

Sofinha

AND HER GANG



Ministério
do Planejamento



PRESENT:

**HOW DOES THE GOVERNMENT MUST EXPEND
THE MONEY THAT IS PAID BY SOCIETY?**

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Federal Budget Secretary.
Sofinha and her gang present: how does
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paid by society.
Brasilia, 2009.
30 p.**

**1. Public Budget. 2. Fiscal Responsibility.
I. Title.**

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GLOSSARY

Tributes

- Taxes and contributions including the products and services we use and consume.

Public Revenue

- Is the money the state collects to pay its expenses, workers and services in order to meet the needs of the population. Government revenue consists of taxes that citizens pay for the loans and the government made. The total of these values should be sufficient to pay all their expenses.

Budget Proposal

- Is the document prepared by the Government, and submitted to the legislature, containing the estimated revenues and expenditures setting next year, in order to meet the needs of the population.

Democracy

- Political system characterized by freedom to vote the candidate of choice, by the division of power and control and limit of authority.

Planning

- Process in which a target is defined, valued alternatives to realize it and choose a specific course of action. One outcome of the planning process is to prepare the work plan of the government.

Planning and Budget Analyst

- A professional career of the Federal Public Administration, member of the management cycle. It operates at higher level, supervising and coordinating the preparation, monitoring and review of the government budget and planning activities.

Public Finance

- Is a branch of economics that deals with public expenditure and how they are financed. It covers the uptake of resources by the state, its management and its spending to meet the needs of the population and the state itself.

Running costs

- Is the activity undertaken by the Government to receive and apply resources accordingly as provided in the Budget Law, by providing goods and services to citizens.

Public Management

- Act of administering public resources to achieve the desired results.

Participatory Budget

- Is a tool that allows citizens to influence or decide on public budgets.

CROSS WORD PUZZLE

1. The Federal Budget Secretariat – (**SOF** is the acronym in Portuguese) is a central organ of the system of **Planning and Budget** of the Union, founded in 1971. Today is linked to the Ministry of Planning, Budget and **Management**.
2. One of the powers of the SOF is to coordinate, consolidate and monitor the preparation of the Budget Guidelines Law – **LDO** and the Annual Budget Law - **LOA**.
3. We hope you have learned a great deal.

Locate and highlight the words down in the table.

T	U	E	H	K	R	L	V	M	W	Q	Y	I	E	U	B	D	R	X	G
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PRESENTATION

The government budget is a very important issue for the country in general and for the people's lives in particular. However, few people are able to read and understand the public budget, due to its presentation in an unfamiliarly complex language, compromising the acknowledgement of its importance in their lives. This occurs because the technique is that it's usually presented is difficult to understand for those not yet familiar with the matter.

In order to facilitate people's understanding of the public budget, the Federal Budget Secretary (corresponding to the acronym SOF in Portuguese), which is an institution under the Ministry of Planning, Budget and Management, decided to elaborate a primer on Public Budget in a very simple language, easily understood by all, including basic education students.

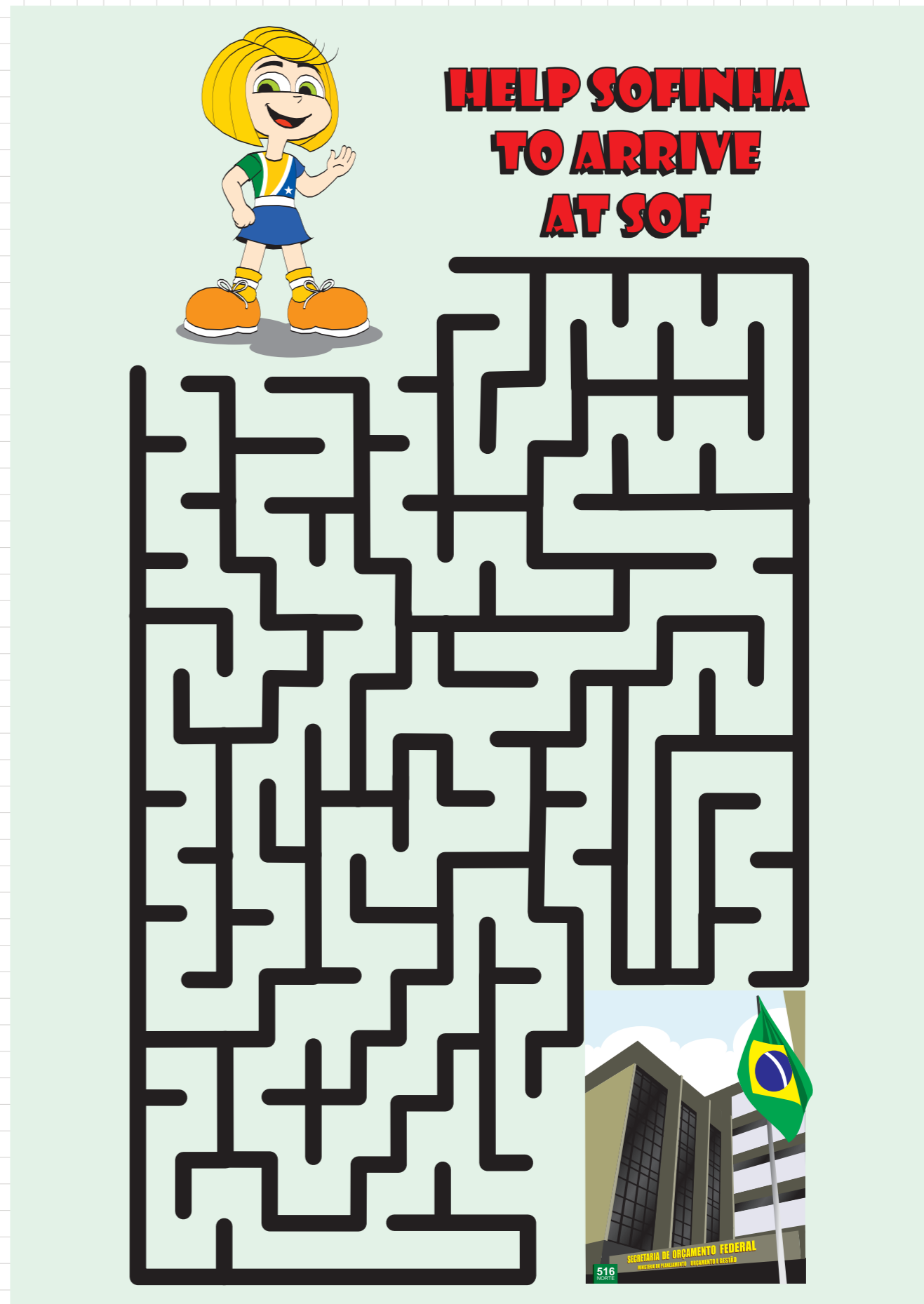
To make the reading interesting and enjoyable, the primer was designed in a comic shape, in which we present the daily life of an ordinary family. The main character of the story is Sofinha, a friendly and very intelligent girl, who gradually learns about the Public Budget with her family, at school and with her friends.

We wish you to enjoy this primer and hope you discover, along with Sofinha, the important things that the Budget means to your life and family as well as to Brazil.



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NORTE

SECRETARIA DE ORÇAMENTO FEDERAL
MINISTÉRIO DO PLANEJAMENTO ORÇAMENTO E GESTÃO



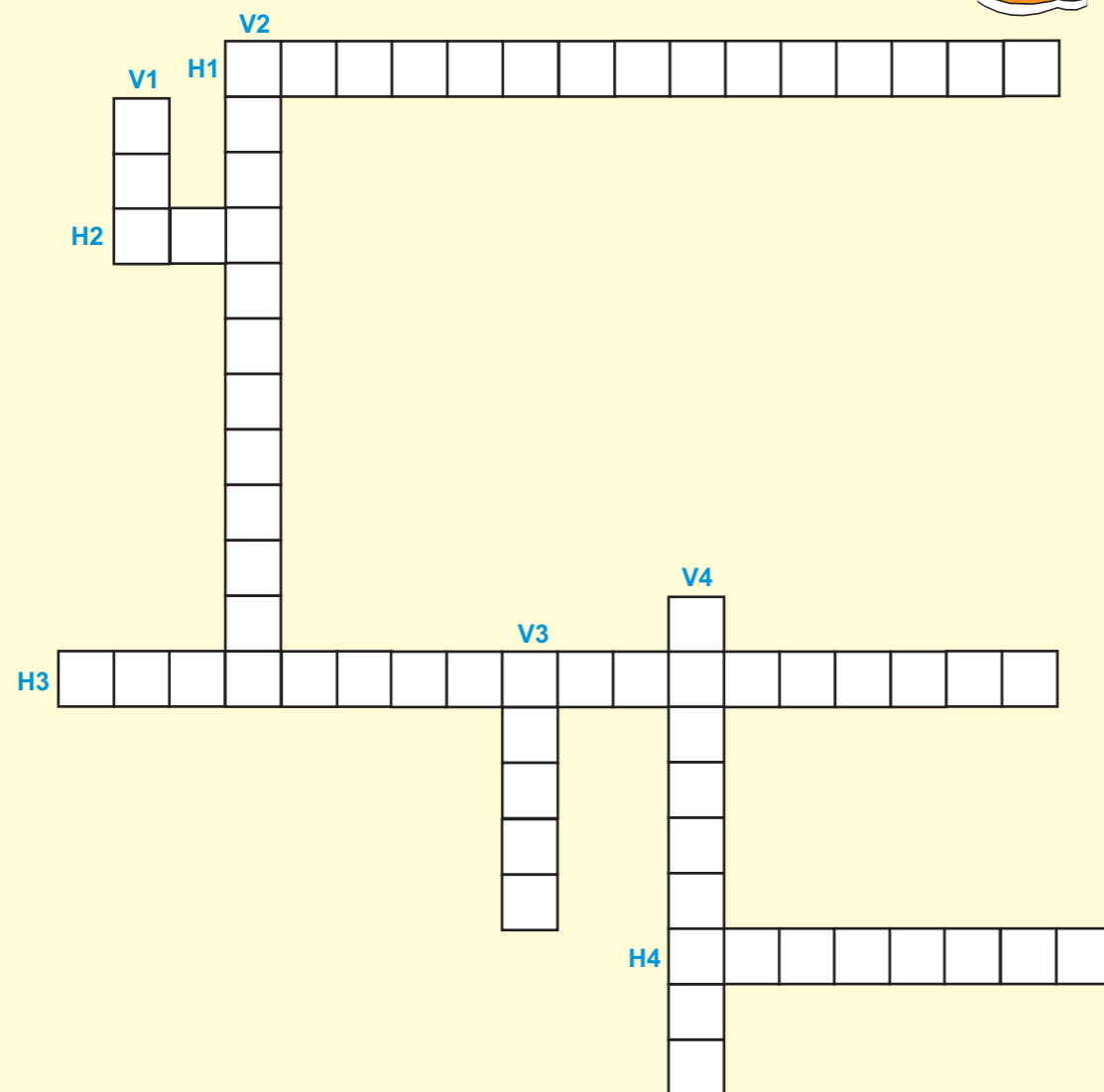
CROSSWORDS

VERTICAL (V)

