

MONITORING AND EVALUATING OF THE PERFORMANCE OF GOVERNMENT HEALTH UNITS BY ADOPTING THE PROGRAMS AND PERFORMANCE BUDGETING: A CASE STUDY

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Abstract

The purpose of the current research is to focus on the concept and significance of programs and performance budgeting as one of the contemporary approaches to creating the general budget, since this approach has numerous benefits when it comes to monitoring and evaluating performance. This modern method has been applied in many countries of the world and has proven successful. The countries of the world continue to follow the traditional method (budget items) in preparing the general budget. Therefore, the program and performance budgeting was adopted and applied in the Basra Health Department / the third governorate sector which is the research sample. One of the most essential results reached from this research is the need for the programs and performance budgeting as a tool of monitoring to compare between financial allocation and actual expenditure. Deviations from the set plan were discovered and these deviations were addressed. Moreover, it is necessary to pay attention to performance indicators as an indicator for measuring the objectives of the success of the unit with high efficiency and effectiveness or not.

Keywords: public budget, program and performance budgeting, monitoring, performance evaluation.

INTRODUCTION

Owing to the significance of the budgeting and the instrumental part it plays in implementing the state policy, it becomes necessary for the authorities in charge of preparing the budget in the best way possible to fulfill the intended function. The shortcomings that faced the traditional method known as budgeting of items, such as the lack of estimates, the failure to link implementation with objectives or results, and the absence of effective control methods, which led to the search for more feasible and more beneficial means that would allocate government expenditures in the form of programs and activities and be more accurate. As a result, the shift led to the program and performance budgeting method that allocates expenditures on programs and activities and works to link the expenditures provided with the results or goals in order to make a decision regarding the allocation of expenditures.

1-RESEARCH METHODOLOGY

1- RESEARCH PROBLEM:

The research problem can be realized by answering the following question:

To what extent does the program and performance budgeting help in monitoring and evaluating the performance of government health units which is the research sample?

2- RESEARCH IMPORTANCE:

The significance of the research stems from the government units focus on the need of applying programs and performance budgeting and its role in monitoring and evaluating the



performance of the government units of the research sample. This is in order to achieve efficiency and effectiveness in the administrative and financial performance of the units.

3- RESEARCH OBJECTIVES:

The main objective of this research can be determined as follows:

Identifying how to apply programs and performance budgeting in government health units for the research sample through the stages of budgeting programs and performance. Another objective is to identify its role in the process of monitoring and evaluating the performance of government health units.

4- RESEARCH HYPOTHESES:

In light of the research problem, the following hypothesis can be formulated:

Achieving the program and performance budgeting in monitoring and evaluating the performance of the governmental health unit for the research sample.

5- RESEARCH SAMPLE:

Basra Health Department / Third Governorate Sector, which is one of the affiliations of the Ministry of Health in Iraq. The financial statements and lists for the third governorate sector / Financial and Administrative Affairs Department were approved for the fiscal year (2022).

6- PREVIOUS STUDIES:

(Abbas, 2019): (The Possibility of Applying the Program and Performance Budgeting in Iraqi Universities: An Analytical Descriptive Study for the University of Babylon / Iraq). The research aimed at analyzing the concept of a program and performance budgeting, the procedures for applying it, the benefits that resulted from doing so, and the shortcomings of the traditional budgets currently in use. The variables of the study were measured by using a questionnaire approach. One of the key findings of the study, which lies in the weakness of planning and preparing the budget of Iraqi universities in the lack of vision and the weakness of the concepts based on it. This would be obvious in the lack of harmony between the classification process of the expense and the actual reality of the expense. It serves the required objectives so that the indicator is closely related to the subject to be measured and provides the required accurate and clear information at the right time.

(Bazzoli & Wernz, 2020): (The Effect of Performance-Based Budgeting on Quality Outcomes in US Military Healthcare Facilities / USA). The study aimed at identifying the effect of budgeting programs and performance on improving quality in healthcare support in the US Army. Two hypotheses based on the resource dependency theory predicted that program and performance budgeting will have a favorable and sustainable impact on wellbeing in US Army health care support. To support the effectiveness of programs and performance budget, the study employed the comparative methodology. The study found results, the most important of which is that the army programs in budget had a positive effect on performance, and the support that participated in the Central Bank of Bahrain programs increased their performance after implementing the program compared to support. The study recommended evaluating the performance for a period of 5 years after the implementation of the program for six quality standards. The study found several positive results, in addition to providing evidence to support the future use of program and performance budgeting as a mechanism for improving good performance.

