

Decentralization of financial administration: Analysis of the creation of executing management units within the scope of the PMPA



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ABSTRACT

The article analyzes financial administration within the Military Police of Pará (PMPA), from the perspective of decentralization through the creation of new executing management units (UGEs). The research had the general objective of analyzing this decentralization as an instrument of excellence and innovation for the budgetary and financial management of the Corporation. The problem asks whether there are factors that justify the implementation of UGEs, making financial execution more efficient. A qualitative approach was adopted, with technical procedures of

bibliographic and documentary research. The results revealed that PMPA's budget increased by 48.8% between 2019-2022, however the total commitments grew less. In addition, expenses with allowances and supplies represent most commitments, although they are a small part of the total executed. This demonstrates excessive centralization and lack of criteria in the allocation of resources. Thus, the analysis indicates problems such as possible underutilization of the budget, concentration of commitments in allowance/supply expenses and lack of systematic planning in resource allocation. It is concluded that decentralization through UGEs is necessary to modernize and improve PMPA's financial administration, providing greater efficiency, transparency, and control over the process. UGEs would allow better budget planning and execution by local managers, according to the specific demands of the regions and operational activities. The research proves that financial decentralization in PMPA could bring managerial and compliance benefits.

Keywords: Financial administration, Military Police of Estado do Pará (PMPA), Decentralization, Executing management units, Efficiency.

1 INTRODUCTION¹

Research on the functioning of budget and financial management is essential for the optimization of its procedures and greater effectiveness of its objectives. The analysis proposed in this study sought to carry out a specific examination of the current circumstances of the financial administration of the Military Police of Pará, with the purpose of contributing to the knowledge and understanding of financial decentralization as an institutional instrument of excellence and innovation.

Complementary Law No. 053, of February 7, 2006, provides for the basic organization of the Military Police of Pará, defining the structure of the Corporation into Directing, Support and Execution

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bodies. The management bodies are subdivided into general management, middle management and sectoral management bodies. The Executive Boards are sectoral management bodies and carry out sectoral management activities, directing and controlling, through directives and orders issued by the general management bodies, the performance of subordinate support and execution bodies. According to article 31 of the law, "The Finance Board is responsible for managing the finances of the Corporation, through the direction and control of financial and accounting activities" (PARÁ, 2006).

Currently, the Military Police of Pará centralizes financial administration in a single management unit, the Directorate of Finance, headquartered at the General Command in Belém. This entails administrative overhead due to the large volume of payment processes. Consequently, the risks of losses in future audits and in the development of strategic management are increased, given the precariousness in the provision of detailed management information. This is because the administrative efforts focus on complying with the voluminous financial execution of the Corporation, which can compromise management and generate accountability problems with the State Court of Accounts.

As established in the Manual for the Preparation of the Annual Budget Law of the Government of the State of Pará (2022), financial management is the action of managing public and private financial resources. It is the process of managing the budget, including planning, control, and allocation of available resources, with a view to meeting the set goals. Financial execution, on the other hand, corresponds to the "use of financial resources to meet the accomplishment of the subprojects and/or subactivities assigned to the budget units" (PARÁ, 2022, p. 219). In other words, it is the practical implementation of the budget, with the effective use of resources to carry out the programmed activities.

According to Law No. 9,851, of January 12, 2023, which established the budget of the State of Pará, estimating revenues and setting expenses for the 2023 financial year, the PMPA had a budget forecast of R\$ 1,849,979,310.00. Another relevant aspect concerns the personnel of the Military Police of Pará, set at 32,500 (thirty-two thousand five hundred) military police officers, by Complementary Law No. 165, of April 28, 2023, distributed in the cadres, categories, ranks and grades of the Corporation, as well as the scope, since it is present in the 144 municipalities that make up the State, composed of several general management, sectoral management and execution bodies.

The research aimed to draw a situational diagnosis of the current financial management of the Corporation, pointing out possible problems that could be overcome with the creation of new executing management units. It is considered that, in many cases, military police organizations have unique realities that require specific actions. This is particularly important in the State of Pará, with its large territorial extension and regions with distinct characteristics from the Metropolitan Region².

