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**GUATEMALA**

## SUCCESS STORY

# Strengthening Granados' Operations

### USAID introduces new operational systems to Granados



[Photo Credit]: Valentin Tavco PDGL USAID

*USAID, through the PDGL program, directly assists municipalities such as Granados in improving financial operations systems by providing technical assistance to municipal staff in the actual municipality rather than requiring staff to travel to a larger region to receive assistance. Training staff in their actual place of work creates sustainability by relating new practices to the improvement of day to day activities.*

*In a letter to the Municipal Treasurer of Granados, Jose Rodolfo Rivas Hernandez kindly thanked the PDGL staff for providing technical assistance directly to the municipality, stating that often, assistance is offered outside of the municipality but due to travel conditions and lack of funds, it is difficult for municipal staff to leave their homes to receive assistance. Granados expressed its gratitude towards PDGL for its willingness to bring the technical assistance to them.*

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In order to support the AFIM (Unit for Integrated Municipal Financial Administration), USAID, through the Decentralization and Local Governance Program (PDGL, acronym in Spanish), has provided extensive technical assistance to the municipality of Granados in updating its operational systems to achieve more effective financial reporting. In the past, the finance and administration staff of Granados has had to utilize outdated methods for fiscal reporting, relying heavily on manual data entry and book keeping. Through the PDGL's assistance in conjunction with AFIM staff, Granados is on its way to more efficient reporting.

The PDGL program staff has worked side by side with Granados' administrative and finance staff to diagnosis problem areas in their outdated system and to brainstorm on how to better their reporting systems and improve results. Through technical assistance, the PDGL staff has been able to train Granados' staff on new software accounting programs which reduce the likelihood of error from manual data entry and produce results reports at a faster rate. With these new official systems, Granados hopes to reconcile funds more frequently and make the data available to citizens and the private sector.

USAID, through the PDGL program, has budgeted funds for fiscal year 2007 which will cover the cost of new computers for Granados' administrative and finance staff. With the new technology and equipment, Granados hopes to be up to speed with the surrounding municipalities in their financial reporting to the central government. Better financial reporting for Granados will help the municipality to improve its decision making process for budget allocations and will show the central government Granados' ability to correctly appropriate and reconcile government funding. USAID, through the PDGL program also intends to strengthen citizen participation and the level of trust citizens have in their municipality's spending by updating operational systems which will be more stringent in reconciling the allocation of funds and will improve tools for municipal performance measurement.