- 1- Body that prepares the Public Budget.
- 2- The tool that government uses to organize the money received and the way to expend it.
- 3- Composes the government's income.
- 4- Political system characterized by freedom to vote for the candidate you want, by the separation of powers, and by control and limitation of authority.

HORIZONTAL (H)

- 1- Act to manage public resources in order to achieve awaited results.
- 2- Law that encourages governments to act responsibly in managing public resources.
- 3- Tool that allows the citizens to influence or decide about public budgets.
- 4- They represent the people in municipalities.



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Sofinha

And her gang

HI, GUYS
I AM
SOFINHA
AND I WILL
PRESENT
MY GANG



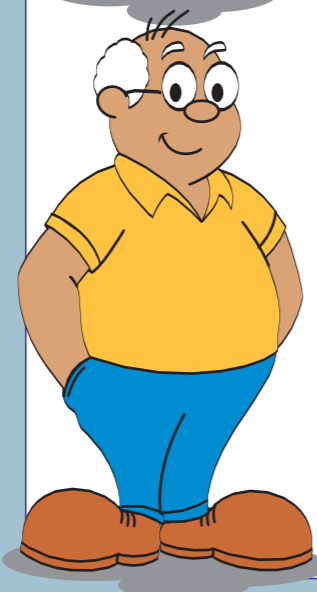
This is my father. His name is **Américo**. He is a Federal Treasury official. He is thoughtful, hard worker and very passionate for...



Josi... my mother, who is manager at the bank where she works very hard, but she always have enough time to devote attention to her family. She takes good care of me and...



... my younger brother, **Kiko**. He is a little bit cheeky, very happy and we like very much to play together, Kiko is...



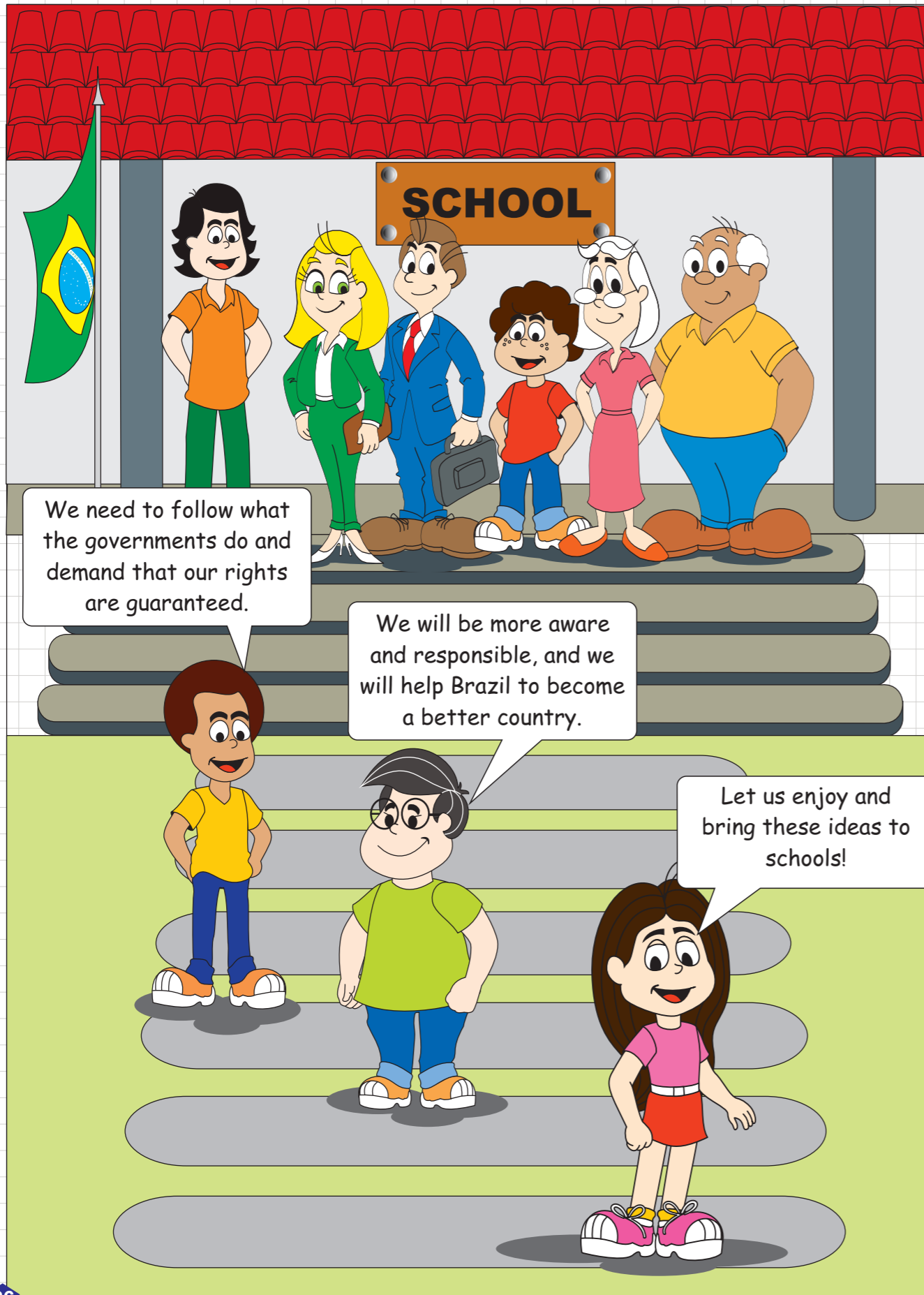
... the favorite of my grandfather **Antenor** who worked for many years as Planning and Budget Analyst. Grandpa is married to my grandmother **Mary Joseph**, a retired teacher. They live on a farm near the city.



That's right folks, wait for us!



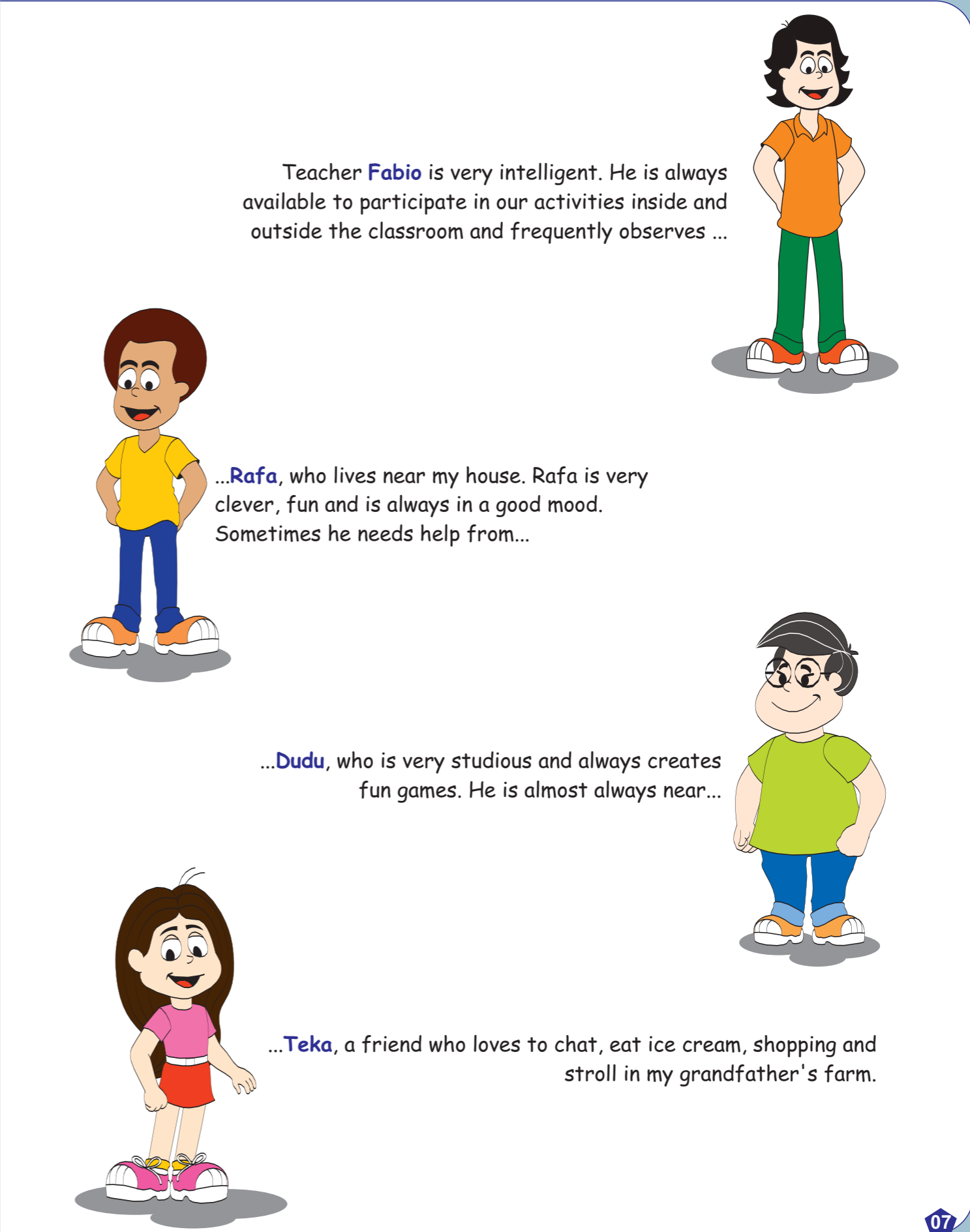
END



We need to follow what the governments do and demand that our rights are guaranteed.