² The Metropolitan Region of Belém was created by State Complementary Law No. 27, of October 19, 1995, and consists of Belém and 7 other municipalities: Ananindeua, Marituba, Benevides, Santa Bárbara do Pará, Santa Izabel do Pará, Castanhal and Barcarena.



In view of this, the research problem was constructed as follows: are there factors that justify the implementation of the procedure of decentralization of credits within the scope of the PMPA, making financial execution more efficient?

To answer the question, the following guiding questions were: a) Does the current financial management model of the PMPA provide mechanisms so that the execution does not deviate from the initial planning? b) Does the use of only one management unit by the Corporation strengthen the instruments for evaluating and controlling government action? c) What is the impact of the creation and implementation of new Executing Management Units for financial management in the Pará Military Police?

The study was justified by the institutional relevance, considering that the creation of new executing management units within the scope of the PMPA would contribute to the better functioning of the financial and budgetary administration, due to the greater capacity for self-administration of the resources destined to its costing. In addition, it would provide for the adoption of transparent procedures accessible to the general public, contributing to a more participatory and efficient management. As Di Pietro (2018, p. 178) argues, this management should act not only within the law, but aiming at positive results and satisfactory fulfillment of collective needs.

The general objective of the research was to analyze the financial administration within the scope of the Military Police, from the perspective of decentralization through the creation and implementation of new executing management units. And as specific objectives, we had: a) To identify the current structure of the Responsible Management Unit in the Finance Department of the PMPA; b) To present the academic production on administrative decentralization, with examples of the application of decentralization in other Secretariats of State and in other States of the federation; and c) Analyze the advantages and disadvantages for administrative modernization resulting from the creation and implementation of new Executing Management Units within the scope of the PMPA.

The work was divided into three parts: introduction, methodology and development. In the latter, a literature review was carried out, detailing the theoretical framework of the research, based on bibliographic and documentary research, and also the presentation and analysis of the results, through the tabulation of the collected data, where the current panorama of budget and financial management in the PMPA was evidenced, pointing out difficulties and proposing modernization.

2 METHODOLOGY

According to Gil (2010), the development of a research is justified when there is not enough information to answer a problem or when the available information is not systematized. According to Berto and Nakano (1998, p. 4), "the research methods and instruments used for data collection should be chosen and organized according to the purpose of each investigation".



As for the technical procedures, the present work used bibliographic and documentary research. The bibliographic research seeks to deepen the knowledge on the subject and theoretically support the study. It is based on printed and *online material*, according to Gil (2010). The objective is to put the researcher in contact with everything that has been published on the subject, being one of the main sources of information (LAKATOS; MARCONI, 2001). The second phase included the documentary analysis of laws, decrees, minutes, technical manuals, PMPA management reports, executed budgets, data from the Transparency Portal, SEPLAD and SEFA reports, among others.

The inductive method, adopting documentary and bibliographic research, guided the study, characterized as exploratory, aiming at greater knowledge to formulate more precise problems and hypotheses (GIL, 2010). Documentary research, according to May (2002), requires practice and reflection from the researcher. It involves documents from public and private agencies, such as regulations, official letters, balance sheets, videos, among others (VERGARA, 2009). It allows comparisons between the researcher's interpretations of the events and those in the documents (MAY, 2002).

Data from the PMPA's Finance Directorate on the application of resources for per diem and supply of funds in the time period between 2019 and 2022 were also used. The documents, although part of organizational contingencies, are seen in a broader social context. Gil (2010) states that research is a rational and systematic procedure to respond to the proposed problems. As for the purposes, the research was exploratory and descriptive. Exploratory because it innovated in the study of the Executing Management Units from the perspective of financial decentralization, and descriptive because it proposed an in-depth analysis to describe, classify and interpret the object.

3 DECENTRALIZATION IN THE FIELD OF PUBLIC ADMINISTRATION

According to Bresser Pereira (1983, p.73), for many years most companies, including large ones, adopted a centralized management model, in which decisions should be made at the top of the organizations, this also happened in the Government, the Army and other institutions.

On the other hand, Mendes (2012, p. 115) points out that "administrative decentralization in public administration is a constitutional guiding vector, in view of the political idea of autonomy of the federated bodies that structure Brazil". The Brazilian Federal Constitution establishes decentralization as a guiding principle of state organization, aiming to guarantee greater autonomy to states and municipalities in the administration of interests and needs. After the Constitution, when thinking about reorganizing an entity, it is often considered an administratively decentralized structure.

