

УДК 338.246.2

DOI 10.33111/sedu.2020.46.144.155

*Maryna O. Skoryk****ORGANIZATION OF STATE FINANCIAL CONTROL IN ORDER
TO ENSURE SUSTAINABLE ECONOMIC DEVELOPMENT**

Abstract. The article explores the theoretical, methodological and applied aspects of the organization of state financial control in order to ensure sustainable economic development of Ukraine. A comprehensive model of the organization of state financial control has been formed, focused on ensuring sustainable economic development. The goals, directions, strategic and operational tasks of state financial control are determined to ensure stability, efficiency and systematic provision of budget services. Among the main tasks of reform system of state internal financial control the creation of a single legal field for development is indicated system of state internal financial control as an integral part of public administration and input relevant changes to the legislation. The relationship between public financial control and financial policy should be traced in determining the types of control. In our opinion, the division of financial policy into components is a prerequisite emergence of certain types of public financial control. In other words, each component of financial policy must have its own separate instrument, ie the type of public financial control. Coherence of financial policy components and types of control is necessary to build an effective and efficient structure of public administration bodies with a clear definition of the limits of their influence and the degree of responsibility. The necessity of institutional reform of state financial control in Ukraine is substantiated. The methodological foundations of state financial control for Ukraine are systematized based on the experience of the United States of America. A hypothesis has been put forward that the effectiveness of budgetary services at the regional (local) level is a criterion for the effectiveness of the use of state financial resources. The types of efficiency of budgetary services are defined with the aim of managing certain aspects of the provision of budgetary services, among which the effectiveness of the external and internal environment of state financial control is highlighted, as well as such types of efficiency as budgetary, social, commercial, public and so on. It is noted about the need to reform the existing model of state financial control in Ukraine and the direction of its implementation.

Ключові слова: control; financial control; state financial control; socio-economic development; sustainable economic development.

Introduction. Complex problems of society, including the economy, can be solved by reasonable compromises between the interests of different social groups in an atmosphere of active interaction of business, political and other social groups only with a balanced financial policy. Ukraine's economic growth still does not have a main basis – a developed and managed financial system. And this despite the fact that Ukraine continues to reform the public sector of the economy: the Budget Code [2] is constantly being improved, work continues in the field of separation of powers between the levels

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of the budget system, tax, civil and administrative legislation is being improved, the principles of state interaction with major economic agents are being formed.

The results of economic development can be effectively transformed into social benefits through a well-managed financial system through complementary functions of distribution and control. Given the formation of the institution of private property and free enterprise, the state financial system requires the creation on the basis of existing, including foreign experience, a mechanism of financial control, which will achieve the desired results in the formation and implementation of budgets in line with financial policy. The urgency of the organization of public financial control in the public finance system allows us to consider financial control as one of the most important elements of public reform in the country.

Ukrainian scientists I. Stefanyuk, I. Drozd, M. Krupko, V. Savchenko, Yu. Pasichnyk, O. Kyrychenko and etc. Contrary to the achievements of these scientists, it should be recognized that scientists generally do not have a common opinion on the importance of public financial control and the mechanism of its organization for sustainable economic development.

Background and research objectives. The aim of the study is to systematize scientific-theoretical, methodological and applied aspects of public financial control in order to ensure sustainable economic development of Ukraine, justify the feasibility of reforming the modern model of public financial control and assess the effectiveness of budget services as a criterion for efficient use of financial resources.

Results. For the rational allocation of financial resources, it is necessary: first, to determine the ultimate goal, goals and effect of distribution and redistribution processes; secondly, the use of adequate forms, methods and mechanisms of control for the implementation of the goals, thirdly, effective organizational and managerial activities for the application of these forms, methods and mechanisms.

The interaction of the system of social reproduction and the reproduction of its infrastructure on the principle of direct and feedback is the result of the interaction of structural elements. Reproduction of qualitative and quantitative parameters of infrastructure is directed, organized and managed by means of tools of the economic mechanism.

The economic mechanism of infrastructure reproduction is the unity of elements of a separate order (government regulation, financing, pricing, etc.). In this regard, in the development and implementation of structural transformations in social reproduction it is necessary to apply all the variety of scientific methods, emphasizing structural analysis and regulation of economic development, as the two most important methodological components of structural policy.

