

Financial control procedures for public expenditures in public health institutions in Algeria - a field study of the public hospital institution of Arzew, Oran

إجراءات الرقابة المالية على النفقات العمومية في المؤسسات الصحية العمومية في الجزائر - دراسة ميدانية للمؤسسة العمومية
الإستشفائية لبلدية أرزيو ولاية وهران -

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Abstract:

This study aims to demonstrate the extent to which financial control procedures contribute to public expenditures in public health institutions in Algeria. In order to test the hypotheses and answer the main problem of the study, we studied the various procedures adopted to implement control over the expenses of the public hospital institution of the municipality of Arzew, Oran Province. The study concluded that prior control of hospital expenses has many advantages, which are mainly focused on preserving public money, rationalizing expenses, and directing and accompanying hospital managers.

Keys words: Financial control procedures, public expenditures, public health institutions, budget controller.

JEL classification codes: P43; H51;H53.

ملخص:

تهدف هذه الدراسة إلى تبيان مدى مساهمة إجراءات الرقابة المالية على النفقات العمومية في المؤسسات الصحية العمومية في الجزائر، و من أجل اختبار الفرضيات و الإجابة على الإشكالية الرئيسية للدراسة قمنا بدراسة مختلف الإجراءات المعتمدة لتنفيذ الرقابة على نفقات المؤسسة العمومية الاستشفائية لبلدية أرزيو ولاية وهران، و قد خلصت الدراسة إلى أن الرقابة المسبقة على النفقات الاستشفائية بقدر ما لها من المحاسن التي تتمحور في الحفاظ على المال العام وترشيد النفقات وتوجيه ومراقبة مسيري المؤسسات الاستشفائية من الجانب القانوني، فإن لها نقائص لا بد من تصحيحها ليكون للرقابة المالية دور فعال لتسهيل وتسريع عملية الإنفاق قصد تحقيق الهدف الرئيسي للمؤسسات الصحية وضمان التكفل الجيد بالمرضى.

الكلمات المفتاحية: إجراءات الرقابة المالية، النفقات العمومية، المؤسسات الصحية العمومية، المراقب الميزانياتي.

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1-Introduction

The state undertakes public spending to meet the requirements of societies in order to achieve economic and social development by ensuring and providing for the basic needs of its citizens through its institutions active in various sensitive sectors such as the education sector, the health sector, higher education, and other basic sectors. The concept of public expenditures also expresses the state's program and is represented in appropriations through which financial resources are distributed to various sectors and used to meet the general needs of individuals by seeking to achieve the maximum benefit for members of society.

Increased public expenditures against limited revenues may become vulnerable to theft or waste resulting from misuse. Therefore, it has become necessary to monitor them to ensure their protection and rationalize their spending by enacting a set of financial laws that would control public expenditures by relying on oversight mechanisms authorized to follow up and direct budgets. Various public institutions.

As for Algeria, government activity did not stop at issuing instructions only. Rather, after the 1989 Constitution, Algeria sought to issue laws that seek to achieve transparency and protect public funds from mismanagement, by subjecting public expenditures to financial control in order to ensure the application of laws and regulatory rules to discover imbalances, whether before Implementation of expenditures, during or after implementation.

The health sector is of great importance in human life in order to maintain the continuation of life without the appearance of serious disabilities, so that the health services sector has become an indicator of the extent of progress and urbanization of societies, and there is no doubt that the requirement to provide health care to citizens is a basic requirement for achieving sustainable development, therefore The interest in developing the health services sector is one of the priorities of political decision makers. Health services are provided by creating financial resources and managing them on the best basis, which ultimately leads to preserving and enhancing the health of the citizen.

1.1 The problem of the study:

From the above, we decided to raise the following problem as a main point that our research addresses: **How effective are the financial control procedures over public expenditures in public health institutions in Algeria?**

In order to provide insight into this topic, we posed the following sub-questions:

- ♦ What are the forms of financial control applied to public expenditures?

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- ♦ To what extent does financial control affect the implementation of public expenditures?
- ♦ How effective are financial control procedures in public health institutions?