Bresser Pereira (1998, p. 28) argues that managerial management is the best way to implement decentralization, as it promotes the professionalization of public management and the adoption of planning, evaluation and control techniques that help increase the efficiency and quality of public



services. The author addresses basic characteristics of managerial management, inserted in Public Administration, of business models, oriented to the reduction of costs and the increase of the quality of the services provided:

It is citizen-oriented and results-oriented; assumes that politicians and civil servants are worthy of a limited degree of trust; As a strategy, it uses decentralization and the encouragement of creativity and innovation; the instrument through which control over public managers is carried out is the management contract (Bresser Pereira, 1998, p. 28).

Article 10 of Decree-Law No. 200, of February 25, 1967, determines that the activities of the Federal Administration must, as a rule, be decentralized, except for those whose cost-benefit is not satisfactory, in respect of the constitutional principle of efficiency, or that by force of law centralization is mandatory. Decentralisation aims to ensure faster and more objective decision-making:

Art. 11. The delegation of competence will be used as an instrument of administrative decentralization, with the objective of ensuring greater speed and objectivity to decisions, placing them in the proximity of the facts, people or problems to be attended to (BRASIL, 1967).

Bresser Pereira points out, in the same sense, that the document in question was an important milestone in the history of Brazilian public administration, as it established the basis for the administrative reform that took place in the 1960s, "it was an attempt to overcome bureaucratic rigidity, and can be considered as a first moment of managerial administration in Brazil" (BRESSER PEREIRA, 1998, p.11).

According to the author, "planning and budgeting, decentralization and control of results were instituted as principles of administrative rationality." (BRESSER PEREIRA, 1998, p.11). It can be said that the aforementioned Decree-Law contributed to decentralization by promoting the transfer of activities to decentralized entities and establishing decentralization as a principle of administrative rationality.

The author also emphasizes that the most relevant characteristic in an administratively centralized or decentralized institution concerns decision-making. "If the decisions of greater importance are made at the top of the organization, which is centralized" (BRESSER PEREIRA, 1983, p. 81). Also according to the author:

Decentralization in a large organization contributes to the elevation of institutional morale and creates an organizational climate similar to that existing in a small company. It delegates decision-making power to those who are close to local conditions or to those who experience the problem, enabling a more efficient solution to the demand. (BRESSER PEREIRA, 1983, p. 81).

This means that it is possible for administrative decentralization to promote greater efficiency in public management, as decisions will be made closer to the people affected by them, and may



improve the quality of public services, since local demands can be better met. Carneiro and Brasil (2007) state that the process of transferring responsibilities and resources to the managers of local units facilitates the adjustment of the supply of goods and services to the demands of the communities, by seeking solutions that are more appropriate to regional specificities, with lower supply costs. Thus, the decision-making processes related to the distribution of public resources now have greater transparency and more detailed accountability, as decisions are made closer to the citizens.

Bresser Pereira (1983, p. 91) points out that "the central administration controls the decentralized unit by the results it achieves, instead of controlling it by the analysis of the means that are employed to achieve the intended ends". In this way, it is possible that the functions of budget and financial execution can be decentralized and at the same time subordinated to a control sector, which can provide the necessary guidelines for these sectors to function properly, without prejudice to the organization.

Guedes clarifies that administrative decentralization can lead to a change in budget management. He states that "in the face of decentralization, it is expected that there will be a change in budget management" (GUEDES, 2000, p. 19). The new guidance may induce Treasury managers to share decisions before making them, as they need to aggregate information they do not have. In addition, the author states that "managers should avoid that the unilateral nature of deliberations makes administrative autonomy unfeasible" (GUEDES, 2000, p.19). It can be inferred from this that decentralization can make management more efficient by allowing greater participation of local managers in decision-making and by avoiding unilateral deliberations.

Another advantage is the speed of decision-making, in addition to the specific knowledge of the divisional managers about the division and customers, and the evaluation of the managers based on the Ability to make decisions and solve problems. Decentralization "tends to increase managers' satisfaction with the system of control and results" and the "essence of decentralization is the delegation of power to the middle managers of the organization so that they can make decisions" (RODNISK; DIEHL, 2013, p. 10).