(Babaker and Ibrahim, 2021): (The role of applying the program and performance budgeting in monitoring and evaluating financial performance in Sudan (a field study on the

Ministry of Finance / West Cordovan State / Republic of Sudan/ Sudan). The study aimed at identifying the concept, objectives and importance of budgeting programs and performance. It also aimed at identifying the role that can be played by applying the program and performance budgeting in evaluating the control system and developing the distribution of resources and rationalizing government expenditures. The research used the questionnaire method to measure the variables of the study. One of the key findings of the study is the use of program and performance budgets to increase and activate monitoring of government performance. Applying the program and performance budgeting helps in the optimal use of available resources. The study recommended training the human cadre scientifically so that it can apply the program and performance budgeting, and provide appropriate and adequate software enabling the implementation of the program and performance budgeting system.

The third governorate sector of the Basra Health Department, which serves as the research sample, is where the program and performance budgeting are really being used in this study health care units. This is accomplished by adhering to the phases (steps) of creating the program and performance budgeting, as well as the function it plays in the process of observing and assessing performance in Iraqi government health units.

2-THE GENERAL BUDGET

Governments determine how much to spend on their goals through the budgeting process, which also prevents overspending by keeping expenditures within the bounds of available resources. Over time, the public budget has assumed different roles, becoming tools for bargaining and allocating power, for planning and monitoring, for providing motivations for the economic and social environment and for ensuring transparency and stakeholder participation. The public budget has political, economic, administrative and accountability functions. They perform a political function because they reflect stakeholder's preferences and positions of power, and the basis for future discussions determining the limits of public intervention in the economy, the degree of redistribution of wealth in the economic system, and the fulfillment of an economic function. It is also increasingly being used to hold managers accountable for the achievement of results and the use of public resources (Sicilia & Steccolini, 2017: 905). The concept of the budget evolved as a result of the advancement of the economy, moving away from its initial focus on basic social services to include other sectors like education and health. By controlling its tools and components, particularly in the area of fiscal policy, such as the volume of allocated expenditures and loans to prevent inflation and their impact on monetary policy, the government budget started to play a significant role in economic planning. As a result, the budget has come to be linked to the objective of economic development and stability, social policies, and income redistribution in a fair manner. Hilton defined it as "a detailed plan, expressed in quantitative numbers, that specifies how expenses will be obtained and used during a specific period of time. As one of the main tools of a financial planning and analysis system, the budget has five basic purposes: planning, facilitating communication and coordination, allocating expenses, and controlling on profits and operations, evaluating performance and providing incentives" (Hilton, 2020: 371).

1- TYPES OF GENERAL BUDGET:

There were many types of budgets according to the development that occurred in the budgets as a result of its transition from the financial monitoring role on which the budget focused on items or what is known as the traditional budget. These types were expressed through the administrative monitoring role on which the program and performance budgeting focuses, down to the planning direction on which the planning and programming budget focused, until the zero-based budget came out, which focused on the planning administrative role. The contractual budget saw that the relationship between the government and ministries is a contractual relationship. Finally, activity-based budgeting is one of the modern trends of budgets as a control method and



management of budget activities. Thus, the government pays certain amounts to ministries before, during and after the implementation of the agreed-upon activities (Zion, 2020: 10).

First: the traditional budget (budget item): According to (Magdalena, & Radoslaw 2019: 341) it is an instrument for expenditure that is unrelated to the objectives and responsibilities of the government and does not take into account indications of effectiveness and efficiency. It symbolizes a predetermined approach (fiscal year) in which there is no precise information on budget spending.

Second: Program budget (planning and programming budget): This approach of budgeting is based on planning first for particular objectives, then programming specifies how the achievement of objectives will be incorporated into the hierarchy of political and financial approvals that converts the multi-year program into an annual expense. (Widodo, 2017:37).