2.1 Research hypothesis:

Analysis of the problem under investigation requires the following hypothesis:

The first hypothesis: Financial control applied to public expenditures contributes to protecting public money from mismanagement.

The second hypothesis: Financial control procedures in public health institutions contribute to discovering imbalances.

3.1. Study methodology:

Given the nature of the study and in an attempt to achieve its objectives, we relied on the descriptive approach for the purpose of defining the concepts related to financial control of public expenditures and testing the validity of the hypothesis under study, in addition to explaining the results of the study.

4.1 Importance of the study:

The importance of this research lies in the fact that it sheds light on the procedures for financial control over public expenditures in public health institutions in Algeria by recognizing the imbalances and controlling public expenditures by relying on financial control mechanisms, thus achieving quality in rationalization and rationalization of the management of public funds.

1.5 Objectives of the study:

The study seeks to achieve the following objectives:

- Shedding light on the management of public expenditures by relying on oversight mechanisms;
- The reality of public spending policy in public institutions of an administrative nature in Algeria;
- Highlighting the increasing importance of the role played by financial oversight in protecting public money from extravagance and squandering.

2. The theoretical framework of the study:

2.1 Definition of public expenditures, their components and divisions:

Public expenditures are defined as the amount of money released from the state treasury, by its administration, agencies and various ministries to meet the general needs of society. It is also defined as a cash amount spent by a public person with the intention of achieving a public benefit. (Suzi Adly Nashed, 2000, p. 27)

It has also been defined as an annual financial plan that requires the legislative authority to approve and contains estimates of state expenditures and revenues for a coming year in order to achieve economic and social goals. (Saeed Ali Al-Obaidi 2011, p. 186)

Public expenditures are also defined as those amounts of money disbursed by the public authority, the government and local groups (Mohamed Abbas Mahrezi 2003, p. 86)

Other definitions of budget include “a process by which costs are assigned to specific tasks that are planned within a definite time period, (Akinola and Asein, 1998)

Through the above, the following definition can be presented for public expenditures, which are the total amount spent by the public person with the aim of satisfying public needs for goods and services to achieve economic and social development.

According to the definitions we have discussed, we have found that public expenditures have three basic pillars, which are as follows:

- **Form:** Public expense is an amount of money.

The state, through its various institutions, spends cash amounts to collect the necessary goods and services. It is characterized by its monetary nature, as everything that the state pays in kind in exchange for obtaining goods or services, such as providing a service in exchange for a service, is not considered a public expense. The state provides free housing for its employees (Fathi Ahmed Dhiyab Awad, 2013, pp. 59-60)

- **The body in charge:** issuance of public expenses by the state or one of its bodies.

Public expenditure must be issued by the state or one of its public bodies represented by every body with a legal personality and subject to the provisions of public law. It includes various local bodies and public institutions. Public expenditure does not include all expenditures issued by any body or person, whether natural or legal, even if intended. It is for the public benefit. (Fathi Ahmed Dhiyab Awad, 2013, p. 60)

- **Objective:** It aims to achieve public benefit.

The expenditure issued by the state must aim for the public good. The state's spending on providing public goods and services or subsidies aims to achieve public benefit and raise the level of well-being in society. (Ali Muhammad Khalil et al. 2013, pp. 90-91)

As for the divisions of public expenditures in Algerian legislation, according to and based on Organic Law 84/17 of July 7, 1984, regarding amended and supplemented finance laws, public expenditures can be divided into two types: management expenses and equipment and investment expenses (Mujahid Rachid, 2017, pp. 258-259).):

A- Management expenses:

These are all expenses that allow financing the normal activities of the state, such as employee salaries. Administrative expenses are divided into four chapters according to Article 24 of Law No. 17-84 related to the Finance Laws. The first and second chapters relate to the shared burdens budget managed by the Ministry of Finance. As for the third and fourth chapters, we find them in almost all budgets in various ministries we find:

- **Chapter One:** Public debt burdens and expenditures granted in revenues. These are burdens granted to cover the burdens of financial debt and pensions, as well as various burdens deducted from revenues.
- **Chapter Two:** Allocations of public authorities, which are the necessary appropriations needed to manage the interests of the ministries in terms of employees, devices, equipment, and equipment. An example of this is work salaries, pensions, family grants...etc.
- **Chapter Three:** Expenses related to the means of interests.
- **Chapter Four:** Public and administrative interventions, such as subsidies to local communities.