Corroborating this, Marta (2012) teaches that decentralization is an instrument for restructuring power within an organization, since the transfer of resources to local managers, resulting from the emergence of new units in other regions, results in the displacement of the flow of political, administrative, financial and technological power from the central unit to the other local management units.

Thus, it is possible that this institute can make management more efficient by giving more autonomy and responsibility in decision-making to managers, which can increase motivation and engagement with the organization's results. In addition, as mentioned, decentralization can allow for more agile and effective financial execution in divisional organizational structures.



3.1 THE ROLE OF THE BUDGET IN PUBLIC MANAGEMENT: EFFECTS OF THE PHENOMENON OF DECENTRALIZATION

Guedes (2000) teaches that the Public Budget has an important meaning in the organizational culture of administrative decentralization, as it is a common reference in the programming of the set of public actions and should play a strategic role in this process. In addition, the Public Budget has the democratic value of interaction between political agents, which reinforces the importance of decentralization.

Article 165 of the Federal Constitution of 1988 integrated planning and budgeting activities through the definition of three instruments: the Multi-Year Plan, the Budget Guidelines Law and the Annual Budget Law (BRASIL, 1988). Accordingly, the State Constitution (1989) establishes, in article 204, § 1 that the State Government's Multi-Year Plan must establish, in a sectorized and regionalized manner, the guidelines, objectives and goals of the state public administration for the four-year period, in addition to determining, in § 3, the incorporation of the goals and priorities of the state public administration into the Budget Guidelines Law (PARÁ, 1989).

The Multi-Year Plan is the main medium-term planning instrument, according to Law No. 8,966/2019, which established the Multi-Year Plan of the State of Pará for the period 2020-2023, expressing, in a regionalized manner, the guidelines, objectives and goals of the Executive Branch and the other Powers, in addition to the Independent Constitutional Bodies, for the quadrennium.

The territorial regionalization, defined in 12 Integration Regions and adopted for the preparation of the PPA 2020-2023, followed the specifications of State Decree No. 1,066, of June 19, 2008, amended by Decree No. 2,146, of January 27, 2022, which provides for the regionalization of the State of Pará, whose objective is to define spaces with similarities of occupation, of social level and economic dynamism and whose municipalities maintain integration among themselves, either physically or economically. Thus, the Regionalized Goals comprise an important mechanism for the guided construction of public policy, being the element defined to represent strategic investments with the potential to generate true transformation of the local and/or regional reality.

Another relevant concept is that of the Budget Unit (OU), which the Manual for the Preparation of the Annual Budget Law 2023 (Pará, 2022) defines as the "segment of direct administration to which the state budget allocates a specific allocation for the realization of its work programs and over which it exercises the power of disposition". According to article 14 of Law No. 4,320/1964, a Budget Unit is the "grouping of services subordinated to the same body or department to which its own appropriations will be assigned" (BRASIL, 1964).

On the other hand, the Management Unit (U.G.) "is responsible for administering its own or decentralized budgetary and financial appropriations, and executing the budget, through the Executing Management Units (UGE), which use the credit received from the responsible management unit"



(PARÁ, 2022, p. 243). Cavalcante Junior, when addressing the budgetary and financial execution, proposed the definition of some expressions:

Budget Unit (OU) - unit in which the LOA directly allocates appropriations at its disposal, and which establishes guidelines within the OU for the preparation of the budget proposal and amendments, in addition to analyzing and validating the budget proposals of the administrative units.

Management Unit (UG) - Budgetary or administrative unit vested with the power to manage budgetary and financial resources, own or under decentralization. It is the organizational component responsible for the execution of the authorized budget.

Executing Management Unit (UGE) - Management unit that uses the credit received from the budget unit, which is responsible for the budgetary and financial execution of the expenditure itself. (CAVALCANTE JUNIOR, 2022, p. 08).