The systemic changes in the economy that are taking place today cannot be attributed only to "top-initiated reforms". Their process and result depend on many factors that are manifested at the level of society – the specific living conditions of the population, in other words, at the level of local government, related to the realization of citizens' rights and their specific needs. In addition, under the circumstances, more and more open the level of social services to assess the population in comparison with foreign criteria, the requirements naturally increase to

social guarantees on behalf of the state. And this is nothing but the demand of the population, social requirements that must be studied and met as far as possible by society in accordance with the basic law of Ukraine.

Contradictory and difficult in this situation is that the state must ensure the achievement of socio-economic goals in the form of certain positively progressive results in the restructuring of the budget network and external penetration into this network of aggressive market influences, which require public-private partnerships. from certain standards, which to date are still insufficiently developed, while maintaining the optimal efficient use of public resources [3, p. 92].

To solve these problems and achieve the goals it is important to consider financial monitoring in the form of public financial control as a system of continuous monitoring, analysis and forecasting of indicators of formation and development of social conditions and obligations of the state at macro- and microeconomic levels. Appropriate level, as well as evaluation of the effectiveness of decisions made and implemented.

The study of the possibilities of the influence of state financial control on the more efficient use of state and local financial resources, provides the purpose of these studies (as a desired result) to achieve economic stability of society in active structural changes in the economy, and in modern conditions in economic instability.

The above gives reason to believe that research in the field of public financial control, as a method of effective influence, become even more important in the field of exploratory, socially transformative influence in order to more efficiently use public resources to achieve socially significant results.

Given this trend, we consider it appropriate to form a model for improving the efficiency of the management system – the organization of public financial control, focused on ensuring sustainable economic development (Fig. 1).

Indicated in fig. 1 model can be used in solving strategic tasks in the management of financial resources in the current priorities of public policy, ensuring its sustainability, financial control contributes to the improvement and continuity of the system of social constitutional guarantees of the state.

When solving strategic tasks in order to effectively use all available resources, preference should be given to the preventive function of financial control. When developing new solutions that create positive benefits for the functioning of socio-economic structures, the circumstances and obligations are not always fully taken into account, which in turn increases the existing and existing budgetary risks in the system of these factors [1].

The impact of public financial control on socio-economic development is possible through the identification of areas of budgetary instability that contribute to: violations of the legal field of financial and economic and functional activities, socio-economic disturbances, non-fulfillment of social obligations of the state and local structures during cost planning and development of management proposals aimed at adjusting the management process in the social sphere. This is possible provided that financial control is included in the mechanism for amending legislation on behalf of society, in

which the vast majority of the population does not have legitimate rights to govern [6, p. 88].