We will be more aware and responsible, and we will help Brazil to become a better country.

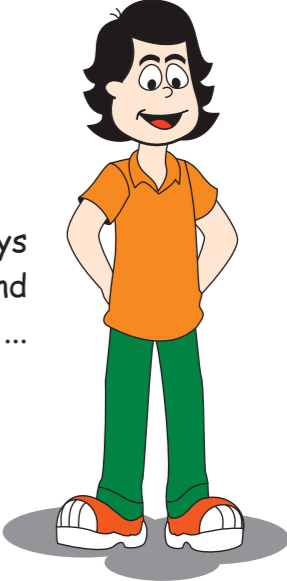
Let us enjoy and bring these ideas to schools!



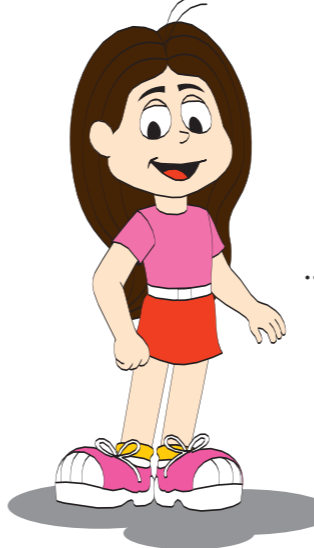
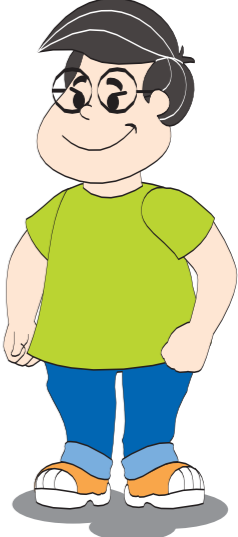
Teacher **Fabio** is very intelligent. He is always available to participate in our activities inside and outside the classroom and frequently observes ...



...**Rafa**, who lives near my house. Rafa is very clever, fun and is always in a good mood. Sometimes he needs help from...



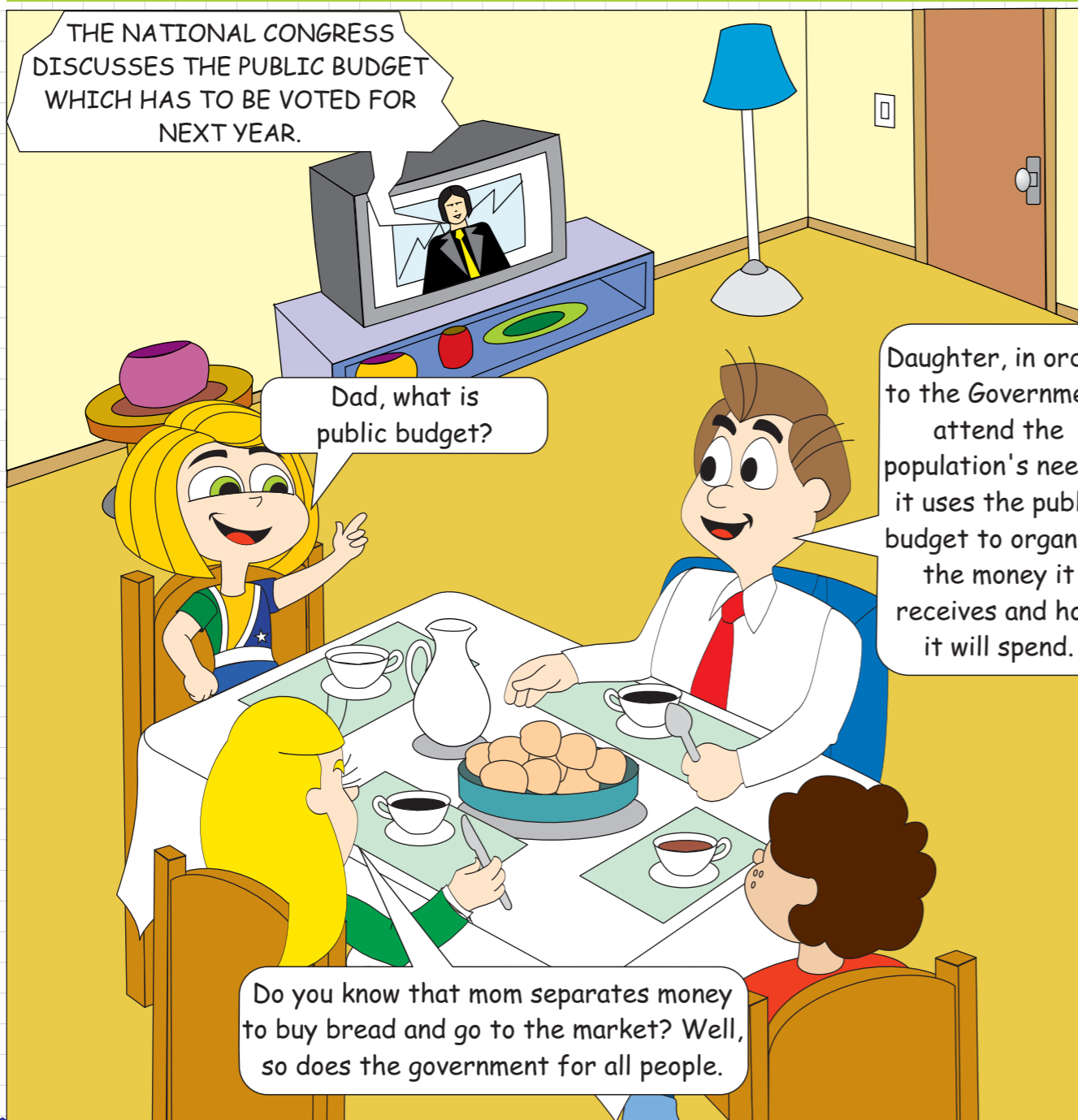
...**Dudu**, who is very studious and always creates fun games. He is almost always near...



...**Teka**, a friend who loves to chat, eat ice cream, shopping and stroll in my grandfather's farm.

WHAT IS PUBLIC BUDGET?

THE NATIONAL CONGRESS DISCUSSES THE PUBLIC BUDGET WHICH HAS TO BE VOTED FOR NEXT YEAR.

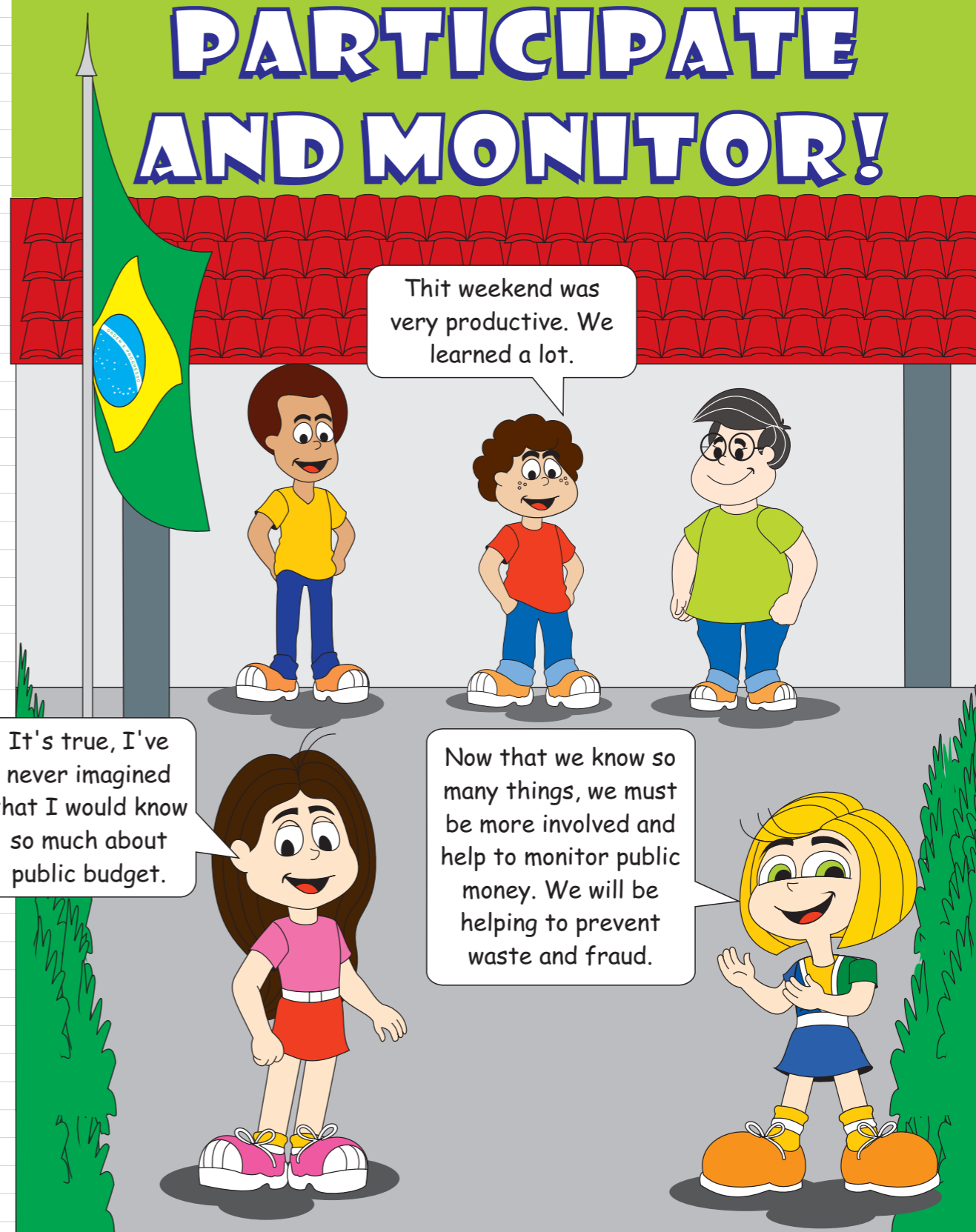


Dad, what is public budget?

