



PUBLIC SECTOR ACCOUNTING ASSESSMENT (PULSE) FRAMEWORK

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CFRR»
Centre for Financial
Reporting Reform



Public Sector Accounting and Reporting Program

PULSAR Program is co-funded by:

 Federal Ministry
Republic of Austria
Finance

 Schweizerische Eidgenossenschaft
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Confederazione Svizzera
Confederaziun svizra

Swiss Confederation

Federal Department of Economic Affairs,
Education and Research EAER
State Secretariat for Economic Affairs SECO

Presentation's structure



- ✓ Objectives
- ✓ Characteristics
- ✓ Roles and responsibilities of stakeholders
- ✓ Assessment modes
- ✓ Next steps
- ✓ Online tool overview

Objectives



- ✓ Support national and subnational governments in developing efficient and effective PSA systems.
- ✓ Help public sector entities to develop an understanding of:
 - Local PSA system and environment,
 - The gap between national and international PSA frameworks,
 - The gap in actual application between national PSA standards and IPSAS.

Characteristics



- ✓ It is a free “global good” and a user-friendly web-based self-assessment framework.
- ✓ Designed for national and subnational governments but may be also applied by any reporting entity, such as international organizations, central banks, public corporations, and other government agencies.
- ✓ Systematically collect information on the current performance of PSA systems, standards, and practices
- ✓ Offer one single tool to measure and report on both: the conceptual and actual implementation of accrual accounting standards for the public sector
- ✓ This two-perspective approach allows identifying any disconnect between the national and international PSA frameworks as well as the level of actual compliance with IPSAS

Characteristics



- ✓ Provide inputs for development of a comprehensive PSA reform strategy and roadmap
- ✓ Use the assessment to develop policy recommendations and action planning to enable further strengthening of PSA systems and practices.
- ✓ The assessment methodology is similar to the PEFA assessment framework.
- ✓ The subjects to be assessed are based on the latest set of IPSAS pronouncements, but also go beyond the IPSAS framework by assessing the current status of PSA systems and the state of reform.
- ✓ The quality of the assessment and its reporting is ensured through multilayer QA arrangements, including an external validation process and the PULSE Check.

Roles and responsibilities of stakeholders



Lead agency

Oversight team

External validation team

PULSAR team

Peer reviewers

Assessment team leader

Assessment team

External stakeholders

Assessment modes



- ✓ Full self-assessment approach, as a primary assessment mode. In this case, the PULSE is undertaken by the lead agency with mandatory external validation.
- ✓ In exceptional cases, the following two modes are also possible:
 - External assessment mode, which is conducted by external experts; and
 - Blended mode, which combines self-assessment with the assistance of external experts.
- ✓ The option to choose these modes depends on the jurisdictional situation, including resource availability and institutional capacity.

Next steps



Action	Estimated due date
Finalize the development of the online tool	April 30, 2022
Identify pilot countries (2+2)	May 31, 2022
Conduct the first round of pilots	December 31, 2022
Revise the handbook and online tool based on the pilots' results	March 31, 2023
Conduct the second round of pilots	September 30, 2023
Revise and translate the handbook and the online tool	December 31, 2023



PULSE Online Tool – A secured web portal



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The screenshot shows the login interface of the PULSE Online Tool. At the top, a blue header bar contains the 'PULSE' logo, which includes the text 'Public Sector Accounting Assessment' above the word 'PULSE'. The main content area has a light gray background with a subtle hexagonal pattern. On the left, the word 'PULSAR' is displayed in large blue letters, with an orange Pulsar icon to its right. Below this, the text 'PULSE Online Tool' is shown, followed by a description: 'PULSE, the IT support system for PULSAR, which supports the development of public sector accounting and financial reporting frameworks in line with international standards and good practice'. On the right side, a white login box contains the following elements: a 'Username / Email' label above a text input field with the placeholder 'User or Email'; a label 'Username to log in with' below the input; a 'Password' label above another text input field with the placeholder 'Password'; a note 'You must use the password you used to register.' below the password field; a red 'Login' button; and a blue link 'Forgot your password?' at the bottom.

PULSE
Public Sector Accounting Assessment

PULSAR

PULSE Online Tool

PULSE, the IT support system for PULSAR, which supports the development of public sector accounting and financial reporting frameworks in line with international standards and good practice

Username / Email

Username to log in with

Password

You must use the password you used to register.