Third: Zero budget (zero-based budget): All expenses for each new period must be justified using this way of budgeting. Using zero as the starting point, each function inside the unit is examined for its requirements and costs. That is, all projects of ministries, departments and agencies will be treated as “new”. Accordingly, each department will have to provide reasons to support its importance before it can be funded” (Beredugo et al, 2019:240).

Fourth: The contractual budget: It is the final phase of the general budget of the state's development and reform. According to this theory, the execution of a contract between the executive branch and the government constitutes a contractual agreement to carry out particular measurable duties in return for payments made by the government prior to, during, and after the fulfillment of the contract's terms. (Yassin, 2018: 39).

Fifth: Activity-Based Budget: It is a new method for the budget process. This method expresses the process of planning and managing activities that are expected to be cost-effective within the budget, in order to achieve the expected workload and the agreed strategic goals. Activity-based budgeting is a budgeting process that focuses on improving the systems the unit uses to create value for its customers and the processes that are an integral part of the unit, and focuses on the planning and control processes in activities. The unit is expected to achieve cost-effective budget of the workload in accordance with the objectives and plans of the unit (Wanto & Nengzih, 2022:137).

Sixth: Program & Performance budgeting: According to Conteh, a program and performance budgeting is a method of creating a budget that outlines the goals and purposes for which funds are required, the costs of the programs that are being considered and the activities that will be carried out as part of them to reach those goals, as well as the products or services that will be delivered as part of each program. A comprehensive performance budget system identifies the entire results-based chain as inputs or intermediate inputs, outputs, and outcomes (Conteh, 2016:48-49). Therefore, the method of programs and performance budget is directed towards the unit's outputs and is closely linked to the vision, mission and strategic planning of the unit. It focused on defining value for money and monitoring the output of performance. The program and performance budgeting was prepared to try to overcome some of the weaknesses in the traditional budget, especially the weakness of the measurement tool that is not applicable to measure the performance of the goals and objectives of achieving public service.” (Imiyono, 2019: 2).

1-ADVANTAGES OF PROGRAMS AND PERFORMANCE BUDGET:

Programs and performance budgeting achieves many advantages, the most important ones are (WIDODO, 2017: 65-66) and (Ghannam, 2006: 58):



1. **The programs and performance budgeting is concerned with planning:** the programs and projects of government units are determined for a number of coming years, and the expected expenditures for them, and not for one year.
2. **The program and performance budgeting is concerned with efficiency and effectiveness:** this is made by focusing expenditures on the most important results that achieve the most efficient and effective results.
3. **Rationalizing the decision-making process in government agencies:** programs and performance budgeting leads to the process of improving decision-making in the effective use of limited public expenditures, as this is made by identifying various alternatives to achieve the general goals of government departments.
4. **The program and performance budgeting helps in evaluating government programs to improve their implementation process:** obtaining lists of how work is progressing in programs and projects under implementation would reveal problems facing the implementation process and weaknesses in plans, projects and programs.
5. **The program and performance budgeting helps as a tool for coordination and communication:** This is done through the process of coordination and communication on important issues and priorities related to resources.
6. **The program and performance budgeting as a tool for accountability:** makes managers more likely to be held accountable for program decisions that affect budget results.

2- BASIS FOR CLASSIFICATION OF PROGRAM AND PERFORMANCE BUDGETING:

The program and performance budgeting classification is based on the gradual hierarchical classification of the program tab, which is explained as follows (Abdul Redha, 2018: 44):

- 1- **The first level is related to goal setting:** where future performance is measured according to the goals that are classified through it.
- 2- **The second level of classification is related to the basic functions of the government:** such as public jobs, social service jobs, defense jobs, economic jobs, and community services jobs, then dividing the main jobs into sub-jobs.
- 3- **The third level of classification is related to programs:** the classification is carried out according to the main business programs, and then detailed sub-categorization according to the geographical regions, the nature of business, and the beneficiaries of the service.
- 4- **The fourth level is related to the classification of activities:** it is classified according to each main program or sub-program into a group of distinct and homogeneous activities that contribute to the achievement of the program and then the main goal or function. Then, these activities are classified into performance units, on the basis of which the administrative units and programs are evaluated.
- 5- **The fifth level is related to the classification of performance units:** performance units are a means of measuring sub-activity by analyzing work and tasks so that cost can be linked to performance.

