These arrangements represent the centralized management of government liquidity). (15).

Internal auditors

Organic budget law does not refer to internal auditing. The Ministry of Economic, Finance and Industry controls expenditure liabilities through a set of financial auditors to control costs. Also, the General Accounting Organization of the Ministry of Economic, Finance, and Industry has an internal audit unit. In budget-consuming ministries, the internal public audit units do not perform the duties of an internal audit unit. It is in the Ministry of Economy, Finance, and Industry and operates under the supervision of the Minister. This organization performs the role of internal auditor in the entire executive branch. It is determined. Otherwise, they are not mentioned in the laws. Some of the reports of this organization are published based on the decision of the Minister (16).

Government audit and financial reporting

There is a difference between a budget audit (revenues and expenditures) and a general audit of all financial transactions (Organic Budget Law, Article 27). The Budget includes a 20-day supplementary period for receiving revenues by making payments after the end of the year (Article 21). Under the Organic Budget Act, there is no need for accrual accounting; in particular, there is no legal requirement to record the future liabilities of government pension plans. The only difference between the new accounting basis and private sector accounting should be the characteristics of the government; accounting criteria should be set by a commission (30). This requirement was met in the year with the publication of new accounting standards based on 13 principles used in the private sector (Ministry of Economy, Finance and Industry, 200 c). Although the Court of Accounts is based on law, the Organic budget is not required to create new accounting standards, but in practice, participates in working groups created for this purpose. Also, since any change in accounting practice must be annexed to the annual budget implementation law (see sections 4-4-4), Articles 7 and 54 of the Court of Audit can comment on any changes in the accounting system. The 1992 General Accounting Decree is a fundamental legal document.

CONCLUSION

The results obtained from a comparative comparison of world budgeting systems with Iran show that the budgeting system and workflow in developed countries such as the United States and the United Kingdom, France, and other European countries are based on scientific indicators and new principles and criteria. Advanced human beings are directly involved in budgeting and designing the main issues and macroeconomic policies and foresight of the economic and financial system, away from any political, regional, and state tendencies, but mainly based on classical scientific and attitude systems. Macro-economic, socio-cultural, and economic conditions, financial policy, planning, and budgeting are dealt with. The most crucial weakness or, in other words, budgeting problems can be considered in two distinct sections. Part One: Problems and Contradictions of Legal Principles (51) Part

Two Management Issues in Discussing Country Budgeting (52) We know that the basis of the work of the Program and Budget Organization is three laws.

1- Budget Law of the whole country 2- Law of Plan and Budget of the whole country 3- Law of a five-year plan of economic, social, and cultural development, Budget Law of the whole country is, in fact, an annual law that is first prepared as a bill and submitted by the Cabinet and reviewed and finally approved by the Islamic Consultative Assembly and will become a law. Unfortunately, such a law is not comprehensive and complete; while changes and amendments are necessary for the law, we see that it is not without flaws and problems. It must be said that there are many mistakes in the work.

It is important to note that the law does not have a full executive guarantee. However, the various laws enacted, especially the budget law of the whole country, are not formulated based on new scientific principles and methods and economic conditions and needs of society but instead based on political theories and specific national and regional political orientation. Arrives. Another law discussed by the economic community is the law of program and Budget of the whole country, which the National Assembly approved in 1351, and no changes and amendments have been made so far, and its general framework is based on the administrative and financial system. Planning is pre-revolutionary, and it is necessary that the relevant officials, especially the Planning and Budget Organization, review the law and submit it to the Islamic Consultative Assembly for final approval. The plan and budget organization, the Ministry of Finance, and the Court of Audit will be eliminated. Therefore, in formulating financial and economic laws, even laws related to social issues, the critical point is that before any action, the law in question has been studied and studied from various aspects, in other words, the issues and executive context in the law of Seen from different directions. Our country will not be short of different laws; that is, we have a law in every field, but what is essential is that the law is not comprehensive and complete; in fact, the cases that are passed and must be implemented as a law with what is practically It will happen very far away.

However, the situation requires the legislature, especially the Islamic Consultative Assembly, to consider the executive aspects of the law as an essential factor in the enactment of laws, and has conducted discussions and research in this regard, as it is usually the central axis of laws in practice. It is the implementation that gives meaning to the law. Policies, policies, development strategies, practical solutions of the planning process, development of the technical and executive system should be regulated and designed following the Islamic laws of the country. Economic and budgetary and formulation of the country's financial system.

Part II: Management Issues in Discussing the Budgeting System. It can be boldly said that the main weaknesses in financial and budgeting issues, planning of economic and administrative structure and tax system due to lack of efficient and effective management. Findings and information obtained indicate that the formation of the structure of the government budgeting system is not governed by proper and efficient management. Considering that the axis of economic development of the country is the category of budgeting, any change in this structure will definitely have a great impact on other social, cultural, and policies. The correct economic system of any country will show efficient and effective management of that country's budgeting system. One of the most critical issues in the budgeting system is the issue of supervision and control, which is of particular importance in all developed countries of the world. Financial experts give it special attention, and their efforts aim to monitor following the law and reject any issue outside the scope of the monitoring law, but unfortunately, in Iran, although the monitoring is reasonable. However, it is not following the law, and the category of supervision, like other issues, has its aspects from the finance supervisors, and sometimes it will follow specific orientations and tendencies. Therefore, if supervision and management, especially coordination, If various budget activities are not done correctly, it will cause economic chaos and financial instability in the country's economic and planning system, so the meritocracy system, which is one of the crucial issues of the government today and is criticized by the officials. It has a special place in the country's budgeting system: bad meritocracy This concept means that competent and qualified, skilled, expert, manager, resourceful and experienced people should be employed in the affairs of the country. Are "normally" to be employed. But in practice, it is observed that experts in economic issues and budgeting are people who do not have high qualifications and expertise.

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