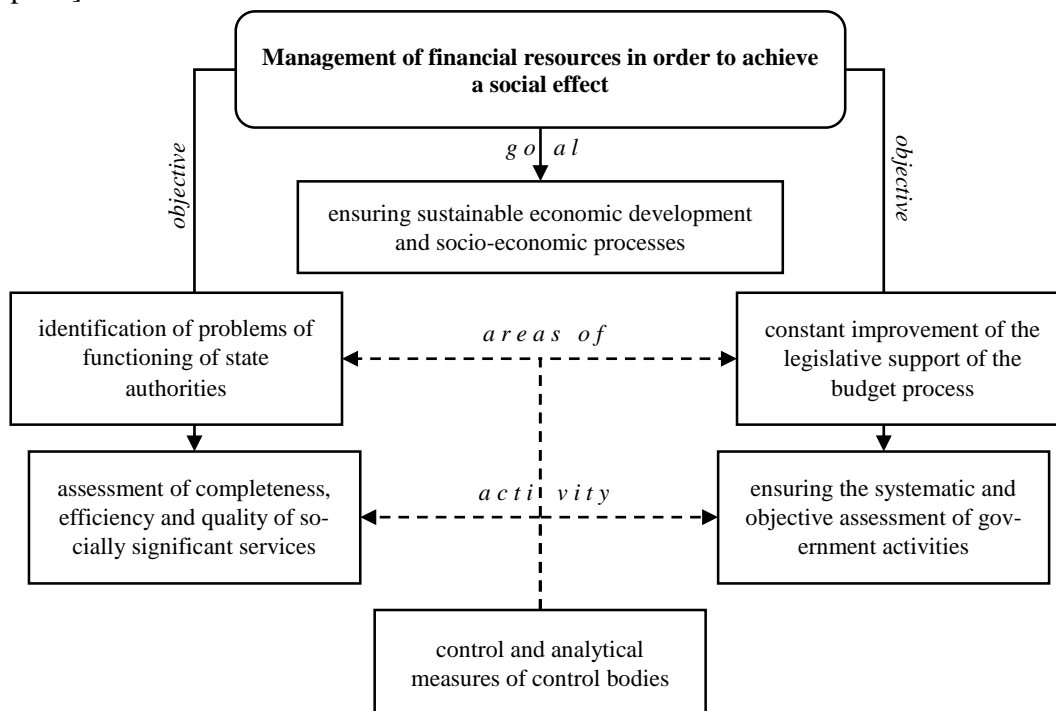


Figure 1. Model of financial control in order to ensure sustainable economic development

Source: by the author.

The proposed directions of the organization of the state financial control focused on maintenance of sustainable development reflect interrelation and social effect from process use: financial control in the decision of strategic problems of management of social and economic processes.

Institutional reform in Ukraine should be aimed at ensuring the rule of law with certain norms of behavior and social values and the creation of a society-controlled executive apparatus.

Speaking about how it is possible to legislate the most important political task related to the modernization of the country, with the transition to an innovative path of development, it should be noted that this task is extremely difficult. It is difficult first of all because the current legislation does not meet the objectives of transferring the economy to an innovative path of development.

The peculiarity of the positive transformations of public administration is that it cannot do without defining the zone, the qualitative impact on the managed subsystems

through clear process adjustments to obtain performance indicators and which become possible with a feedback system, in other words, through financial control.

In this context, it is appropriate to refer to the experience of the peculiarities of public financial control in the United States, namely to assist Congress in its legislative and control activities, control and evaluation of government programs, operational activities of government agencies and develop proposals to improve the state apparatus.

Methodological principles of control on specific examples allow to confirm or refute effective influence of this tool. The system of state financial control allows:

- to analyze trends in the internal system of interconnection of management agents, to monitor the dynamics of the management system as a whole;
- provide for the shift of the influence of regulatory instruments in different controlled areas with their characteristic management tasks;
- in compliance with the principle of integrity, to carry out positive transformations in certain sectors of government, which can have a positive impact on the functioning of the entire system.

The mechanism of state management of market economy, including innovation processes, should be based on comprehensive long-term forecasts and legally approved budget programs, systemic budgetary measures of direct influence on market-type economic processes, as the only possible ways of state intervention [8, p. 40].

The process of globalization and the state of economic instability in the country again return to a closer study of the possibilities of public financial control in the form of a modern, regular, civilized element of governance, its functionally renewed manifestation, for the most part its social (public) purpose for rights and obligations. citizens identified by the authorities, as well as its use as a tool for regulation, assessment of the effectiveness of the impact of certain regulations in the institutional reform of the state apparatus.

Problems of the functional manifestation of state financial control arise for the most part already at the level of existing "traditions" of using this function of finance in the domestic economy.

The classical form of organizational structures - linearly functional - in the form in which it exists in control and analytical structures due to centralization entails mostly only the executive nature of functions, lack of independence in assessing the practice of the subject, creative management and lack of initiative in the course of verification work even in the presence of a legal basis in the legislation. This circumstance negatively affects the quality of feedback on the management chain, the quality of audit materials is lost due to lobbying and administrative influence on the auditor.

In essence, these structures have a certain market power in the form of vertical control over the behavior and property of a certain area [7].

Vertical integration helps to overcome a certain kind of conflict, because in practice it minimizes the costs of this type of transaction costs, but at the same time sharply reduces the effectiveness of the functional significance of control and audit structures.

The mentioned decrease in efficiency is caused by the fact that with increasing scale of vertically integrated structure vertical organizational barriers between its separate components grow also consequently there is a sharp decrease in efficiency as processes:

management of control and audit activity, after all elementary internal exchange of information between various structural divisions. process consideration of inspection materials and their use to assess the reverse effect of regulations, analytical actions, executive authorities.