B- Equipment and investment expenses:

It is represented by the state's financial appropriations and the distribution of equipment and investment expenses according to sectors and branches of economic activity, including basic and basic structures such as: works, construction, transportation, tourism, sports and culture. These are expenses of a final, non-refundable nature, and no operation can be completed unless It was registered within the state's financial appropriations according to the annual development plan.

2.2 Financial oversight bodies over public expenditures:

Supervision of public funds is the observation and follow-up of expenditures and revenues spent and collected by persons authorized by law to do so, and verifying the extent of their compliance with the rules and standards established for their regulation, such as ensuring that the obligation or order to disburse a specific expense has been disbursed, or is adhered to in a manner consistent with regulations. And the laws of public accounting, the auditor assesses the

responsibility placed on the perpetrators of errors and requests the competent authorities to impose the necessary penalties, or he does so if he is in his authority and ensures that such errors are not repeated. Also, control over public funds is simultaneously control over the disbursement of expenditures and the collection of revenues. (Sarrarma Abdel Wahid 2005, p. 135).

Oversight of budget implementation also means ensuring that the budget has been implemented in accordance with the content of the authorization granted by the legislative authority. Through oversight, it is verified that the disbursement of public expenditures and the collection of public revenues have come in accordance with the objectives specified in the general budget. (Mohamed Khair Al-Akkam 2018, 370)

Administrative control in Algeria is exercised by specialized bodies, each one in its field, which are:

- **Ordering disbursement:** According to Article 23 of Law 21-90 dated Muharram 24, 1771 AH corresponding to August 15, 1990, relating to public accounting, every person legally qualified to undertake administrative operations related to the implementation of public expenditures is considered to be ordering disbursement. According to Executive Decree No. 268-97 of 07/21/1997, which specifies the procedures related to the commitment and implementation of public expenditures and the control of the powers of the two commanders, the disbursement officer does not constitute a stand-alone branch of the public service that undertakes the tasks of financial management of public bodies. Hence, the disbursement officer is the employee responsible for managing the financial means to whom the authority is delegated to implement budget operations

- **Financial Controller:** The Financial Controller is assigned pivotal tasks in financial control over the implementation of public expenditures. He is a person affiliated with the Ministry of Finance to ensure the legitimacy of public spending, as he grants his visa to the person in charge of the expenditure committed to the expenditure after ensuring that it complies with various legal and financial rules. The Financial Controller manages the Financial Control Department, Under the authority of the Director General of Budget.

- **Public Accountant:** The Algerian legislator defined the public accountant in Article 33 of Law 21-90 relating to public accounting, by enumerating the powers granted to him as follows: A public accountant is considered a person appointed to carry out the following operations:

- Collect revenues and pay expenses;

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- Ensuring the guarding, safekeeping and circulation of entrusted funds, bonds, values, objects or materials;
- Movement of assets accounts.

In addition to the processes referred to in Articles 18 and 22 of Law 21-90 relating to public accounting, which stipulate that collection is the procedure by which public debts are concluded. While payment represents the procedure by which public debts are concluded.

- **Public Procurement Committee:** Public contracts concluded by contracting departments in the field of works, supplies, services and studies are subject to oversight before and after their entry into force by Presidential Decree No. 15-247, which aims to rationalize public expenditures and reduce the effects of bureaucracy in concluding public contracts. The presidential decree authorized... No. 15-247: The task of monitoring public transactions:

- The Interior Committee is called the Committee for Opening Envelopes and Evaluating Bids, and this committee undertakes several tasks according to Presidential Decree No. 15-547 in Article 71, including:
 - Proof of the correctness of registration of offers;
 - Preparing the list of candidates and arranging it according to the date the envelopes arrived, as well as a list of the documents that make up each offer
 - The Committee signs initials on open envelope documents that meet the conditions;

After the process of opening the envelopes, the committee undertakes the task of evaluating the offers, while the process of choosing the best offer in terms of economic advantages is up to the contracting interest.