Daughter, in order to the Government attend the population's needs, it uses the public budget to organize the money it receives and how it will spend.

Do you know that mom separates money to buy bread and go to the market? Well, so does the government for all people.

LET'S PARTICIPATE AND MONITOR!



This weekend was very productive. We learned a lot.

It's true, I've never imagined that I would know so much about public budget.

Now that we know so many things, we must be more involved and help to monitor public money. We will be helping to prevent waste and fraud.

FISCAL RESPONSIBILITY LAW

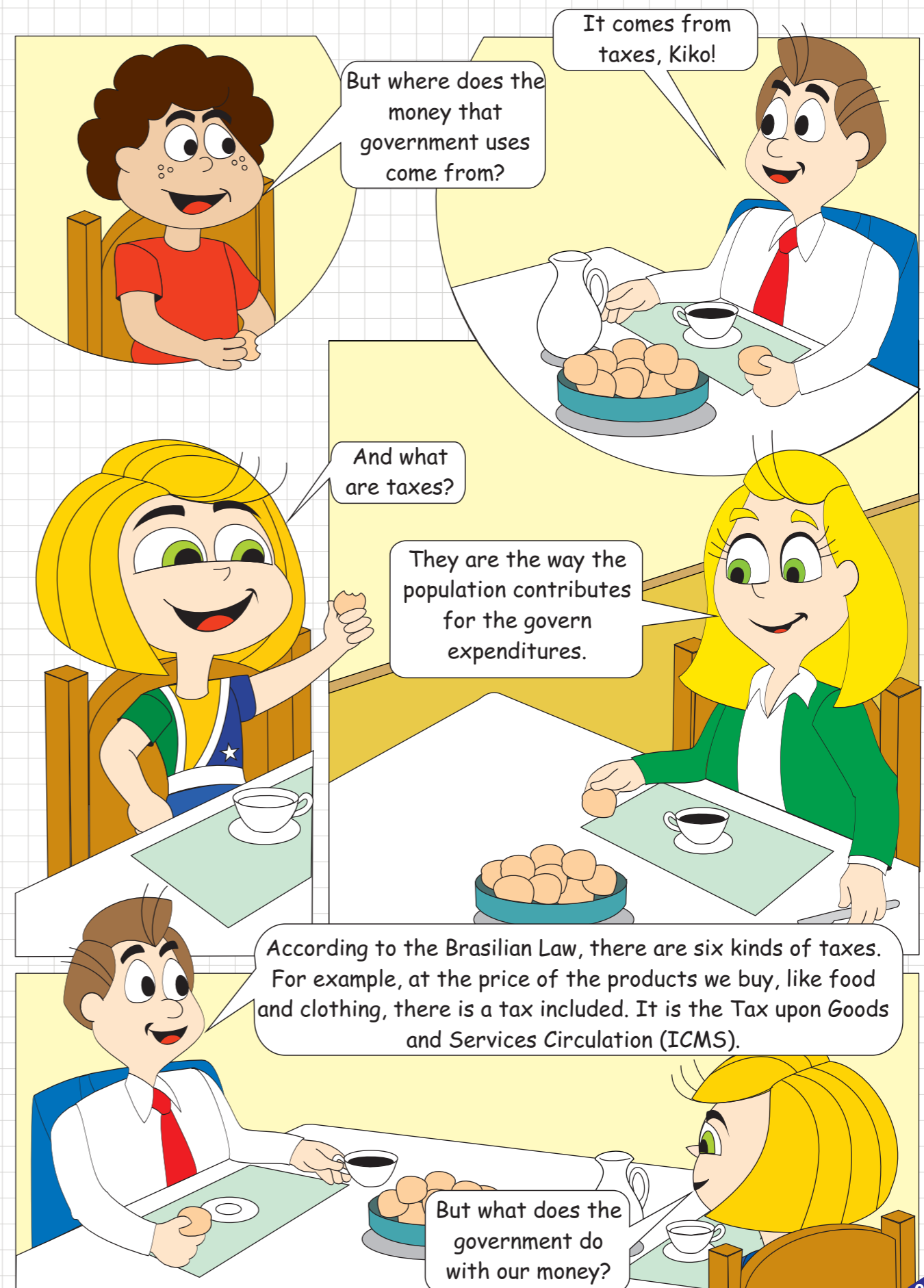
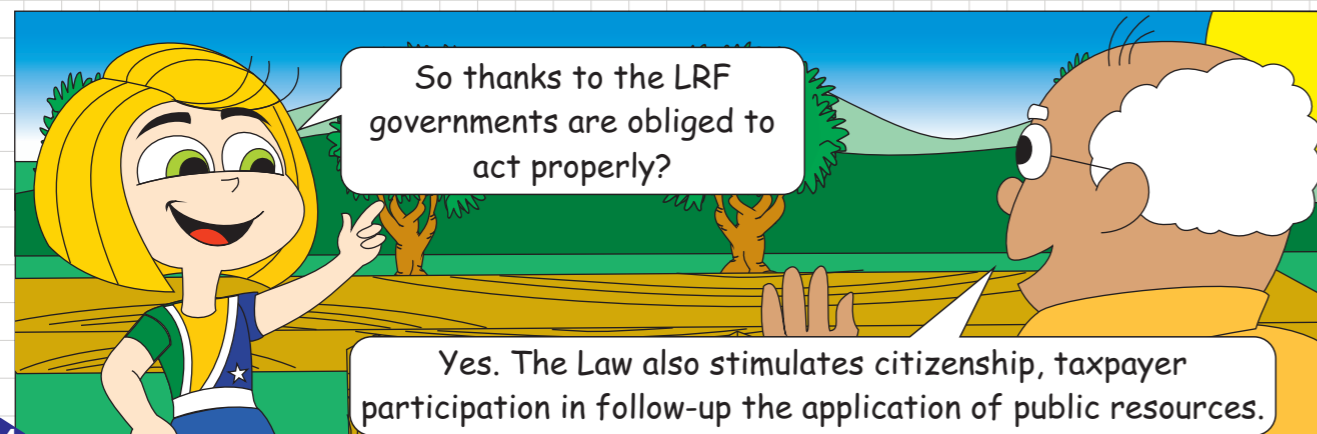


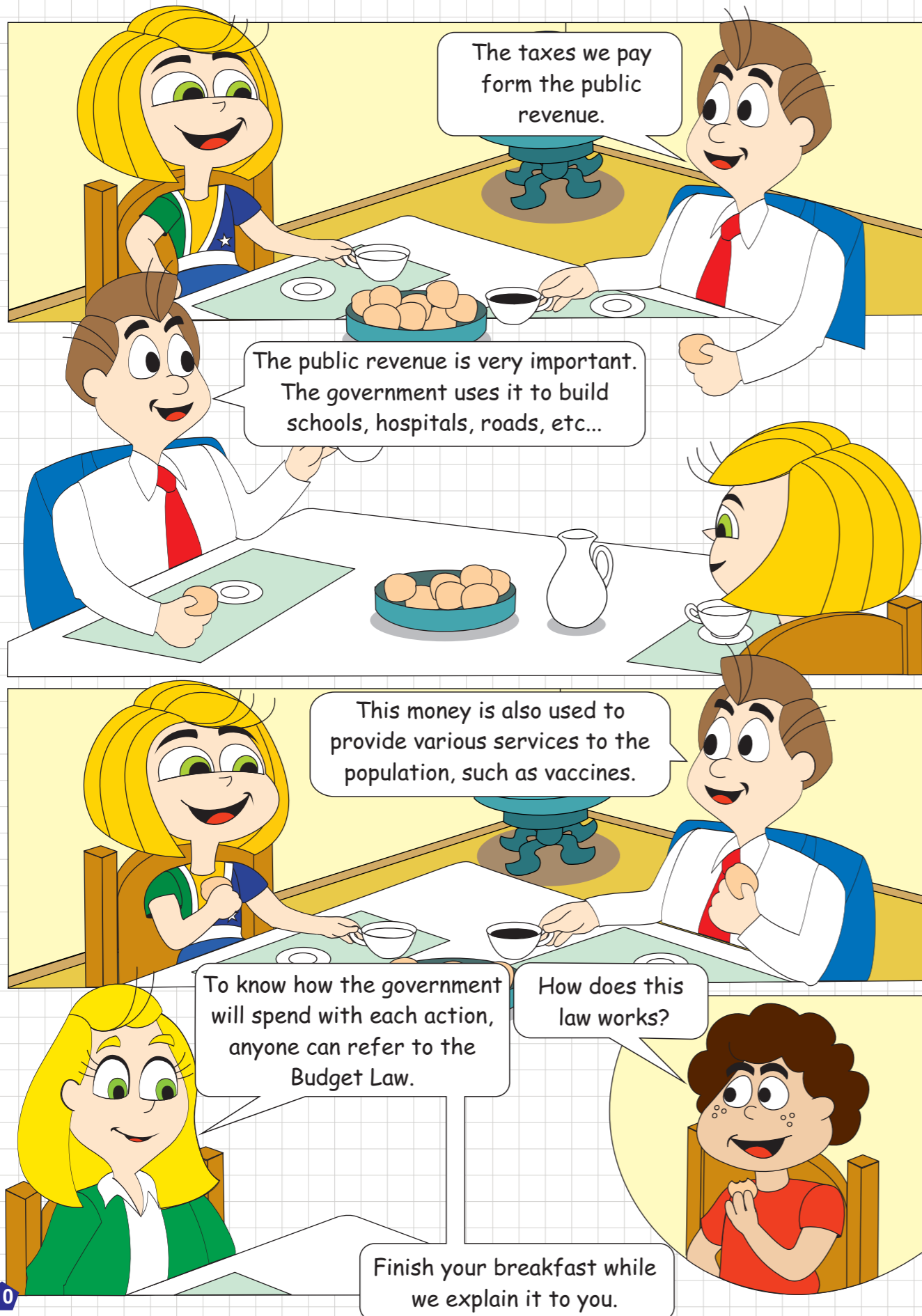
Sure, he can Sofinha.