All this is typical of the control and audit apparatus of the executive order. Such organizational structures have little interest in determining the effectiveness of budget expenditures, even when checking the actual use: budget expenditures, not to mention the verification of calculations, budget expenditures in the planning process, justification of expenditures submitted by executive bodies for approval in budgets on economic classification.

And this sphere of control – check of calculations of budgetary expenses in the course of their planning is not provided by the legislation.

In modern conditions the task of creation of economy of territories capable to cover not only socially caused expenses, but also the innovative projects developing and carrying out reconstruction of industrial zones, creating conditions for introduction of high-tech programs, construction of effective system, management of the expanded reproduction. And since the solution of this problem is associated with both real and potential relations for the allocation of financial resources, the naturally occurring tasks of creating a system of methods of effective control over the activities to achieve and manage effective results [5, p. 147].

The Accounting Chamber has a number of advantages in comparison with control structures of the executive order, which is an integral part of the process (working) mechanism of consideration of draft budgets before their approval, both revenue and expenditure, which have special methods of financial control of efficiency of various levels. budgets used on the basis of to finance some kind of modernization or reconstruction, expansion or implementation of economically significant projects, in the implementation of innovative programs. These methods of assessing efficiency, including in terms of assessing the effectiveness of risk-free use of budget funds, are extremely relevant, for example, in deciding on the allocation of local funds for targeted investment programs for small and medium business to replenish local budgets and others. Far-reaching forecasts are created with the prospect of an expanded innovation process from a single innovation product to a system of innovation (local, regional, sectoral). Moreover, due to the territorial affiliation (by place of residence) to this local entity, members of the Accounting Chamber are interested in increasing the revenue side of the budget and rational use of the expenditure side of the budget of this local entity (due to constant lack of funds to solve local problems).

In order for the economy of the territorial-organizational structure (region, city) to be dynamic, the business of this structure must contain the effect, synergies from different types of innovation: innovation in management; innovations in product production; innovations in marketing, innovations in the external environment and the internal environment, including managerial, social, political aspects. All this together should and can be assessed from the standpoint of assessing the effectiveness, reality, legality, profitability to cover the necessary costs of the population; competent authority, which by all criteria may be the Accounting Chamber. This statement, in our

opinion, would mostly find a real embodiment in the consolidation of the binding nature of these structures by virtue of the fullest compliance with the principles of the budget system.

With the development of a competitive environment, a positive manifestation of which is the improvement of the quality of works (services) and the relatively focused cost of effective government (Fig. 2), social efficiency, budget efficiency, tactical efficiency and even commercial efficiency become especially relevant. Experts discuss various aspects of efficiency. We are talking about the concepts of internal, external, general, market, multifunctional, target, cost, tactical efficiency. At the same time, the target efficiency acquires special significance as a specific feature of a separate budget service and its socio-economic effect.