3- PHASES OF IMPLEMENTING PROGRAM AND PERFORMANCE BUDGET:

There are some steps that must be taken into account during planning for the program and performance budgeting, which can be summarized as follows (Alain & Melegy, 2017:161):

- **Phase 1: Planning Phase:** Program and performance budgeting begins with planning that is based on the goals, vision and mission set by the unit. Planning lays out a high-level plan for the next five or ten years.



- **Phase 2: Setting Objectives Phase:** Planning should end with goals and the roadmap should achieve these goals. The next logical step is to break down these high-level goals into short-term, medium-term, and long-term goals.
- **Phase 3: The Phase of determining performance measures:** It is a numerical description of the work carried out by the unit, in addition to the results produced by this work. The next step is to identify measures that can be used to evaluate the efforts the unit is making in achieving its stated goals and objectives. “Goal” is a detailed, measurable performance requirement related to a goal.
- **Phase 4: Program Expenditure Phase:** Expenditure is a series of decisions made in relation to the budget in which the expenditures for each program are determined.
- **Phase 5: Performance Indicator Phase:** This is the last step in the implementation of the program and performance budgeting. At this point, the units will measure all the results produced by each program against a predetermined target. The result should be collected and analyzed in a timely manner. The following figure (1) shows the phases (steps) of applying the program and performance budgeting.

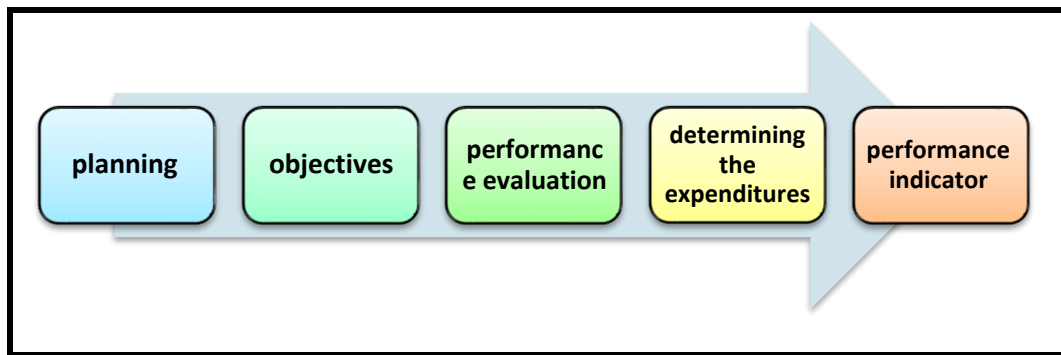


Figure (1) Phases (steps) of applying the program and performance budgeting

Source: Prepared by the researcher

4 - MONITORING

It is possible for parties outside the units, such the Audit Bureau, to monitor and evaluate the performance of the units. However, this does not prevent the units and their departments from contributing to this evaluation and putting into practice the observations made by the outside parties. They can even go above and beyond to review and examine all aspects of performance, including plans, actual implementation, and disclosure of activities and their costs. The internal monitoring bodies can play a role in this field, and support government unit departments in improving and developing their performance. This is accomplished through a number of dimensions or axes that may be engaged to create environmental performance that aids in the unit's financial and operational performance as well as the attainment of goals. Budget management starts when funds allocated to it achieve the objectives of the organization and the planned actions of the budget holders, who are in charge of and have the power to carry out the budget. Therefore, budget control begins when budgets reach the organizational goals and planned activities of the budget holders, who have the responsibility and authority to implement the budget as monitoring determines goals, objectives, and processes. The intent is to create a better understanding of and adherence to organizational goals, which will assist budget holders in coordinating their activities with other appropriate organizational units. During the implementation period, budgets provide guidance for operations, and budget monitoring also sets limits on the use of organizational resources in achieving budget objectives (Groot & Selto, 2013:144). Shabout defined monitoring as



“a follow-up of work and making sure that it is done as intended, and working to correct any deviation that occurs in the future” (Shabout, 26: 2021).