The Fiscal Responsibility Law - LRF encourages to act in a more responsible way when you manage public resources. The money use has to be planned and justified.

The law prevents governments from spending more than they receive. They cannot create imbalance in public accounts.

The data must be available for consultation by any citizen.





The taxes we pay form the public revenue.

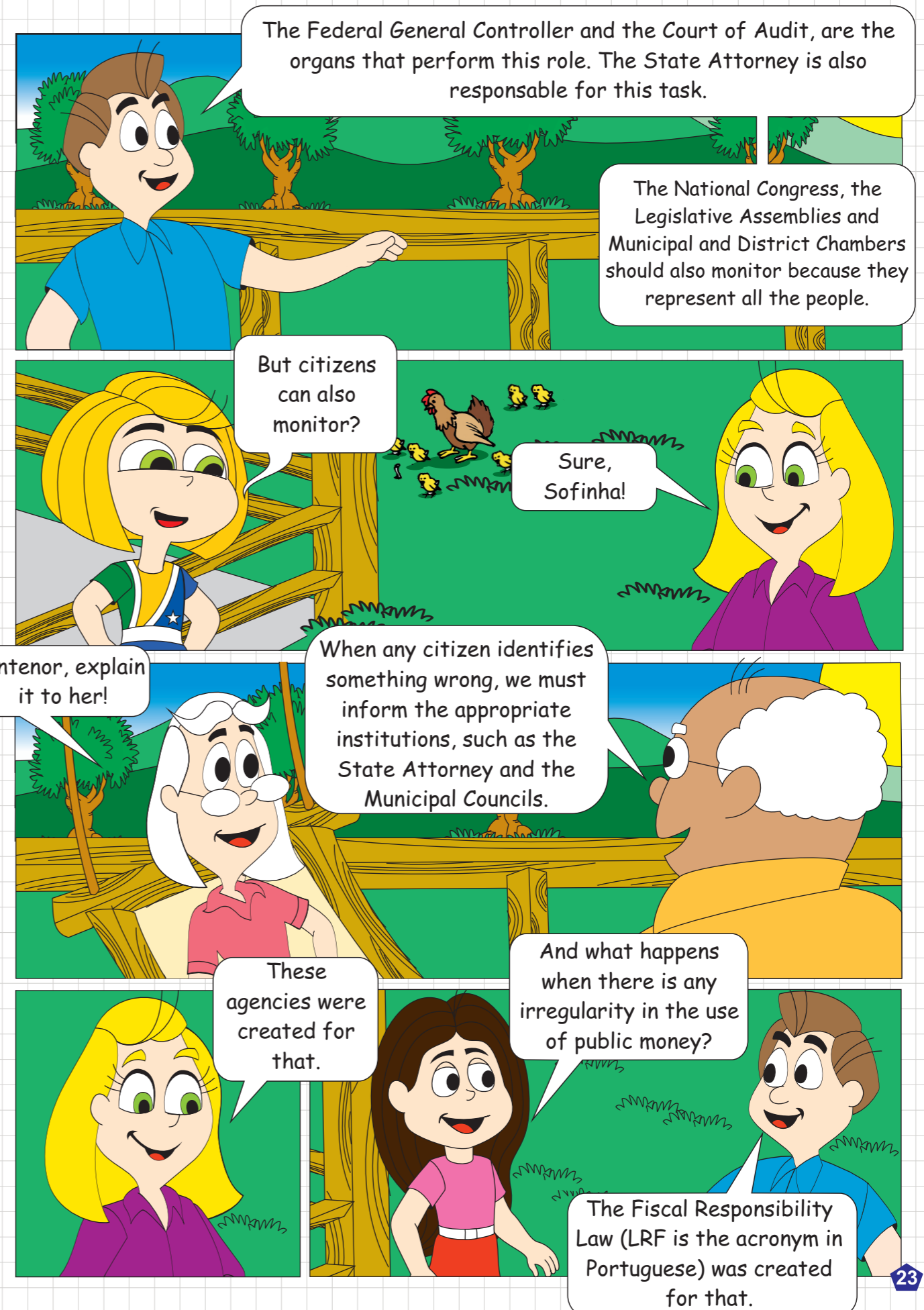
The public revenue is very important. The government uses it to build schools, hospitals, roads, etc...

This money is also used to provide various services to the population, such as vaccines.

To know how the government will spend with each action, anyone can refer to the Budget Law.

How does this law work?

Finish your breakfast while we explain it to you.



The Federal General Controller and the Court of Audit, are the organs that perform this role. The State Attorney is also responsible for this task.

The National Congress, the Legislative Assemblies and Municipal and District Chambers should also monitor because they represent all the people.

But citizens can also monitor?

Sure, Sofinha!

Antenor, explain it to her!

When any citizen identifies something wrong, we must inform the appropriate institutions, such as the State Attorney and the Municipal Councils.

These agencies were created for that.

And what happens when there is any irregularity in the use of public money?

The Fiscal Responsibility Law (LRF is the acronym in Portuguese) was created for that.

HOW DOES THE CONTROL WORK?



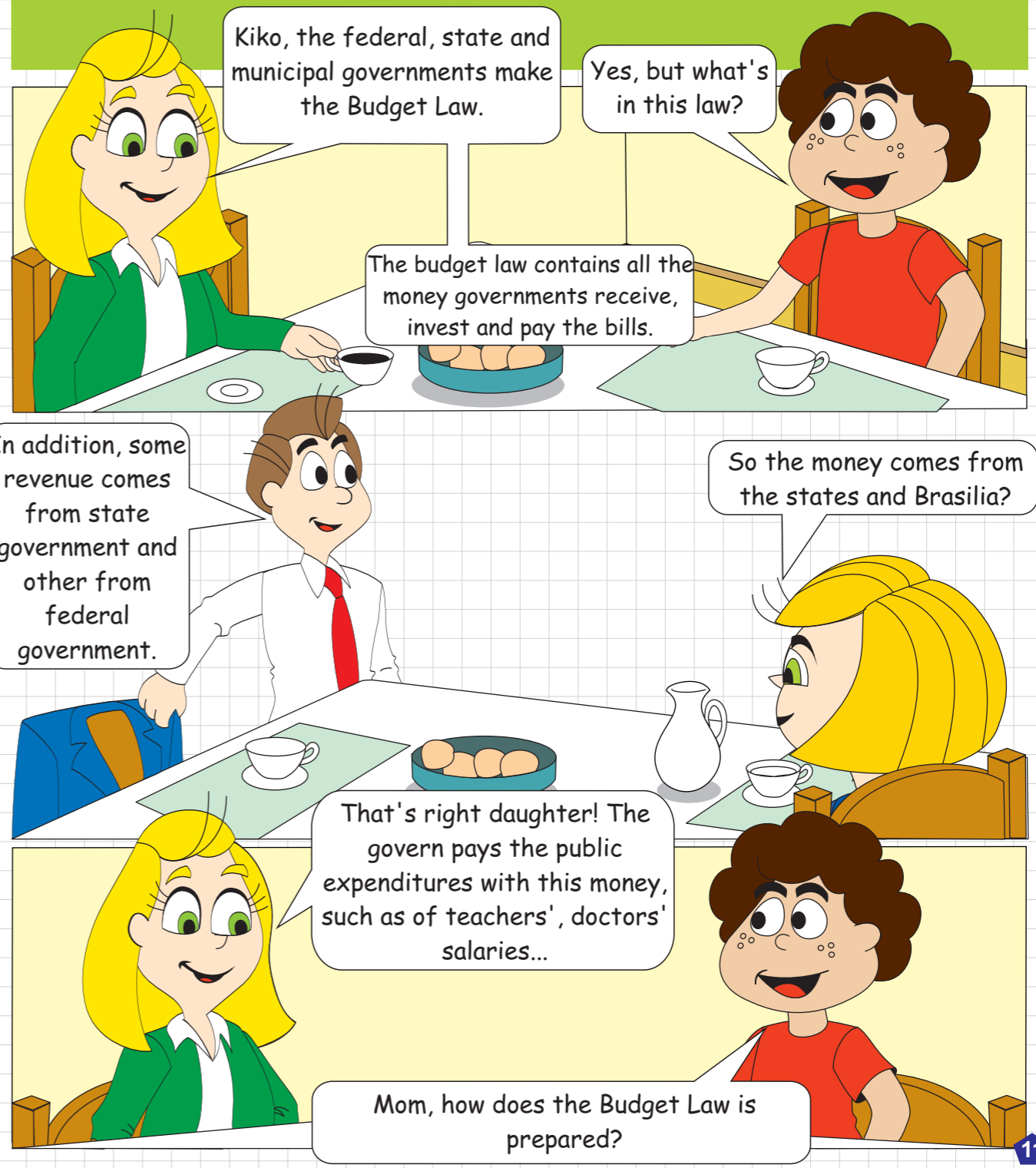
SATURDAY MORNING...

Grandpa, we learned that a well-executed public budget is a guarantee to improve life for all.