The Manual of Accounting Applied to the Public Sector (BRASIL, 2021) elucidates that, when decentralization occurs between management units of agencies with different structures, external decentralization, also called highlight. If it involves management units of the same body, internal decentralization, also called provision, occurs. The internal modality is the object of this study. In this regard, we have to:

Thus, the decentralization of budget credits occurs when part of the budget is moved, maintaining the institutional, functional, programmatic, and economic classifications, so that other administrative units can execute the budget expenditure (BRASIL, 2021, p. 75).

According to Melo (2019, p. 13), "decentralization consists of the transfer of responsibilities, competences, and decision-making power to execute budgetary credits and financial resources from the central body to the sectoral ones". According to the author:

the decentralization of budget and financial execution is the provision of credits from the Central Administration Management Unit to an Executing Management Unit, maintaining the classifications; and in the power of the latter to execute the budget credits that are under its responsibility, according to the planning and needs, ensuring speed and objectivity in decisions. [...] decentralization delegates autonomy and shares the responsibility of the Central Administration Management Unit with the Executing Management Unit (MELO, 2019, p. 13).

In this way, it is possible to increase the efficiency and effectiveness of the services provided, reduce the time to solve local problems and streamline the processes of acquisition of materials and services, in order to meet the needs and specificities of the sector. However, the decision that authorizes the decentralization of budgetary and financial execution in a public administration entity must be based on the constitution of a structure that supports the action strategies of the new organization.

3.2 THE BUDGETARY AND FINANCIAL MANAGEMENT OF THE PMPA

The Military Police of Pará, a bicentennial institution, is responsible for carrying out ostensible policing for the preservation of public order and the safety of people and property, as provided for in article 144, paragraph 5 of the CF/88. In addition, it is an Auxiliary and Reserve Force of the Brazilian



Army and is part of the Public Security and Social Defense System of Pará (PARÁ, 2016).

In the administrative and financial aspect, no unit has administrative and financial autonomy to manage the resources under its responsibility, and it is the responsibility of the Finance Department (DF), among other attributions, to implement the Corporation's budget and financial management policy; propose improvements in financial and budget management; propose regulatory standards and promote studies for the improvement of the financial and budgetary system; strengthen contact with the Central bodies of Financial and Budgetary Administration and with the State Court of Accounts (PARÁ, 2016).

The following are data regarding the administrative routines processed by the Finance Directorate of the Military Police, in order to clarify the significant demand centralized in that sectoral body. It should be noted that budget and financial management encompasses a series of other processes, which make the process diversified and time-consuming.

Table 1 - Administrative Routines Performed by the Federal District - 1st Semester 2023

Administrative Routine	Quantity
Issuance of Commitment Note	12.096
Realized Settlement Documents	12.596
Bank Orders Issued	12.391
Endowment and Credit Operations	188
Bank Transfers Made	195
Processes Processed in the PAE	13.065
Daily Liability Write-Offs	3.990
Write-Offs of Sup. Funds	641
Published Concession Ordinances	4.295
Release Notes Issued	5.518
Collection Notes Made	284

Source: PMPA Finance Board, 2023.

Table 2 - Financial Execution carried out by the Federal District - 1st Half 2023

Expenditure Executed	Value (R\$)
Payroll	653.582.172,30
Operational Journeys	57.050.031,11
Car Rental	41.312.849,36
Fuel Supply	24.003.531,58
Motorcycle Rental	5.812.058,88
Energy and Water Supply Expenses	3.323.448,90
Building Maintenance	1.952.725,63
Vehicle Maintenance	1.798.305,48
Animal Feed	1.009.121,00
Real Estate Leasing	972.899,56
Total	906.638.332,45

Fountain: SIAFE, 2023.

According to the data presented in Tables 1 and 2, referring to the 1st half of 2023, the large volume of administrative routines performed by the DF can be observed. In the period analyzed, more



than 12,000 issuances of commitment notes, settlements and bank orders³ 5 were carried out, in addition to 13,000 electronic processes processed and 5,500 release notes issued. As for financial execution, the largest expenditures were concentrated in payroll, which consumed more than R\$ 650 million, and in operational hours, vehicle rental and fuel supply, which together totaled approximately R\$ 123 million (Table 2).

The numbers show that the DF needs to manage and control a significant amount of volume of processes, documents and financial resources, demanding operational structure and capacity. This centralization can culminate in overhead, slowness, and low efficiency.