5- PERFORMANCE EVALUATION

Performance is the main apparent behavior that can be observed, estimated and evaluated, meaning that performance is a function of successful representation. It can be described as the ability of the unit to achieve its objectives by using available resources in an efficient and effective manner. Government performance is the sum of both individual performance and the performance of government organizational units in which individuals work. Therefore, performance is a word that indicates, in the economy or industry, the ability of a unit to achieve certain results that are comparable, on the basis of certain criteria, with the results of other units (Rylkova, 2015: 14). Fares defines performance evaluation as "a process of examining and measuring performance by studying and comparing what is planned, what has been done, and what has been accomplished and reached." It aims at increasing knowledge of the unit status and performance, identifying its strengths and building on it, as well as identifying its weaknesses in order to address or overcome them” (Fares, 2022: 78).

1-THE IMPORTANCE OF PERFORMANCE EVALUATION OF THE BUDGET:

The importance of performance evaluation is highlighted according to (Dabaghie & Rajha, 2019: 96-97) and (AlBayati, 75:2022):

1. Performance evaluation is one of the basic pillars on which the control process is based.
2. It directly assists in diagnosing and solving problems and identifying strengths and weaknesses in government units.
3. It is an important supporter in drawing up public policy, whether at the unit, industry or state level.
4. Identifying the extent to which the planned objectives have been achieved through the use of financial and statistical data.
5. It determines the validity of policies and objectives throughout the fiscal year.
6. It contributes to achieving the objectives of the unit through continuous follow-up of the activity.
7. It provides information to the administrative levels for the purposes of planning, control and decision-making.
8. It provides indicators that help make comparisons between similar activities.
9. The performance evaluation provides a measure of the success of the units through its efforts to continue its activities in order to achieve its objectives

2- INDICATORS FOR MEASURING PERFORMANCE EVALUATION:

1. **Efficiency:** It is the link between inputs and outputs in which the commodities and services the unit purchases are put to use in order to produce certain outputs. Otherwise, efficiency is the ratio of output to input that is linked to predetermined performance criteria or objectives. (Sari ET al.2022:17). As shown in the following equation:

$$\frac{\text{Inputs}}{\text{Outputs}} = \text{Efficiency}$$

Efficiency standards:

- 1) %100>inefficient
- 2) %100 =balanced efficiency
- 3) %100< Efficiency



2. **Effectiveness:** It is the relationship between outputs and objectives, where effectiveness is measured based on the extent to which the level of production, policies and procedures in the unit can achieve the stated objectives. In simple terms, effectiveness is the comparison of objectives with outputs. (Cahyaningrum, 2020:219). As shown in the following equation:

$$\text{effectiveness} = \frac{\text{Outputs}}{\text{Objectives}}$$

Effectiveness standards:

- 1) %100>ineffective
- 2) %100 =actively-balanced
- 3) %100<active

THE ROLE OF BUDGETS IN MONITORING AND EVALUATING PERFORMANCE:

The use of budgets in the control process enables the management of the units to know the appropriateness of the plans and objectives set in advance, and to compare the actual performance in all departments of the units with the plans and objectives set in advance, and to follow up the deviations that occur during the actual implementation. The important aspect of the function is the monitoring carried out by the budgets through the performance lists. (Hassoun, 2017: 87). Therefore, the performance budget includes “procedures or a mechanism aimed at strengthening the links among the funds provided to government units and their results and objectives or outputs through the use of official performance information in making expenditure allocation decisions (Savignon & Marchese, 2019:3). Therefore, the performance levels contained in the budgets can be used as a basis for evaluating the performance of actual expenditures with the planned included in the budget prepared according to sound and well-studied standards, in order to achieve the goals set by the unit (Al-Faye’, 2022: 59).

The following figure (2) shows the role of budgets in monitoring and evaluating performance in government units.