Login

[Forgot your password?](#)

PULSE Online Tool – Methodology



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Public Sector Accounting Assessment
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Pulse Methodology

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Basic Methodology

Pillars

Indicators



PI-1. Conceptual Framework



PI-2. Accounting policies, estimations, errors and events after the reporting date



PI-3. Foreign currency transactions and inflation effects



PI-4. Financial assets



I. PSA Framework



2.1. Accounting policies



3.1. Initial recognition of exchange differences resulting from foreign currency transactions



3.2. End of year reporting of foreign currencies transactions



3.3. Compliance with hyperinflation requirements



4.1. Short-term receivables at cost



4.2. Financial assets at amortized cost

PI-1: Conceptual Framework

- PI 2: Accounting policies, estimations, errors and events after the reporting date
- PI 3: Foreign currency transactions and inflation effects

Indicator PI-1: Conceptual Framework

This indicator assesses whether the current conceptual framework adopted by the jurisdiction is consistent with IPSASB Conceptual Framework. This includes key definitions as well as qualitative characteristics.



Qualitative Characteristics

The level of conceptual compliance of the regulatory framework in respect to qualitative characteristics (QC) and the constraints as described in the IPSASB Conceptual Framework defines all six qualitative characteristics and all three constraints in

B: The regulatory framework defines only a minimum of five qualitative characteristics and one constraint in accordance with IPSAS

C: The regulatory framework defines only a minimum of four qualitative characteristics and one constraint in accordance with IPSAS

D: Performance is less than required for a C score

PULSE Online Tool – Concept Note & Final Report Template



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Public Sector Accounting Assessment

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[Download current template](#)

General information

Executive summary

Introduction

Country background and PSA environment

Results

Findings and recommendations

SectionName

Results

ProposedContents

B *I* U

(inherited font) (inherited size) A

This section should provide an assessment of the key elements of the PSA system from conceptual and actual compliance perspectives, as captured by the dimension description and indicators, including the documentation of the current overall IPSAS adoption status and the financial reporting basis The structure of the section is based on the six pillars as follows:

1. Pillar I: PSA Framework
2. Pillar II: Financial assets & liabilities
3. Pillar III: Non-financial assets & liabilities
4. Pillar IV: Expenses & revenue recognition
5. Pillar V: Financial reporting & consolidation
6. Pillar VI: Reform prerequisites and capacities

In turn, the analysis of each dimension should include the following elements:

1. Performance level explanation and evidence for scoring of each dimension, including conceptual and performance compliance, as needed.
2. Reference to specific supporting document(s), including the page numbers, as needed.
3. Performance change since the previous assessment in case repeated assessments, where applicable.

(30 pages)

PULSE Online Tool – Assessments' status



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List of Assessments

[+ Add Assessment](#) [Deleted Assessments](#)

Search

Search...

Search

Options	Identifier	Name	Country	Last Status	Last Step	CN	% NA	% D*	% Comp	Report
	MFU6	Ministry of Finance of Ukraine	Ukraine	STARTED	ConceptNoteReview	-	0 %	0 %	0.0 %	-
	MFB21	Ministry of Finance of Bosnia and Herzegovina	Bosnia and Herzegovina	STARTED	Configure	-	0 %	0 %	0.0 %	-
	MFG03	Ministry of Finance of Georgia	Georgia	STARTED	ConceptNoteRevise		0 %	0 %	0.0 %	-
	MF01	Ministry of Finance Azerbaijan	Azerbaijan	STARTED	AssessmentRevise		10.0 %	0.0 %	100.0 %	-

PULSE Online Tool – Users



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Configure users for the evaluation

On this page you can configure users for an evaluation

[← Back to Assessment Dashboard](#) [Import Users](#) [Create User](#)

Define users for assessment and report preparation, review and approval. The button will be **ENABLED** when the following condition meets:

- Define at least one user for Assessment team

[FinalizeDefineUsers](#)

Type letters in user name or la...

Type letters in role

Save

User	Project leader	Oversight	External Validation	Peer Reviewer	Assessment	Pulsar Team	Authorized viewer
admin admin	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jose Carlos Gutierrez	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jose Simon Rezk	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

PULSE Online Tool – Assessments' Follow-up



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PULSE Dashboard

[← Back to Assessment's List](#) [📖 Methodology](#) [👤 Users](#) [📅 QA Steps](#) [🔄 Status Changes](#)

Assessment: MFG03

Process executed for the period of 22-23

Institution: MFG

Ministry of Finance of Georgia

Country: Georgia

Project Leader: admin admin

Status: ConceptNoteReview

4/2/2022

Concept Note: [📄 Draft](#)

AssessmentScore: Not yet started

FinalReport:

Date Started: 4/2/2022

Elapsed Time: 0h 10m

Calculated since first start of the assessment

For Assessment Team Leader only

A draft of the concept note is being reviewed. Please wait until all reviewers have finished to be able to upload your final version.