In the State of Pará, the budget is regionalized based on the twelve Integration Regions (RI), in order to strengthen regional planning and development, considering the potentialities and peculiarities of each region. The PMPA is strategically divided into 15 Integrated Public Security Regions (RISP). Currently, there are contracts that cover the entire state, such as vehicle rental, fuel supply, building maintenance services, among others. Reis (2018) points out that generally the demands that do not have contractual coverage are met through the supply of funds and that "they are passed on to the commanders of the units, without a previously established criterion, that is, there is no systematic forecast of resources, which makes it difficult, at the end, to meet operational needs" (REIS, 2018, p. 119).

The internal decentralization of the budgetary and financial execution proposed in this study, through the implementation of new management units, is aimed at achieving greater autonomy and transparency for actions related to the management of financial resources, in the cost of maintaining the final activities with greater speed and objectivity to decisions, while attributing responsibilities to the executors (REIS, 2018).

It should be noted that the Military Police of São Paulo has 116 decentralized management units (SÃO PAULO, 2022), and the State Department of Public Health of Pará has 19 management units (PARÁ, 2022), which shows that the degree of decentralization of public management can vary greatly between states and agencies. However, in general, the greater the decentralization, the greater the agility and capacity to meet local demands.

The excessive concentration of decision-making power tends to generate delays, distancing from the local reality and difficulty in implementing customized actions. Thus, the example of São Paulo, with more than 100 management units in the Military Police alone, indicates an option for a more decentralized model that is closer to regional realities.

The examples cited serve as a reference for real cases, showing the trend and feasibility of

³ The commitment note is the document that indicates the intention to spend the budgetary resources, the settlement attests to the fulfillment of the obligation assumed and the bank order authorizes the payment of the committed and settled expense. Currently, these administrative routines are carried out by state agencies in SIAFE - Financial and Budgetary Execution System of the State of Pará.



decentralizing management in public security agencies. Considering the volume of administrative and financial processes under the responsibility of the DF in the PMPA, according to the data presented above, the analysis of these cases supports the need for studies for a decentralized structure, aiming at greater efficiency and agility.

4 ANALYSIS AND DISCUSSION OF RESULTS

The objective of this study was to analyze the financial administration within the scope of the Military Police, from the perspective of decentralization through the creation and implementation of new executing management units. This decentralized form of budget and financial execution is intended to equip the Corporation with financial execution centers that can act in an agile, sustainable manner and whose decisions add value to the organization, employees and society in general. To this end, data collected from the previously mentioned sources were analyzed.

Table 3 - Evolution of the initial budget x executed PMPA

Year	Initial Budget (R\$)	Executed Budget (R\$)
2019	1.238.228.284,00	1.317.917.671,53
2020	1.421.299.102,00	1.340.867.811,20
2021	1.513.536.719,00	1.463.904.942,50
2022	1.602.017.710,00	1.793.028.742,50
2023	1.849.979.310,00	Running

Fonte: SIGPLAN, 2023.

The data in table 3 are from the Pará Transparency Portal and reveal some important aspects. There was an increase of 48.8% in the Corporation's initial budget in the period from 2019 to 2022, reaching R\$ 1.84 billion in 2023, which demonstrates the growth in resources planned for the PMPA in the period. However, the total number of commitments issued increased in a smaller proportion, 35.13%, indicating a possible underutilization of the available budgetary resources, as shown in table 4.

Table 4 - Evolution of total commitments, per diems and supply of funds (2019-2022)

Year	Qty. Total Commitments	Qty. Daily Commitments	%	Qty. Supply Efforts	%
2019	14.439	11.839	81,99%	1.108	7,67%
2020	15.654	12.741	81,77%	1.559	10,01%
2021	18.452	15.288	83,44%	1.186	6,44%
2022	19.512	16.789	86,04%	1.439	7,37%

Source: Pará Transparency Portal, 2023.

Considering the problems and objectives initially proposed, the discussion of the research was broadened to achieve an increase in daily allowance and fund supply commitments, as evidenced in table 4, explaining how this overloads centralized management and impairs control and transparency. Then, the low percentages of these commitments over the total executed were explored, showing how



decentralization could improve spending on these operating expenses.