And who watches the execution?

There are specialized agencies in government to do that. One function is to check the managers' behavior in the use of public resources.

BUDGET LAW



Kiko, the federal, state and municipal governments make the Budget Law.

Yes, but what's in this law?

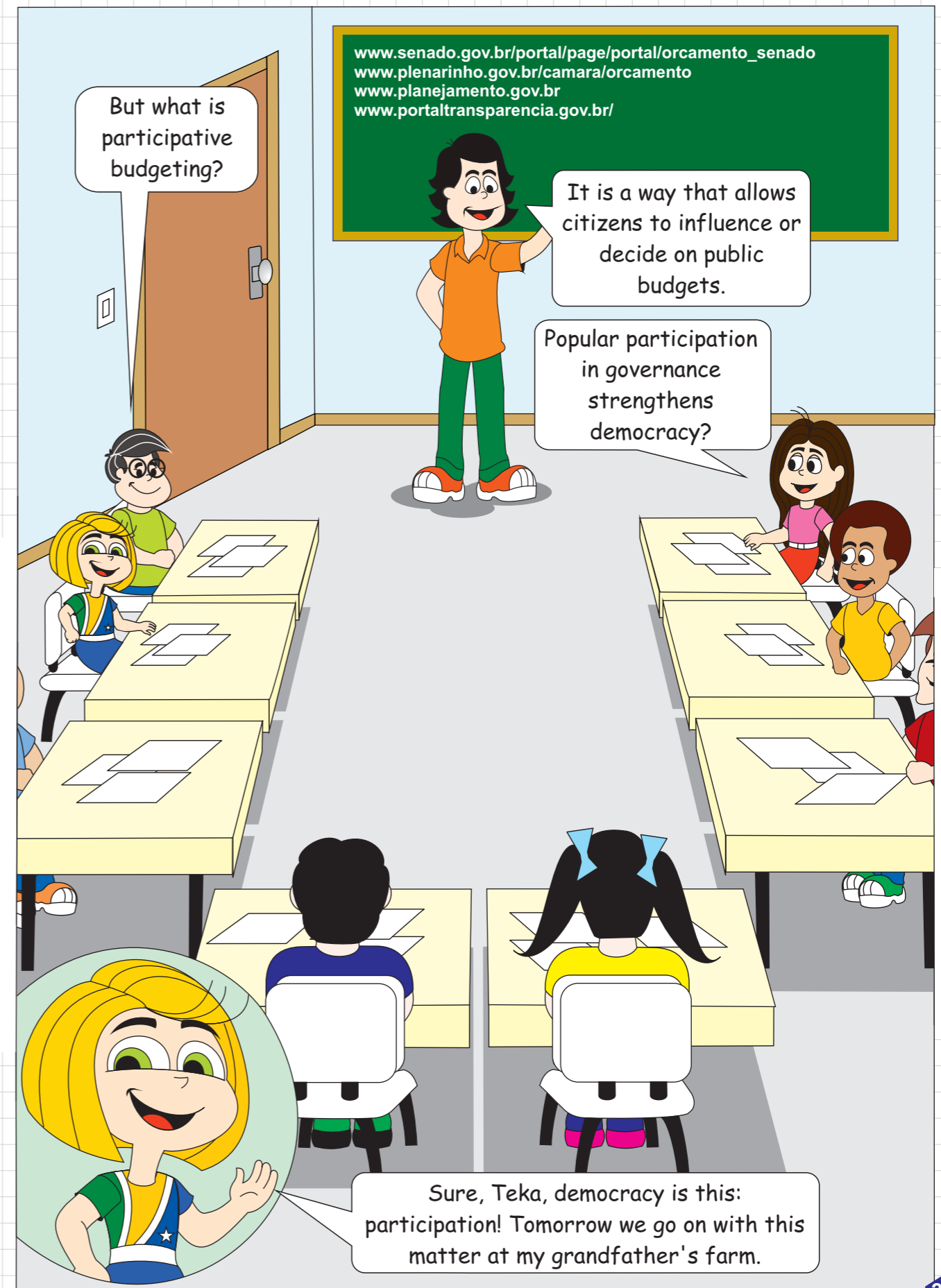
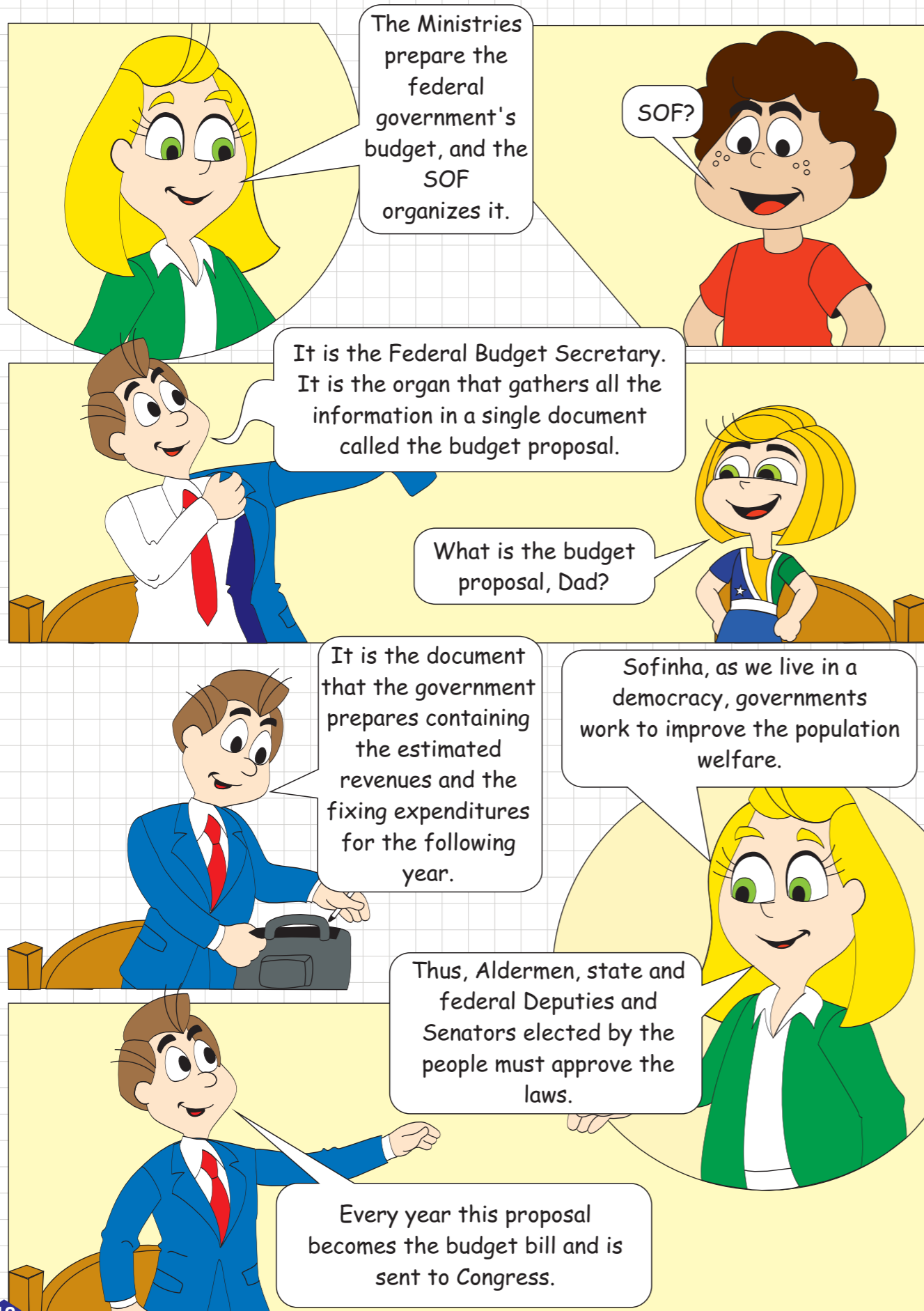
The budget law contains all the money governments receive, invest and pay the bills.

In addition, some revenue comes from state government and other from federal government.

So the money comes from the states and Brasilia?

That's right daughter! The govern pays the public expenditures with this money, such as of teachers', doctors' salaries...

Mom, how does the Budget Law is prepared?



If the budget is not properly executed, many services and investments are not made.

Uncle Americo told us that we need to know the budget, in order to find out whether governing are fulfilling what was planned.

Of course! It is important to be well informed of them demanding the execution of planned expenditure.

I think the budget language is very technical and complicated.

But the government, through the SOF, seeks to facilitate citizen access to that language. An example is the budget primer.

That's good! It is a way of knowing how public money is spent.

Moreover, when people decide together with the government, this process is called participative budgeting.

www.portaltransparencia.gov.br/portal/page/portal/orcamento_senado
www.camara.gov.br/camara/orcamento
www.portaltreasury.gov.br
www.portaltransparencia.gov.br/

What is next?

At the Congress of Deputies and Senators analyze it, discuss it and if necessary, add alterations.