- The Foreign Affairs Committee on Public Procurement aims, according to Presidential Decree No. 15-247, to verify the conformity of the public contracts presented to the Foreign Committee by studying the books of terms, deals, and appendices and processing appeals.

2.3. The contribution of the financial control mission in managing public expenditures:

The control process according to Koontz, et al. (2008) involves three steps: a) Establishing standards, b) Measuring performance against these standards and c) Correcting deviations from standards and plans. Financial oversight in the management of public expenditures aims to discover financial violations and errors of all kinds before or immediately after they occur and seek directly to correct them and to study the extent to which operations related to public

expenditures conform with the legal and financial rules in effect. In the event of an error, this financial oversight works in the management of public expenditures. To draw the attention of the supervisor, It is noted that the control of the Financial Controller is mostly limited to the formal aspect of expenditure, and the right of disregard that he enjoys to the person ordering the disbursement is considered among the rights that limit the effectiveness of the control carried out by the Financial Controller.

The Financial Controller is considered one of the agents who exercises tribal control over public expenditures by noting and approving the legitimacy of the expenditure. The Financial Controller is also considered a guide, expert and specialist in the field of public finance. In this regard, he has been assigned vital and sensitive tasks, including: (Khaled Scotti 2018, p. 80)

- Reducing the increase in expenditures at the level of various ministries, and this occurred during in-depth discussions between the Financial Controller and the Minister in charge of expenditures;
- Participation and coordination with those in charge of disbursement and the budget assessment departments affiliated with the Minister in charge of Finance to prepare the Finance Law;
- The Financial Controller is considered a representative of the Minister in charge of Finance in the public procurement committees.

3- Methods and requirements for implementing expenditure control:

3-1 Methods of implementing financial control:

Financial oversight bodies carry out supervisory operations in one of the following methods:

- **Comprehensive oversight:** According to this type, oversight bodies carry out comprehensive oversight of all financial transactions carried out by entities subject to financial oversight. Comprehensive supervision may be carried out in specific qualitative areas of the financial areas of the entity subject to supervision.

- **Selective control:** According to this type, expressive samples are selected from among the financial transactions to be monitored by the entity subject to supervision and that sample is examined. The sample is chosen statistically or randomly according to the relative importance of the type of transactions, so that selected sample is monitored in its entirety so that the monitored sample helps in Determine the safety of the selected group. What is wrong with this type of selective control is the inaccuracy of the results as it is done randomly.

- **Continuous monitoring:** According to this method of continuous monitoring, financial transactions are permanently examined and monitored through continuous monitoring of the documents and financial restrictions of the entity subject to supervision throughout the year.
- **Periodic oversight:** According to this method, the financial documents and restrictions of the subject entity are monitored at periodic periods during the year, as the financial oversight bodies periodically review some of the units subject to oversight, such as when conducting annual oversight of the final accounts and issuing the regulatory report.
- **Sudden censorship:** According to this method, censorship is carried out suddenly and suddenly, targeting an operation. Certain financial matters based on a request from an official or as a result of prior investigations into a financial violation. The body in charge of oversight may conduct this method of oversight to make the bodies subject to oversight feel a constant sense of the oversight body's vigilance and follow up on its oversight tasks.

3.2. Requirements for implementing financial control:

These requirements have been derived from the conditions or components that must characterize the financial control system, the conditions that must be met by whoever exercises the task of control, and the rules that must be followed in his supervisory work. The global, regional and international associations and bodies specialized in financial control have paid attention to these requirements, and these bodies include: The International Organization of Supreme Audit Institutions, the International Federation of Accountants, the European Institute of Financial Accountants and Economists, and the Society of Accountants and Auditors in England and the Association of Accountants in America, the Asian Organization of Supreme Audit Institutions, and the African Organization of Supreme Audit Institutions, all of these international and regional organizations and bodies have established the general rules and basic components of the financial oversight system, as well as the basic components that must be available in financial oversight bodies and those carrying out the oversight mission in general. (Auf Mahmoud Al-Kafrawi 1989, p. 73)

Among the basic components that must be present in the control system, we mention the following:

- **An easy and clear regulatory system:** The regulatory system must be characterized by ease and clarity, in addition to the presence of a sound regulatory system, so that every complexity in the regulatory system leads to its ineffectiveness and thus to confusion and the occurrence of errors.