The analysis of data from the PMPA's Finance Department, represented in tables 5 and 6, indicates a significant increase in the commitments and ordinances of daily allowances and supply of funds, which represent the majority of the total commitments issued by the Institution. According to Lima Júnior and Carvalho (2017), the growth of this type of operating expense overloads centralized financial management, hindering control and transparency.

Table 5 - Evolution of commitments and expenses with per diem and supply of funds (2019-2022)

Year	Qty. Daily Commitments	Exec. Daily Expenses (R\$)	Qty. Supply Efforts	Exec. Procurement Expense (R\$)
2019	11.839	14.607.099,73	1.108	919.739,31
2020	12.741	17.622.762,17	1.559	1.149.979,29
2021	15.288	25.829.318,58	1.186	1.320.535,13
2022	16.789	28.242.968,26	1.439	1.252.393,10

Source: Pará Transparency Portal, 2023.

Table 6 - Evolution of daily allowances and supply of funds commitments and ordinances (2019-2022)

Year	Qty. Daily Commitments	Qty. Daily Ordinances	Qty. Supply Efforts	Qty. Supply Ordinances
2019	11.839	5.960	1.108	1.054
2020	12.741	4.854	1.559	1.435
2021	15.288	5.942	1.186	1.123
2022	16.789	7.745	1.439	1.394

Source: PMPA Finance Board, 2023.

Tables 5 and 6 show more than the budget used by the PMPA, they show the number of administrative acts involved, concerning the preparation/publication of ordinances related to daily rates and suppression of funds. As pointed out, the centralization of financial management in a single management unit hinders the decision-making process, since it covers the 15 Integrated Public Security Regions strategically defined by the Corporation, with different realities. Partial decentralization could provide greater autonomy of local units combined with control and accountability mechanisms.

From 2019 to 2022, as shown in table 7, the total daily allowances increased by 41.81%, and the supply of funds, by 29.87%. The related ordinances increased by 29.95% and 32.26%, respectively. In 2019, these modalities accounted for 89.67% of the commitments issued, reaching 93.92% in 2022. This volume, if decentralized, could streamline the operational procedures that depend on these expenses for operation (SILVA JÚNIOR, 2009).

Table 7 - Percentage of daily allowances and supply over the total executed (2019-2022)

Year	% Daily Commitments	% Supply Efforts	% Total
2019	81,99%	7,67%	89,67%
2020	81,77%	10,01%	91,78%
2021	86,44%	6,71%	93,14%
2022	86,04%	7,37%	93,42%

Source: Pará Transparency Portal, 2023.



On the other hand, although they represent the majority of the commitments, in 2019 the expenses of per diem and supplies were only 1.18% of the total executed by the PMPA, reducing to 1.65% in 2022, according to table 8. This may indicate the difficulty of centralized financial management in converting these resources into effective services, impairing the operational functioning of the subordinate units (LIMA JÚNIOR; CARVALHO, 2017).

Table 8 - Share of per diem and supply expenses in the total executed (2019-2022).

Year	Daily Expenses (R\$)	Supply Expense (R\$)	Total Executed (R\$)	% Total
2019	14.607.099,73	919.739,31	1.317.917.671,53	1,18%
2020	17.622.762,17	1.149.979,29	1.340.867.811,20	1,40%
2021	25.829.318,58	1.320.535,13	1.463.904.942,50	1,85%
2022	28.242.968,26	1.252.393,10	1.793.028.742,50	1,65%

Source: Pará Transparency Portal, 2023.

Silva Júnior (2009, p. 51) explains that the process of budget execution of public expenditure is of paramount importance for the preparation of management reports, since the fulfillment of each phase of this process provides detailed information to the manager responsible for authorizing the expenditure. Also according to the author, in the payment stage, financial decentralization represents an advance in the administration of the application of public resources, as it allows the process of payment of public expenditure to be streamlined, through the transfer of resources to sectoral bodies, without giving up centralized control of the Budget Unit (SILVA JUNIOR, 2009).

In view of the analysis of the data presented, it can be seen that decentralization would allow, in the specific stage of the payment of the expense, to expedite the payment of the same through the transfer of resources to the sectoral bodies, while also maintaining the centralized control of the Budget Unit, according to the specific demands, enhancing the application in final activities (SILVA JUNIOR, 2009). Thus, although they represent a small part of the total budget, optimizing the spend on per diem and supplies can have a large operational impact.