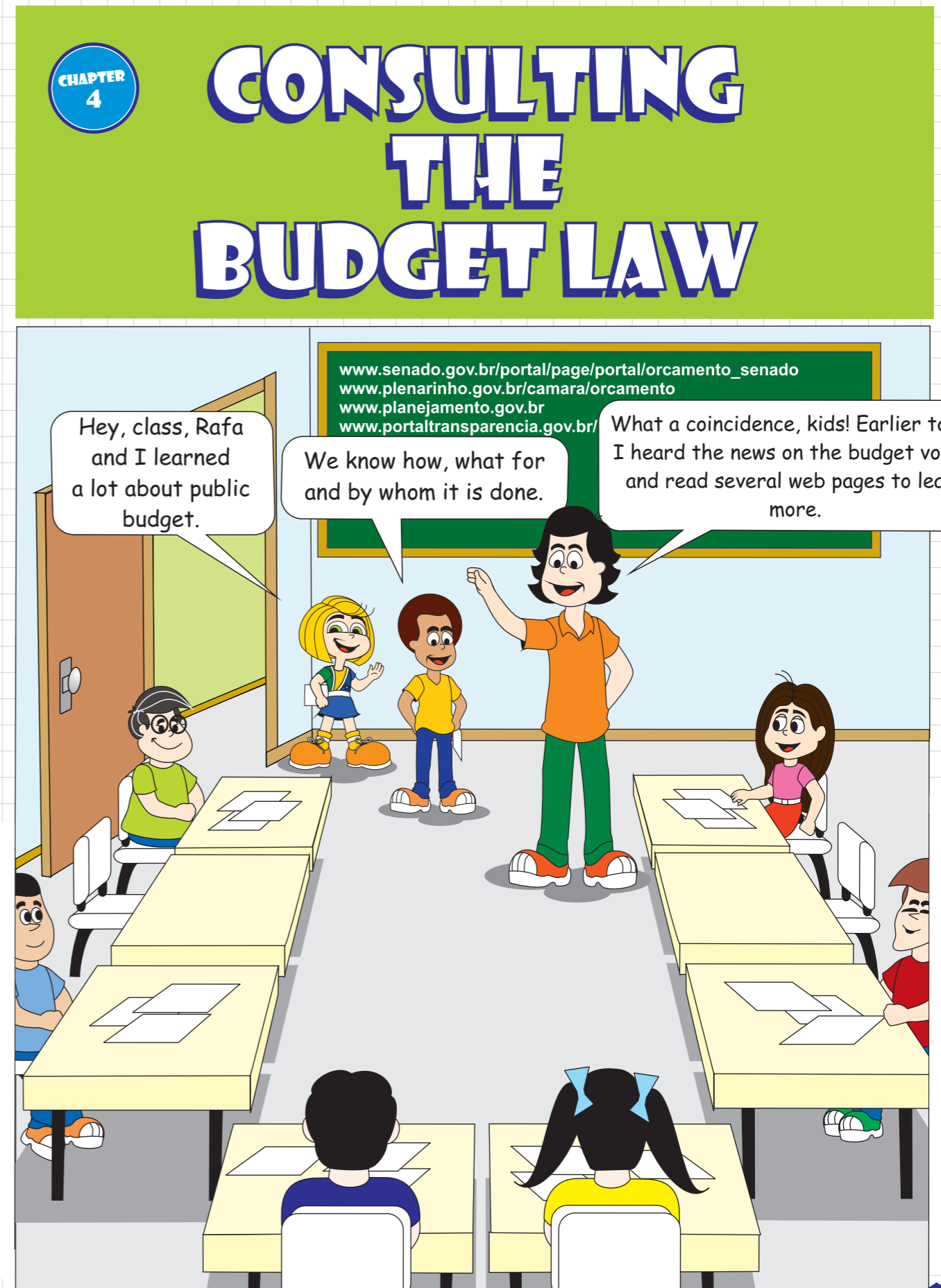
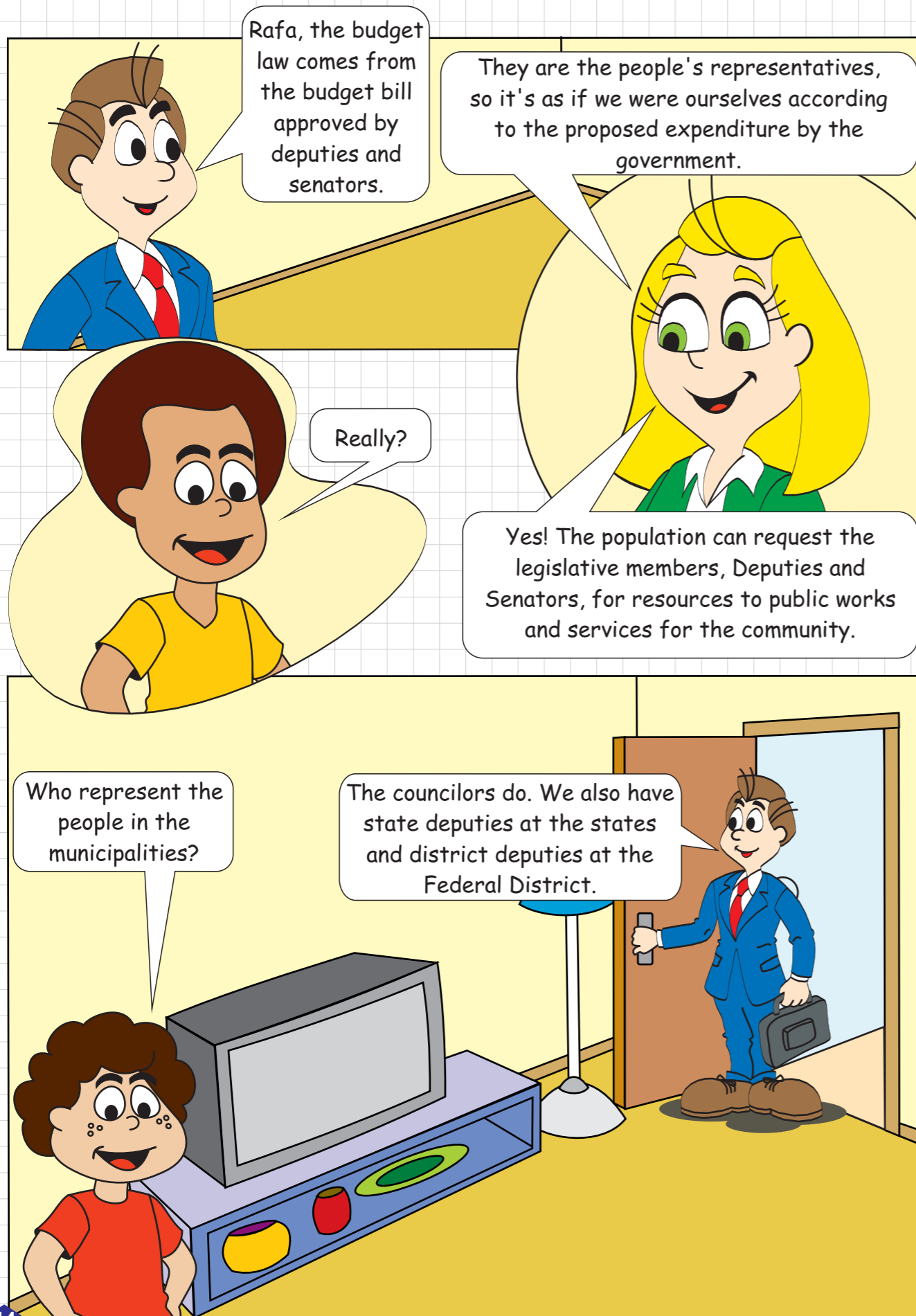
After voted with the President's approval, the bill becomes the Annual Budget Law - LOA.

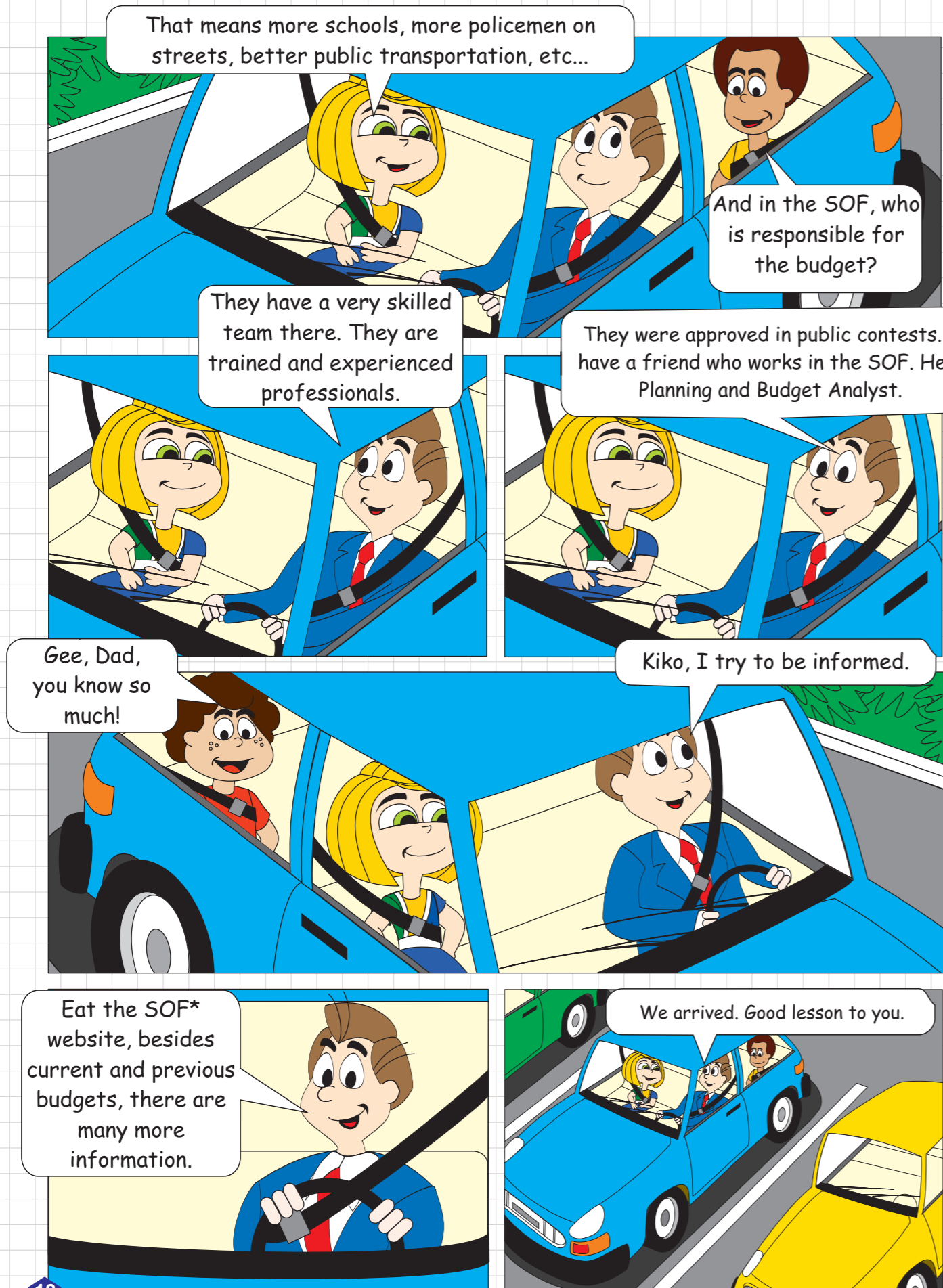
BLIM BLOM

Hello! I'm here for my ride?