- **Flexible regulatory system:** The regulatory system must be flexible to ensure its effectiveness and success, as the oversight processes must suit the nature and type of work of the entity subject to oversight, such as the difference in the process of monitoring state administrations and an institution in the public sector.

- **Reducing the costs of supervisory work:** Reducing the transaction costs of oversight work to a minimum is represented by being satisfied with the required number of monitors, which does not exceed the actual need for oversight work and the competencies of these bodies in order to reduce conflicting efforts, dependency, and lack of a sense of responsibility. Whoever carries out the task of financial control must possess a set of characteristics, including:

- **Efficiency and experience:** Competence is acquired through study at specialized universities and colleges, where those responsible for audit work must have a university qualification in accounting, economics, management, and law, so that the financial auditor is fully aware of the financial laws and regulations, and must have the experience and competence necessary to perform their audit work properly. New members must also be trained for a sufficient period of time in their field of specialization before starting financial oversight work, with continuous training programmed through various forums and trainings.
- **Independence:** The independence standard is considered the backbone of the supervisor's profession, as he must reveal all the facts in his report and express his objective technical opinion with conviction, free from external pressures and influences, to ensure that their supervisory work is performed with integrity and sincerity.
- **Careful professional care:** It is the commitment of those in charge of oversight work to a certain level of performance and to exert effort and professional care through diligence at all levels of oversight work to obtain evidence, evidence, and clues, as he is considered responsible for the results of his work.

4. Field study:

4.1 The study tool used:

In order to verify the research hypothesis and become familiar with aspects of the subject, a descriptive field study was carried out of the various procedures adopted to implement control over the expenditures of the public hospital institution of the municipality of Arzew, Oran state. This study included 3 main axes:

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- The first axis: generalities about the hospital institution under study.
- The second axis: prior financial control procedures between the departments of Arzew;
- The third axis: The advantages and disadvantages of prior financial control over hospital expenses.

4.2. Definition of the hospital institution:

The Public Hospital Institution was named after Muhammad Al-Saghir Arziu in 2007, the date of its establishment after the issuance of Executive Decree 07/140 of May 19, 2007, which included the establishment, organization and functioning of public hospital institutions and public neighborhood health institutions. It was constructed in 1985 and was put into service on May 18, 1985. It was known as the health sector before the new health division was issued in 2007. As for the legal nature, the institution is “a public institution of an administrative nature that enjoys a legal personality and financial and administrative independence.” The public hospital institution is governed by a board of directors and managed by a director, accompanied by an advisory body called the Medical Council.

4.3. Procedures for monitoring budget implementation:

Through the field study at the level of the Oversight Authority and the definitions that we touched upon in the theoretical aspect of the Oversight Authority, we find that it seeks to achieve the necessary procedures to ensure respect for laws and regulations, and that is through implementing these procedures on all expenses to which it is committed, which is what We will show it through research.

▪ Procedures for controlling user expenses:

As a first stage, the Financial Controller between the departments in Arzew is provided with the commitment cards (fiche d'engagement) related to the aforementioned budget in two identical copies. The latter serves as a practical detail of the budget, as the Financial Controller, regarding the control procedures on the initial commitment card, checks the accuracy of the mandatory data in addition to the amounts. What is included in it compared to what is included in the initial budget, and in this case we are faced with two situations:

- **Status 1:** If all the data and amounts included in the commitment card are correct, they must be signed by the Financial Controller or the Assistant Financial Controller (visa) and stamped with the oversight seal, including a number that is recorded along with the card data in a special register for

the visa with the Financial Controller, from which the Financial Controller keeps a copy of the The card and the other is delivered to the hospital institution in order to arrange it in special administrative files to be able to begin the expenses.

- **Status 2:** In the event that all or part of the data and amounts included in the commitment card are incorrect, the Financial Supervision Authority will issue a temporary rejection memorandum (rejet provisoire) stating in its content all errors that must be corrected.