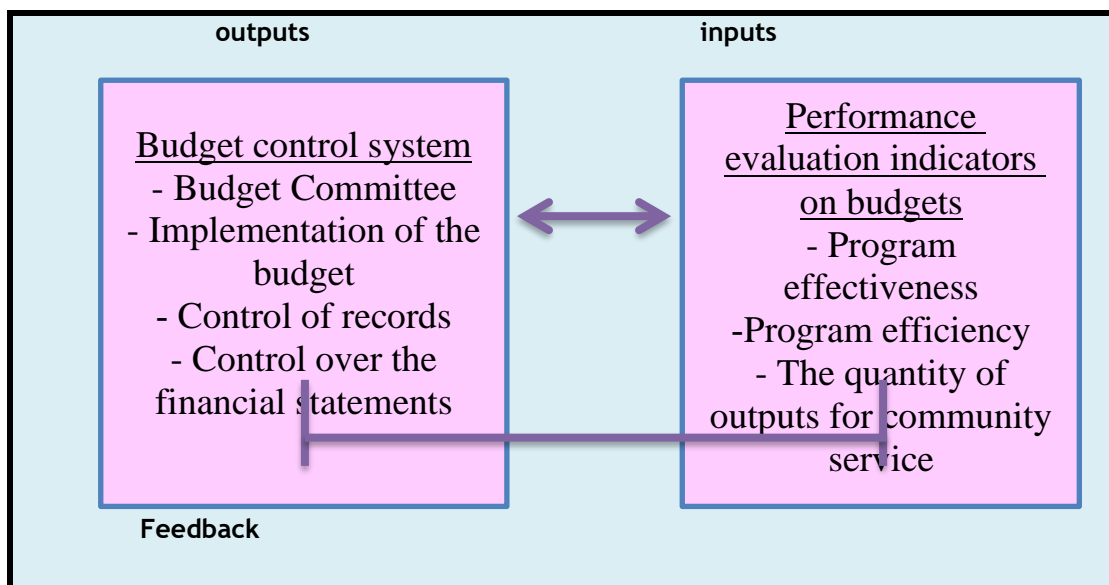


Figure (2) The role of budgets in monitoring and evaluating performance in government units
Source: Prepared by the researcher



6- PRACTICAL SIDE

The Basra Health Department was established on 12/30/1914 under the name of the Directorate of Health (Basra District), and then it became the Presidency of the Basra District Health. The heads of health department succeeded it until it became a general department under the name (Basra Health Department) on 8/20/1980. Currently, (18424) affiliated physicians and health and administrative personnel work in the department. The department includes 10 departments in addition to the office of the Director General, 15 hospitals, 10 primary health care sectors, and (138) primary health care centers in the downtown and outskirts of the governorate. It also includes 15 specialized centers. The third governorate sector was established in (2017) and includes (490).

1- APPLYING THE PROGRAM AND PERFORMANCE BUDGETING APPROACH TO THE THIRD GOVERNORATE CENTER SECTOR (RESEARCH SAMPLE):

1. Determine the vision, mission and objectives of the research sample.
2. Determine the main programs for the third governorate sector (the research sample) and divide them into sub-programs, which are explained as follows:
 1. **The first main program:** the Administrative, Financial and Media Affairs Program: This program follows up the affairs of employees and workers in the sector and its affiliated centers, issues administrative orders and books related to the sector's work, and follows up the financial affairs of the sector and its affiliated centers. It manages the following sub-programs:
 - Human Resources Management Program
 - Administrative Services program
 - Finance Program
 - Media Program
 2. **The second main program:** Legal and Information Affairs Program: This program follows up the legal affairs of the third governorate sector and its affiliated health centers, employee rights and legal duties, and affairs related to staff information of the third governorate sector center and its affiliated health centers, and it manages the following sub-programs:
 - Legal Affairs Program
 - Statistics program
 3. **The third main program:** Engineering Affairs Program: This program manages the following sub-programs:
 - Project Program
 - Design Program
 - Building Planning Program
 4. **Fourth Main Program:** Medical Affairs Program: This program manages the following sub-programs:
 - Dental Program
 - Pharmacy Program
 - Laboratory Program
 5. **Fifth Main Program:** Internal Audit and Control Program: This program audits the financial and administrative transactions of the third governorate sector center and its affiliated health centers, and monitors health leave and food control, and manages the following sub-programs:
 - Administrative and financial audit program
 - Health leave control program



