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## **Financial Management, Accounting & Controlling curricula development for capacity building of public administration**

### **MINUTES ON FINAC FOURTH STUDY VISIT MASARYK UNIVERSITY IN BRNO, CZECH REPUBLIC**

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## MINUTES

### **Introduction**

The forth FINAC study visit was hosted by project partner Masaryk University in Brno, Czech Republic, from 11th to 15th February, 2018. The Study visit meetings were chaired by Slađana BENKOVIĆ, Project coordinator, and Project leader at MU, Gabriela VACEKOVÁ.

All project partners received the documents included and referenced in these minutes and were notified about all matters discussed prior to the meetings.

### **Agenda**

The Study visit had the following agenda:

- [1] Welcome note, moderation, and special greetings by project leader, project coordinators, and Vice Rector for Internationalization, Masaryk University
- [2] Where we are after first half of project activities and further steps
- [3] Project Management at the Faculty of Economics and Administration MU: Why FINAC Matters?
- [4] Steering committee meeting
- [5] Security and Privacy in Public administration in Light of EU Regulations - presented by Tomáš PITNER & Václav STUPKA
- [6] Auditing in the Public Sector - presented by Michal STRUK
- [7] Creation of research oriented postgraduate study program Regional Economics - presented by Vladimír ŽÍTEK, Viktorie KLÍMOVÁ & Gabriela VACEKOVÁ
- [8] EAPAA (European Association for Public Administration Accreditation) - presented by Juraj NEMEC
- [9] Overpricing of Public Procurement - presented by Michal PLAČEK
- [10]Institutes for Public Administrations as a bridge between universities and public administration – presented by Filip HRŮZA
- [11]Double Degree Master in Public Economics and Public Finance – presented by Jana NESVADBOVÁ, Jiří ŠPALEK, Robert JAHODA & Lucia MAKÝŠOVÁ
- [12]Fiscal Sustainability: Municipal Finance in the Czech Republic – presented by Eduard BAKOŠ
- [13]Study visit at the Ministry of Finance of the Czech Republic in Prague

## I Working Day

### Session 1: Welcome note, moderation, and special greetings by project leader, project coordinators, and Dean of Faculty of Economics, MBU

The first day of the visit was opened with the welcome note by the Assoc. Prof. JUDr. Ivan MALÝ, CSc. Vice-Rector for Internationalization, Masaryk University. He wished the pleasant stay to the participants and pointed out the benefits of being a consortia member of the project FINAC and encouraged the participants to use the advantage of networking and further deepening of professional relations on both individual and institutional level.

Project leader for Masaryk University, Assoc. Prof. Gabriela VACEKOVÁ, PhD. welcomed the participants to Masaryk University and provided a short insight into the study visit organization details.

### Session 2: Where we are after last three months?

Project coordinator, Sladana BENKOVIĆ, expressed her gratitude to the hosts from Masaryk University and wished a pleasant and productive work to the participants. She presented the project's most important activities and results in the last 15 months. All planned activities in WP.1 has been completed. Regarding WP.2, study visits and equipment purchasing procedure are closed. Project coordinator informed the audience about successful completion of accreditation process for Master degree programs in Serbia in WP.3. In this work package, the Albanian' partners are still in process of gaining license. However, partners from Albania were finished activities of designing Master programmes, and while colleagues from Shkodra University have applied for license partners from UET will do that in upcoming period. Additionally, trainings for employees in public administration in Serbia planned in the project's WP.5 has been successfully realized, while the similar trainings in Albania are designed and waiting for implementation during March 2018.

Public procurement for independent expert in WP.6.3. has been completed, and prof. Istvan Hoffman has been elected. Dissemination activities in WP.7. are advancing according to the project plan, Newsletter #5 has been prepared and disseminated through usual on-line channels. Sladana BENKOVIĆ informed the consortia members about requested authorization for participation at the International Conference SymOrg2018 organized by Faculty of Organizational Sciences, UBG. Project administrative officer Aleksandar JOVIĆ explained the further steps in project financial reporting.

### Session 3: Steering Committee meeting

The quorum for Steering Committee no. 4 had been provided. During this meeting, FINAC Steering Committee members adopted all documents and reports proposed in the Agenda.

### Session 4: Project Management at the Faculty of Economics and Administration MU: Why FINAC Matters? – presented by David PÓČ

Mgr. Bc. David PÓČ, Head of the Office for Strategy and Project Management, Faculty of Economics and Administration, Masaryk University presented the key contributions and benefits of FINAC project to the institution he represents. He talked about public projects as possibility of higher efficiency while allocating the public finance, and explained advantages of “the project approach”. Mr. PÓČ described the most important public projects in Czech Republic and their key sources. He also stressed out specifics of these project solved by higher education institutions in Czech Republic.

### Session 5: Security and Privacy in Public Administration in Light of EU Regulations - presented by Tomáš PITNER & Václav STUPKA

Assoc. Prof. RNDr. Tomáš PITNER, Ph.D. & Mgr. Václav STUPKA from Faculty of Informatics, Masaryk University held the lecture on Security and privacy in public administration in light of EU Regulations. The lecture gave a deeper insight into information society where the creation, distribution, use, integration and manipulation of information is a significant economic, political, and cultural activity.