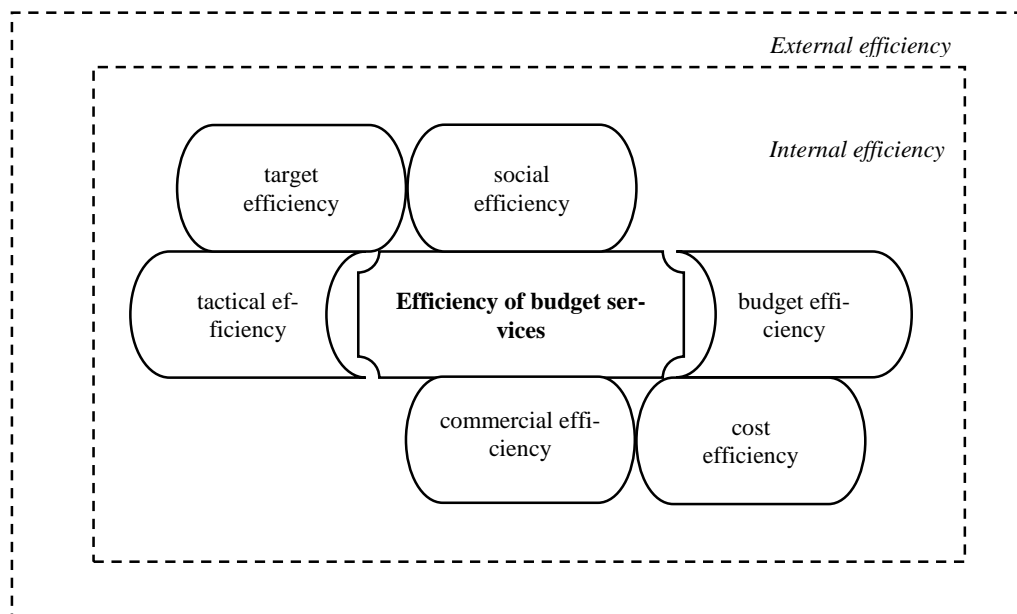


Figure 2. The efficiency of budget services as a criterion for the efficient use of financial resources of the state

Source: by the author.

In this case, the overall efficiency of the budget service as a criterion for the efficient use of financial resources of the state can be determined by additive means, namely:

$$E = TtE \cdot SE \cdot BE \cdot TIC \cdot CtE \cdot CIE \quad (1)$$

where TtE, SE, BE, TIC, CtE, CIE – target efficiency, tactical efficiency, social efficiency, commercial efficiency, budget efficiency, cost efficiency in accordance.

Note that the efficiency of the budget service should be compared with the performance of the body that provides certain services.

In conditions of economic instability, the state level of government was forced to make almost all anti-crisis decisions, ensuring their implementation by sources of funding (for example, the epidemic of the coronavirus pandemic COVID-19). At the same time, a huge range of problem areas appeared with a very small number of independent and non-standard solutions of the regions themselves, which improve the socio-economic situation.

As a rule, the most significant actions do not go beyond the legalized list of decisions and recommendations; authorities and are designed to implement in specific areas of anti-crisis measures. In addition, while showing a certain loyalty to the decisions of the state authorities, the local authorities conceal the long-term accumulated financial inability to fulfill their constitutional obligations of a social nature, and there is virtually no mechanism for identifying destructive tendencies. All this suggests that economic instability has raised questions about the ability of regional and local entities to function while reducing significant budget revenues [4, p. 16].

Issues, theories and practices of financial control, in the field of social obligations as an effect of coordination, systematic use of basic factors of the market environment, public administration, information, regulation, infrastructure, territorial features and influence of the authorities are possible in the legal regulation of all aspects of control activities.

With all the positive aspects identified in the course of research and mentioned above, it is necessary to pay attention to the existing problematic main shortcomings of public financial control in modern economic conditions. Among them are the following:

- state financial control does not allow to properly assess the existing and proposed mechanisms for organizing financial control in Ukraine;
- lack of scientific theory of control, lack of a unified state policy in the field of regulation of control relations, insufficient development of the system of interdepartmental interaction of control bodies and coordination of their activities;
- scientific and theoretical support of control activities has not been developed, which takes into account the need for state regulation of these processes;
- not substantiated, not provided information exchange.

To partially overcome these problems, a new approach to the implementation of control over the formation and use of different levels of budgets (in accordance with the rights assigned to the levels of budgets of the Budget Code) in order to effectively use control and audit resources, which consists of a combination of control and verification of different levels. on certain objects.

In the current situation, budget risks [1] are largely related to the influence of partial indicators of the budget system, the method of calculation of which due to the narrow application of correlation-regression analysis, is based largely on expert assessments, which are characterized by a high degree of subjectivity. In the application of financial control methods is not common in practice such an effective and at the same time basic technique as building a risk map with further analysis

during the preparation of the program of audits and inspections to identify the most prone to corruption solutions and further verification during control work.

Adhering to the principle of objectivity of financial control, it is necessary to build a model of state financial control that takes into account public obligations in relation to citizens. Since the purpose of local self-government is to ensure the solution of their own tasks, ie in accordance with the law on the organization of local self-government tasks set by the population living in local self-government in accordance with their constitutional rights, this model should include implementation and coordination of state and local tasks. self-government in the field of socio-economic development. Creating flexible integrated alliances, mutual exchange of stakeholders with the latest scientific control and technological achievements, innovations enriches them and strengthens the control potential of all participants, which is quite realistic with the use of the latest information and computer network technologies [9].