- Food Control Program

6. Sixth Main Program: Special Programs: This program manages sub-programs for health centers, which are described as follows:

- Immunization Program
- Maternal and Child Health Program
- Integrated Care Program for Child Health
- Communicable and non-communicable diseases program
- School Health Program
- Social Mental Health Program
- Nutrition Program
- Ocular Health Program

7. The Seventh Main Program: Quality Assurance and Health Performance Program: This program plans and follows up the work of the sector and its health centers, and manages the following sub-programs:

- Quality Assurance Program
- Health Promotion Program
- Health Visitor Program
- Tuberculosis Program

3. Setting objectives for each program.

4. Determine the actual expenses for each of the programs.

5. Defining performance indicators for the purpose of using them in measuring results and outputs (and linking inputs and outputs).

2- The role of program and performance budgeting in monitoring:

The preparation of a proposed model for the budgeting of programs and performance for the third governor’s sector (research sample) for the year (2022) will be reviewed in the manner of the proposed items for the main and sub-programs of the research sample. Thus, it is made by comparing the financial allocation for the year (2022) and the actual expenditure for the year (2022). In this case, it is considered a tool of monitoring, as shown in the following table (1):

Table (1) Budgeting Programs and Performance, Third Governorate Center Sector (Research Sample)					
No	The main program	Sub-program	Financial allocation)2022(actual expenses)2022(Deviations)2022()4) – (5)=(6(
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1	Administrative, financial and legal affairs program				
1-1		Human Resource Management	532,290,000	532,255,722	34,278
2-1		Administrative services	806,500,000	806,497,372	2,628
3-1		Financial issues	225,820,000	224,907,018	912,982
4-1		Media	48,390,000	48,390,000	0
	Total		1,613,000,000	1,612,050,112	949,888
2	Legal and Information Affairs Program				
-12		Legal Affairs	28,830,000	28,759,066	70,934
2-2		Statistics	64,170,000	63,466,200	703,800



	Total		93,000,000	92,225,266	774,734
3	Engineering Affairs Program				
1-3		Projects	24,332,000	24,142,700	189,300
2-3		Designs	27,112,800	27,155,580	42,780 -
3-3		Building planning	18,075,200	18,163,720	88,520 -
	Total		69,520,000	69,462,000	58,000
4	Medical Affairs Program				
1-4		The dentals	818,019,536	807,099,257	10,920,279
2-4		The pharmacy	669,288,712	663,883,739	5,404,973
3-4		Lab	991,538,832	991,530,984	7,848
	Total		2,478,847,080	2,462,513,980	16,333,100
5	Internal audit and control program				
1-5		Administrative and financial audit	37,440,000	37,440,000	0
2-5		Monitoring of health leave	66,240,000	66,125,763	114,237
3-5		Food control	40,320,000	40,320,000	0
	Total		144,000,000	143,885,763	114,237
6	Special software program				
1-6		Immunization	64,984,978	64,984,978	0
2-6		Maternal and child health	368,248,206	366,138,208	2,109,998
3-6		Integrated child health care	389,909,866	387,838,036	2,071,830
4-6		Communicable and non-communicable diseases	454,894,843	452,675,883	2,218,960
5-6		School Health	238,278,251	236,362,243	1,916,008
6-6		Psychosocial health	238,278,251	236,335,811	1,942,440
7-6		Nutrition	238,278,251	236,347,794	1,930,457
8-6		Ocular health	173,293,274	171,927,649	1,365,625
	Total		2,166,165,920	2,152,610,602	13,555,318
7	Quality Assurance and Health Performance Program				
1-7		quality assurance	58,310,000	58,310,000	0
2-7		Health promotion	85,750,000	85,748,547	1,453
3-7		health visitor	96,040,000	96,039,185	815
4-7		Tuberculosis	102,900,000	102,809,919	90,081
	Total		343,000,000	342,907,651	92,349
	The total of all programs		6,907,533,000	6,875,655,374	31,877,626

Source: the table was made by the researcher

Table (1) shows that the total financial allocation amounted to (6,907,533,000) Iraqi dinars, which was distributed to the main programs and sub-programs to programs and performance budgeting for the year (2022). The total actual expenditures amounted to (6,875,655,374) Iraqi dinars distributed to each of the employee compensations for the year (2022) and operating expenses for the year (2022), as the difference (deviation) between the financial allocation for the year (2022) and the actual expense for the year (2022) is (31,877,626) Iraqi dinars for the year (2022).