[➡ Revise Concept Note](#)

Current review status of the concept note

Rem.	Finish	Download	Reviewer	Date	Status
			Dmitri Gourfinkel	4/2/2022 4:21:31 PM	FINISHED

PULSE Online Tool – Concept Note Review phase



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Revise Concept Note

In this page you are be able to revise all Concept Note observations and Upload a Final Concept Note

[← Back to Assessment](#)

Assessment: MFG03

Country: Georgia

ProjectLeader: admin admin

Final Concept Note

[📎 ConceptNote Final1.docx \(4 Kb \)](#)

Upload Final Document

Select files...

Upload

The document to be approved has been uploaded. You can change it if necessary or click on the button to submit it for approval.

[➔ Submit for Approval](#)

Reviews:

Document Uploaded	Reviewer	Comments	Date
📎 ConceptNote RevJ1.docx (4 Kb)	Dmitri Gourfinkel	In at imperdiet felis, nec viverra sem. Vivamus et quam ut sem dignissim lacinia sit accumsan rutrum. In hac habitasse platea dictumst. Proin id eros dolor. Ut bibendum posuere tellus a consequat. Cras porttitor sodales eleifend.	4/2/2022 4:21:31 PM
📎 ConceptNote RevJ2.docx (4 Kb)	Jose Carlos Gutierrez	Donec aliquam tortor sit amet tincidunt venenatis. Sed tincidunt auctor facilisis. Nulla hendrerit dolor, et elementum elit massa a mauris. Quisque lacus magna, condimentum	4/2/2022 4:26:48 PM

PULSE Online Tool – Assessment Dashboard



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PULSE

admin admin

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PULSE Dashboard

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Assessment: MF01
This is an assessment

Institution: MFA
Ministry of Finance Azerbaijan

Country: Azerbaijan

Project Leader: admin admin

Status: Assessment
4/2/2022

Concept Note: [Draft](#) [Final](#)
Approved by Jose Simon Rezk on 4/2/2022 12:42:45 PM

AssessmentScore:
Conceptual: C+ Actual: C

FinalReport:

Date Started: 4/1/2022

Elapsed Time: 15h 32m
Calculated since first start of the assessment

[➔ Score Dimensions](#)

For Assessment Team Leader only
All the dimensions have been measured and we can continue to review the assessment.

[➔ Review Scores](#)

Follow up on the assessment

User	Role	# Dimensions Scored
admin admin	ProjectLeader	6
Dmitri Gourfinkel	Assessment	4

10

Dimensions Measured

100 %

0

Dimensions not Measured

0 %

0

Dimensions D*

0 %

1









Dimensions NA

10 %

- Classifiers
- Assessments
 - Create Assessment
 - List of Assessments
- Pulsar
- Security



C
Actual Implementation Score

Pillars	Indicators	Dimensions
I. PSA Framework D+	PI-1. Conceptual Framework C+	1.1. Qualitative Characteristics  Measured B
		1.2. Reporting Entity  Measured C
	PI-2. Accounting policies, estimations, errors and events after the reporting date D	2.1. Accounting policies  Measured D
	PI-3. Foreign currency transactions and inflation effects NA	3.1. Initial recognition of exchange differences resulting from foreign currency transactions  Measured NA
		3.2. End of year reporting of foreign currencies transactions  Measured A
		3.3. Compliance with hyperinflation requirements  Measured C
	PI-4. Financial assets B+ C	4.1. Short-term receivables at cost  Measured A B
		4.2. Financial assets at amortized cost  Measured B D

PULSE Online Tool – Dimensión’s Scoring Example



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Classifiers

Assessments

Create Assessment

List of Assessments

Pulsar

Security

4.3. Financial assets at fair value through surplus and deficit

Indicator: PI-4. Financial assets

Description:

Dimension 4.3 assesses the extent to which Financial assets at fair value through surplus and deficit are recognized, measured and derecognized in accordance with IPSAS 41 – Financial Instruments. This dimension also covers the receivables and debt instruments designated irrevocably at fair value through surplus and deficit.

Score

Conceptual	Actual	
A	A	Financial assets at fair value through surplus and deficit fulfill the requirement of recognition, the three requirements of initial measurement, the three requirements of subsequent measurement, and the four requirements of derecognition.
B	B	Financial assets at fair value through surplus and deficit fulfill the requirement of recognition, a minimum of two requirements of initial measurement, a minimum of two requirements of subsequent measurement, and a minimum of three requirements of derecognition.
C	C	Financial assets at fair value through surplus and deficit fulfill the requirement of recognition, at least one requirement of initial measurement, at least one requirement of subsequent measurement, and at least two requirements of derecognition.
D	D	Performance is less than required for a C score.
D*	D*	Insufficient Information
NA	NA	Not Applicable

Observation



Thank you!




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