After correcting the errors included in the temporary refusal, the hospital institution re-deposits the corrected compliance cards with the Financial Supervision Authority in order to re-examine them again and mark them.

After all initial commitment cards are marked by the Financial Control Authority, the hospital institution will begin providing the Financial Controller with the commitment cards related to wages.

After the Financial Controller examines the content of the initial matrix “accounts of amounts” based on the executive decrees, he applies one of the two aforementioned positions.

▪ **Procedures for controlling management expenses:**

- First, the director of the public hospital institution determines the supplies needed in accordance with the provisions of Article 27 of Presidential Decree 15_247, where the amount of the supplies to be purchased conforms to the limits stipulated in Article 13 of Presidential Decree 15_247 dated Dhu al-Hijjah 2, corresponding to September 16, 2015, which includes the organization of public procurement. And the mandates of the public facility, as it indicates that all operations whose amounts are less than 12,000,000 DZD for works and supplies and 6,000,000,000 DZD for services and studies. Thus, he prepares the book of conditions in accordance with the provisions of Article 26 of Presidential Decree 15_247. The preparation of the terms and conditions book shall be in accordance with the internal procedures of the institution and shall be under the full responsibility of the director of the institution in terms of the content and amounts allocated for this expense.

The director of the institution will review the committee’s proposal, and if it is accepted, the contractor who received the consultation (the contractor with the lowest offer) will be summoned in order to sign the contract with the director of the institution, as the contract consists of two parts of the book of conditions, which are:

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After signing the contract by the contractor, the institution sends the contract, accompanied by the commitment card, as well as copies of the aforementioned minutes, as well as a presentation report in accordance with the provisions of Article 19 of Presidential Decree 15-247, to the Financial Supervision Authority, where the latter verifies the validity of the procedures as well as the accuracy of the content of the estimated statement and its conformity with the budgetary entry allocated for this expense.

The oversight exercised by the Public Procurement Committee culminates in the decision to grant or reject a visa, as this refusal must be justified. Whatever the case may be, every violation of the applicable legislation or regulation that the Committee examines will be a reason for rejecting the visa.

Finally, the Financial Controller studies all procedures, the commitment files received by the disbursing officer, and related to employee expenses and management expenses related to the year 2021. We find that the rejection indicator is among the indicators that may show us the role of prior financial control, or vice versa, due to the lack of effectiveness and efficiency in controlling. The expenses of the hospital institution, and this is what we arrived at by analyzing the percentages of the files that were approved and the files that were rejected, which are shown in the table below:

Table 1: The number of approved and rejected files and their respective percentages for the public hospital institution represents the first 9 months of the year 2021

the year	Number of received files	Number of files rejected (temporary)	Number of files rejected (temporary)	Number of files marked as expenses		Number of files ignored	Visa expenses ratio to		Temporary rejection rate	Final rejection rate
				Use rs	Managing		Use rs	Managing		
2021	1523	52	05	846	820	00	53.84	42.41	3.42%	0.33%

Source: Prepared by researchers based on the annual reports of the financial control activity in the Municipality of Arzew for the year 2021

We note through the graphical representation of the statistics included in the table shown above that the files referred to at the level of financial control of the hospital institution's expenses related to management expenses and user expenses represent 96.25% of the percentage of files received, and this percentage is distributed between 53.84% of what is received for expenses. employees and a percentage of 42.41% regarding management expenses, as these files were subject to control and were marked, meaning that the financial

controller applied all procedures related to control and all financial operations conformed to the various applicable laws.

As for the files that represent 3.42%, they are files that were refused to be annotated by the Financial Supervision Services during this period. This type of rejection makes the alimony file subject to correction and modification, meaning they are formal errors that can be corrected and will be subject to correction by the institution's management. They have been annotated. It is issued by the Oversight Authority.

As for the final rejection, which represents a percentage of 0.33 of the files received, which is a very small percentage, this type of rejection indicates the illegality of the expenses, or that these expenses do not comply with the applicable legislation and laws. This is evidence of the effective role of the Financial Supervision Department and the effectiveness of the procedures applied to Managing all hospital expenses. As for cases of neglect, no cases were recorded for the year 2021. This is evidence of the commander's commitment to disbursing the opinion and the financial controller's rejection of these expenses despite the existing legal license to disburse them.