The lecturers explained the influence of data security and privacy issues on public administration. After introduction of GDPR methodology to the audience, Mr. PITNER and Mr. STUPKA put the focus on specifics of preparation, cultivation and transparency of the process of applying GDPR in public administration. The audience had the opportunity to hear more about the Czech approach to data security and privacy.

### Session 6: Auditing in the Public Sector - presented by Michal STRUK

Ing. Michal STRUK from Faculty of Economics and Administration, Masaryk University, gave his observation of auditing in public sector. The participants have been familiarized with key aspect of audit, with special focus on this complex process in public sector. The presentation also dealt

with specifics of public sector in Czech Republic and added values of auditing process in this context.

### **Session 7: Creation of research oriented postgraduate study programme Regional Economics – presented by Gabriela VACEKOVÁ and Viktorie KLÍMOVÁ**

Assoc. Prof. Gabriela VACEKOVÁ, PhD and Ing. Viktorie KLÍMOVÁ, Ph.D. presented their experience in creating research oriented postgraduate study program Regional Economics. The lecturers described project timeline and key steps in project preparation and submission of project proposal. The main objective of the project is to prepare a new postgraduate programme Regional Economics using the knowledge and experience of FEA MU internal staff and experts from practice and abroad. The programme will be focused primarily on the theoretical and methodological bases for creation of development measures, policies and programmes, and evaluation of public and private projects. The presentation showed detailed project timetable and explanation of each phase of implementation, providing the participants with very valuable guidelines for creating research oriented study programmes on their own.

## **II Working Day**

### **Session 8: EAPAA (European Association for Public Administration Accreditation) – presented by Juraj NEMEC**

The second working day of this study visit began with presentation of Prof. Ing. Juraj NEMEC, CSc. Faculty of Economics and Administration, MU & NISPA CEE president. Prof. NEMEC contributed to the fourth study visit with his extensive research experience in public administration. He introduced the audience to the key features of accreditation processes in public administration context, with special focus on the work of EAPAA - European Association for Public Administration Accreditation.

### **Session 9: Overpricing of Public Procurement – presented by Michal PLAČEK**

Ing. Michal PLAČEK, Ph.D., M.Sc. from Faculty of Social Sciences, Charles University, Prague, held an interesting presentation on hot topic of public procurement overpricing. He presented their unique comparative study of the factors affecting overpricing in public procurement in

11 EU Member States. Presented research tried to answer the following questions: What influence do institutional factors have on overpricing in public contracts in low performing states compared to contracting authority decisions? What impact does the local corruption environment have on overpriced contracts? Do the results of the econometric model match the results of the Delphi panel (expert) evaluation of the impact of the local corruption environment on overpricing? Interesting concluding remarks of Mr. PLAČEK gave the overview of factors affecting overpricing as the difference between the expected price and the price actually awarded.

#### **Session 10: Institutes for Public Administrations as a bridge between universities and public administration – presented by Filip HRŮZA**

Ing. Filip HRŮZA, Head of the Public Administration Institute, Faculty of Economics and Administration, Masaryk University, spoke about the role of institutes for public administrations in filling the gap between universities and public administration. Mr. HRUZA talked about Institute for Public Administration FEA MU that was established in 2003 and the main purpose was public servants' education. The core activities of the Institute deal with expertise and analysis, education of public servants, transfer of knowledge and information, cooperation with relevant stakeholders, research or applicative projects.

#### **Session 11: Double Degree Master in Public Economics and Public Finance – presented by Jana NESVADBOVÁ, Jiří ŠPALEK, Robert JAHODA & Lucia MAKÝŠOVÁ**

This session began with presentation of Jana NESVADBOVA, Head of the Office for International Relations at MU. She introduced the key facts and figures about Masaryk University and its Faculty of Economics and Administration, with special focus on international cooperation and marketing tools used for increasing MU's and FEA's visibility in international context.

Mr. Robert JAHODA, academic guarantee of the DDP talked about MU's current study programmes in cooperation with other European Universities. He also shared with the audience what has to be done before student exchange can start and introduced the further steps in improving the current Double Degree Master in Public Economics and Public Finance.

Lucia MAKÝŠOVÁ shared her experience about the functioning of Double Degree Program from student's perspective. She talked about the course organization and curriculum, financial perspective of studying abroad, and main contributions this program made to her further education.



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### Session 12 Fiscal Sustainability: Municipal Finance in the Czech Republic – presented by Eduard Bakoš

Mr. Eduard BAKOŠ from Sustainability and Circularity Institute (SCI), Faculty of Economics and Administration, MU, gave the overview of fragmented structure of public administration in the Czech Republic. After explaining quantitative data regarding size of municipalities and structure of local government's revenues and expenditures, Mr. BAKOŠ presented case study of the Liberec municipality.

### III Working Day

#### Study visit at the Ministry of Finance of the Czech Republic in Prague

The third and last working day of study visit to Masaryk University was reserved for study visit at the Ministry of Finance of the Czech Republic in Prague. All participants had opportunity to join a guided tour of the splendid building of the Ministry and to hear presentations of the representatives of the Ministry. Mgr. Stanislav BUREŠ gave some explanations regarding Auditing Sector, Mgr. Valdemar ADAMIŠ and Nikolaj TERZIJEV held lectures on the topics of public sector accounting system reform, accounting consolidation of the state and consolidated financial statements in the Czech Republic.