Therefore, the analysis indicates that the decentralization of budget and financial management in the PMPA could improve the control, efficiency, and results of operating expenses, overcoming limitations of centralized execution. This would favor the operation of finalistic activities throughout the state.

In relation to expenses with per diem and supply of funds, commitments and ordinances increased by more than 29%. According to Matias Pereira (2010, p. 111), the significant growth of these types of expenses "lights up the alarm bell in the control bodies", demanding improvement of internal controls.

In addition, in 2019, daily rates and supplies accounted for 89.67% of the commitments issued, reaching 93.92% in 2022. Although they correspond to a small percentage of the total executed, 1.18% in 2019 and 1.65% in 2022, this high proportion of commitments demonstrates excessive centralization



of these specific expenses. As Reis (2018) points out, there are no criteria or systematic forecast in the distribution of resources for the supply of funds, making operational service difficult. This reinforces the need for decentralization, allowing better planning by local managers, according to specific demands.

Thus, the data show problems such as possible underutilization of the budget, concentration of efforts on per diem and supply expenses, and lack of criteria in the distribution of resources. These bottlenecks could be mitigated with decentralization, giving greater autonomy to managers for budget and financial execution based on regional and operational needs.

Decentralization would also provide better planning and visibility of execution, which are important for risk management and internal controls, as advocated by the Federal Court of Accounts (BRASIL, 2018). This would bring more transparency and allow for better evaluation and control by the competent bodies, as argued by Matias Pereira (2010) and Tostes (2020).

Therefore, the analysis of the data corroborates the need to modernize and decentralize the financial administration of the PMPA, providing greater efficiency, transparency and control to the process. The creation of UGEs would be an important step in this direction, bringing managerial and compliance benefits to the Corporation.

5 CONCLUSION

The objective of this study was to analyze the financial administration within the scope of the Military Police of Pará, from the perspective of decentralization through the creation and implementation of new executing management units (UGEs). To this end, it was sought to draw a situational diagnosis of the current financial management of the Corporation, pointing out possible problems that could be overcome with decentralization.

The decentralized form of budget and financial execution is intended to equip the Corporation with financial execution centers that can act in an agile, sustainable manner and whose decisions add value to the organization, its employees and society in general.

The survey revealed that the PMPA's budget increased by 48.8% between 2019 and 2019. 2022. However, the total number of commitments issued grew less, by 35.13%, indicating possible underutilization of resources. In addition, expenses with per diem and supply of funds represent most of the efforts, although they correspond to a small percentage of the total executed. This demonstrates excessive centralization and a lack of criteria for the distribution of resources.

The results corroborate the need to modernize and decentralize PMPA's financial administration, providing greater efficiency, transparency, and control to the process. The creation of UGEs (Executing Management Units) would allow for better budget planning and execution by local managers, according to the specific demands of the regions and operational activities. In addition,



decentralization would provide greater visibility of execution, which is important for risk management and internal controls. This would bring more transparency and allow for better evaluation of accountability. Thus, the research proves that financial decentralization in the PMPA could bring managerial and compliance benefits.

In addition, by decentralizing the budget and financial execution, the authorizers of expenditure in the UGEs would no longer need to answer for decisions made at a distance from the problems and in a hurried manner, as often occurs in centralized management. Local managers could plan and execute resources more efficiently, customized to operational demands.

In view of the above, it is evident that there are factors justifying the implementation of decentralization through UGEs in the PMPA, to make financial execution more efficient and agile. In this sense, it is proposed the creation of these units, divided into regional hubs, covering the 15 Integrated Public Security Regions strategically defined by the Corporation. This will enable, in our view, the adequacy of budget and financial management to the specificities of each area of the State, overcoming the problems of excessive centralization identified throughout the research.

Thus, it is concluded that the creation of decentralized Executing Management Units is a necessary measure to modernize and improve the financial administration of the PMPA, more satisfactorily meeting the operational demands of the subordinate units. It should not be forgotten that this decentralization will require investments in structure and processes, and it will certainly be necessary to define attributions and flows, train managers and structure internal controls appropriate to the new risks.



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