Rafa, if you're so smart, tell me where does the LOA come from?

Oh, Sofinha, you're kidding!





That means more schools, more policemen on streets, better public transportation, etc...

And in the SOF, who is responsible for the budget?

They have a very skilled team there. They are trained and experienced professionals.

They were approved in public contests. I have a friend who works in the SOF. He's Planning and Budget Analyst.

Gee, Dad, you know so much!

Kiko, I try to be informed.

Eat the SOF* website, besides current and previous budgets, there are many more information.

We arrived. Good lesson to you.

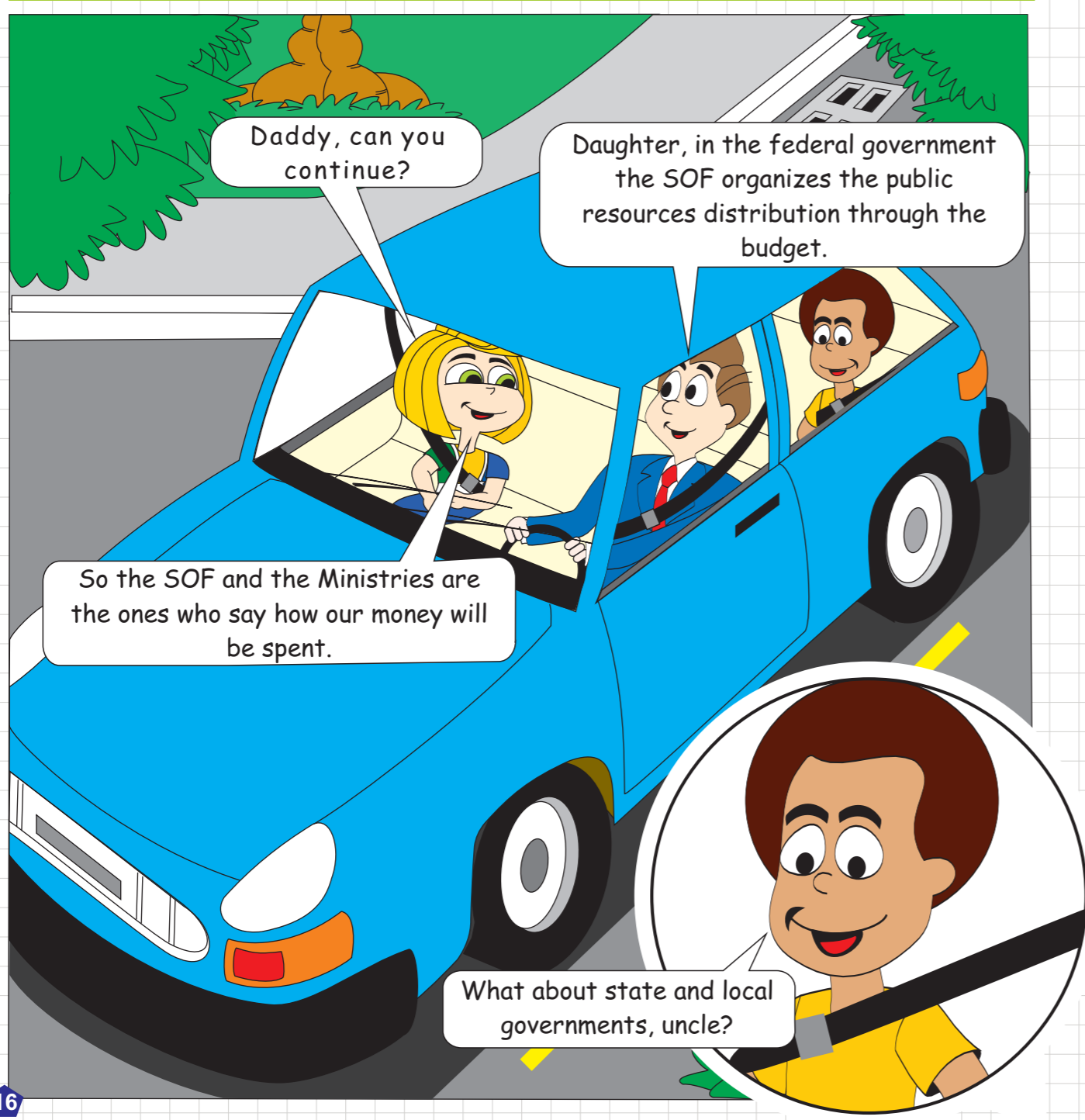


Who defines how our money is spent?

Well, we talk about it on the way to school. Let's go, we are already late!

THE ROLE OF SOF

FEDERAL BUDGET SECRETARY

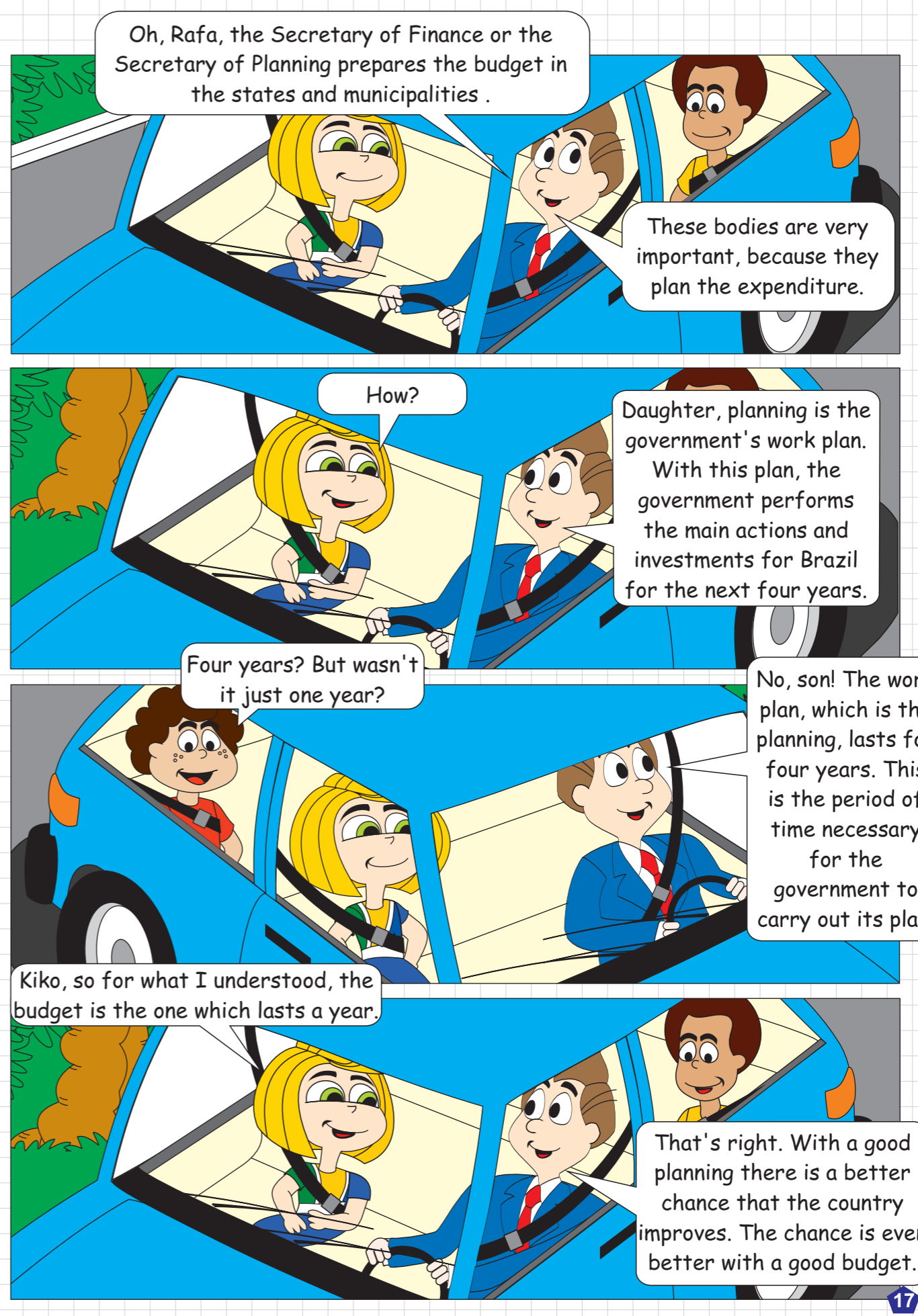


Daddy, can you continue?

Daughter, in the federal government the SOF organizes the public resources distribution through the budget.

So the SOF and the Ministries are the ones who say how our money will be spent.

What about state and local governments, uncle?



Oh, Rafa, the Secretary of Finance or the Secretary of Planning prepares the budget in the states and municipalities .

These bodies are very important, because they plan the expenditure.

How?

Daughter, planning is the government's work plan. With this plan, the government performs the main actions and investments for Brazil for the next four years.

Four years? But wasn't it just one year?

No, son! The work plan, which is the planning, lasts for four years. This is the period of time necessary for the government to carry out its plan.

Kiko, so for what I understood, the budget is the one which lasts a year.

That's right. With a good planning there is a better chance that the country improves. The chance is even better with a good budget.