4.4. The role of financial control over public expenditures related to the hospital institution:

Through the field study, we learned about the stages of financial control over public expenditures related to the hospital institution. It became clear to us that the role of financial control is very effective through our conclusion of the following points:

Positive points:

- Proving the legality of alimony and the legislation in force and proving its validity is done by placing a visa on the documents related to this alimony or justifying the refusal of the visa when necessary;
- Reducing the amount of responsibility on the management of the hospital institution, as it is based on the decision of the Financial Regulatory Authority before taking any action, which leads to strengthening the authority of the law;
- Rationalizing and auditing expenditures by being careful not to be extravagant in order to obtain returns;
- Accelerating decision-making regarding expenditures so that they come into effect on time;
- Combating corruption through the application of laws, regulations and procedures related to public procurement;

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- Ensuring oversight, follow-up and evaluation of public expenditure implementation procedures and taking the necessary measures to avoid committing to excess expenditures that are not available in the budget;
- Conducting an audit of the legality of alimony, which allows it to be implemented in accordance with the legislation and regulation related to it.

Points that need to be improved:

- The Financial Controller does not specialize in the health field, as there are some expenses that are difficult for the Financial Controller to include in its budgetary record and thus he refuses to approve them;
- Prior control somewhat hinders the management of the hospital institution, as it increases the duration of implementing expenses, which is not compatible with the institution's activity and thus the health service is affected;
- The period of studying and noting files, estimated at 10 days for the financial controller, is a short period to study all files carefully, and this may lead to not seeing all the errors;
- The Oversight Authority supervises more than one public administrative body, and this puts pressure on the Authority and may take a longer time to study the files, which has a negative impact on the proper implementation of expenditure and the effectiveness of financial control.

5. Conclusion:

Through our study, we have tried to demonstrate the extent to which the financial control procedures on public expenditures in public health institutions in Algeria are effective during a field study, a field study of the public hospital institution of the municipality of Arzew, Oran state, in order to test the hypotheses and answer the main problem of the study, where the most important concepts were addressed. The basic principles of public expenditures, their components and divisions, in addition to addressing the contribution of financial control to the management of public expenditures with the definition of the requirements for implementing financial control and with the aim of enriching the theoretical aspect, we conducted a descriptive field study of the various procedures adopted to implement control over the expenditures of the public hospital institution of the municipality of Arzew, Oran state, and we reached the following results:

Results:

Through the applied study, after analyzing the questionnaire answers and testing the two study hypotheses, we found that:

- ✓ Adopting financial control in the management of public expenditures leads to supporting transparency, which contributes to ensuring the legitimacy of financial operations and form and reduces various forms of financial and administrative corruption.
- ✓ The financial control applied to public expenditures contributes to protecting public money and combating corruption by emphasizing the application of laws and legislation related to public transactions.
- ✓ The legal texts approved for the purpose of controlling public expenditures are old, starting from the year 2009 until 2015, which makes them not in line with the expenditure requirements of hospital institutions due to the changing conditions and increasing problems, as well as the type of diseases faced by members of society, which require a kind of flexibility and flexibility in dealing with the issue of private expenditures. In hospital institutions.
- ✓ Financial control procedures in public health institutions contribute to discovering imbalances by evaluating the implementation of public expenditures while determining procedures for rationalizing them and enhancing responsibility in financial management.

Recommendations:

Based on the results obtained, the researchers present the following recommendations:

- ✓ The transition to law reforms must be systematic and deliberate in order to achieve the most important goals, and previous shortcomings must be avoided.
- ✓ Prepare the legal framework through staff training and avoid marginalizing the effective and important role of financial oversight to reduce financial corruption and increase credibility and transparency.
- ✓ Working to accelerate decision-making and study of files regarding public expenditures so that they come into effect on time, including the proper implementation of expenditure and the effectiveness of financial control.
- ✓ It is necessary to monitor public spending and determine the cost of its services so that there are clearer data on the state's finances to achieve development and avoid wasting economic wealth.

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