However, to determine the presence of signs that contribute to the inefficient, inappropriate use of funds, it is necessary to have options for the characteristic classification criteria that may be contained in the draft legal act, provisions establishing broad powers to act at discretion depending on the circumstances, gaps in regulating certain issues, inclusion in the draft normative legal act of provisions that allow double interpretation, the presence in the draft normative legal act of norms that provide for the regulation of issues covered in the draft by other legal acts, the presence of differences, contradictions between individual provisions of the draft normative legal act ; and also between the specified provisions and norms of the operating legal acts.

The listed signs should be estimated taking into account the text of provisions of the project of the regulatory legal act and in themselves do not testify to illegal, inefficient, corrupt use of these or those provisions.

Висновки. Ensuring the stability of the socio-economic sphere, public financial control contributes to the improvement and continuity of the system of social constitutional guarantees of the state. In order to carry out stable socio-economic development with elements of innovative development of industry, especially its knowledge-intensive industries, security, state.

The main task of these measures is to eliminate differences: legislative regulation, systematization of legislative norms and the establishment of uniform legal norms for public financial control. This will avoid ambiguous understanding of terms in regulations, given the nature of validity, effectiveness and efficiency of actions, control and audit apparatus, to make the clearest issues and classification basis of violations of a financial nature.

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ОРГАНИЗАЦИЯ ГОСУДАРСТВЕННОГО ФИНАНСОВОГО КОНТРОЛЯ В ЦЕЛЯХ ОБЕСПЕЧЕНИЯ УСТОЙЧИВОГО ЭКОНОМИЧЕСКОГО РАЗВИТИЯ

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Аннотация. В статье исследованы теоретические и прикладные аспекты организации государственного финансового контроля в целях обеспечения устойчивого экономического развития Украины. Сформирована модель организации государственного финансового контроля, ориентированная на обеспечение устойчивого экономического развития. Определены цели, направления, стратегические и оперативные задачи государственного финансового контроля для обеспечения стабильности, эффективности и системности предоставления бюджетных услуг. Обоснована необходимость проведения институциональной реформы государственного финансового контроля в Украине. Систематизированы методологические основы государственного финансового контроля для Украины на основе опыта Соединенных Штатов Америки. Выдвинута гипотеза, что эффективность бюджетных услуг на региональном (местном) уровне является критерием эффективности использования финансовых ресурсов государства. Определены виды эффективности бюджетных услуг с целью управления отдельными аспектами предоставления бюджетных услуг. Замечено о необходимости реформирования существующей модели государственного финансового контроля в Украине и направления ее реализации.

Ключевые слова: контроль; финансовый контроль; государственный финансовый контроль; социально-экономическое развитие; устойчивое экономическое развитие.

ОРГАНІЗАЦІЯ ДЕРЖАВНОГО ФІНАНСОВОГО КОНТРОЛЮ У ЦІЛЯХ ЗАБЕЗПЕЧЕННЯ СТАЛОГО ЕКОНОМІЧНОГО РОЗВИТКУ

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Анотація. У статті досліджено теоретичні та прикладні аспекти організації державного фінансового контролю у цілях забезпечення сталого економічного розвитку України. Сформовано модель організації державного фінансового контролю, орієнтовану на забезпечення сталого економічного розвитку. Визначено мету, напрями, стратегічні та оперативні завдання державного фінансового контролю для забезпечення стабільності, ефективності та системності надання бюджетних послуг. Обґрунтовано необхідність проведення інституційної реформи державного фінансового контролю в Ук-

раїні. Систематизовано методологічні засади державного фінансового контролю для України на основі досвіду Сполучених штатів Америки. Висунуто гіпотезу, що ефективність бюджетних послуг на регіональному (місцевому) рівні є критерієм ефективності використання фінансових ресурсів держави. Окреслено види ефективності бюджетних послуг з метою управління окремими аспектами надання бюджетних послуг. Зауважено про необхідність реформування існуючої моделі державного фінансового контролю в Україні та напрями її реалізації.

Ключові слова: контроль; фінансовий контроль; державний фінансовий контроль; соціально-економічний розвиток; сталий економічний розвиток.

Стаття надійшла до редакції 12.05.2020