It was found that the highest positive deviation was for the medical affairs program, which amounted to (16,333,100) Iraqi dinars, compared to other programs to budgeting programs and performance for the third governorate sector (research sample), which is the difference between financial allocation and actual expenditures to budgeting programs and performance for the third governorate sector (research sample) for the year (2022). The least positive deviation was for the engineering affairs program, which amounted to (58,000) Iraqi dinars, compared to other programs to programs and performance budgeting for the third governorate center sector (research sample), which is the difference between financial allocation and actual expenditures to programs and performance budgeting for the third governorate sector for the year (2022).

3- The role of program and performance budgeting in performance evaluation:

It is clear from the preparation of a proposed model for programs and performance budgeting for the third governorate sector (the research sample). Thus, it is possible to measure and determine the effectiveness and efficiency of the previous procedures for the units and to verify the objectives set during a specific period of time. In this case, it is considered a tool for evaluating performance, as shown in the table (2) the following:

Table (2) The role of program and performance budgeting in evaluating the performance of the third governorate sector (research sample)

Program No	Main program	Financial allocation) 2022(Actual expenditure)2022(Deviation)2022()3) – (4) = (5(Effectiveness indicator)2022()4) / (3 = ()6(
1(2(3(4(5(6(
1	Administrative, financial and media affairs	1,613,000,000	1,612,050,112	949,888	%99
2	Legal and informational affairs	93,000,000	92,225,266	774,734	%99
3	Engineering affairs	69,520,000	69,462,000	58,000	%99
4	Medical affairs	2,478,847,080	2,462,513,980	16,333,100	%99
5	Internal audit and control	144,000,000	143,885,763	114,237	%99
6	Special programs	2,166,165,920	2,152,610,602	13,555,318	%99
7	Quality assurance and healthy performance	343,000,000	342,907,651	92,349	%99
Total		6,907,533,000	6,875,655,374	31,877,626	%99

Source: the table was made by the researcher



Table (2) shows that the total financial allocation amounted to (6,907,533,000) Iraqi dinars, which was distributed to the main programs and sub-programs to programs and performance budgeting for the year (2022). The total actual expenditures amounted to (6,875,655,374) Iraqi dinars distributed to each of the employee compensations for the year (2022). The operating expenses for the year (2022), as the difference (deviation) between the financial allocation for the year (2022). The actual expense for the year (2022) is (31,877,626) Iraqi dinars for the year (2022).

It was found that the total percentage amounted to (99%) for the year (2022), which is represented by dividing the actual expenditure by the financial allocation for the programs and performance budgeting for the third governorate sector (the research sample) for the year (2022). Thus, the efficiency index was achieved and it is one of the performance indicators that measure performance through the ratio of outputs to inputs, i.e. the actual expenditure for the year (2022) to the financial allocation for the year (2022), which is as shown in the following equation

$$\text{Indicator of efficiency} = \frac{6,875,655,374}{6,907,533,000} \times 100 = \%99$$


7- CONCLUSIONS AND RECOMMENDATIONS

Implementing the program and performance budgeting for the third governorate sector (research sample) for (2022), has led to the achievement of monitoring, through the implementation of the plans set, with the aim of detecting any deviations that hinder the achievement of objectives. This is made by comparing the (planned) financial allocation for the year (2022) with the actual (implemented) expenditure for the year (2022) to achieve the set objectives.

Using the program and performance budgeting system leads to the optimal allocation of expenditures and increases the efficiency and effectiveness of programs and activities. It contributes to supporting control mechanisms and responsibility for deviations, evaluation of results and impacts, standing on the response to planned programs and achieving what is targeted from them. It helps in reaching the need to pay attention to performance indicators that represent the process of measuring the efficiency and effectiveness of outputs (results) and achieving objectives that help in the decision-making process to improve performance.

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