

THE EFFECTS OF LEGISLATIVE CHANGES ON THE ACCOUNTING INFORMATION SYSTEM IN EDUCATIONAL INSTITUTIONS IN ROMANIA

Alina CRÎȘMARIU (Șomîtcă), Elena HLACIUC
"Ștefan cel Mare" University of Suceava, Romania
somitca.alina@usm.ro, elena.hlaciuc@usm.ro

Received 01 October 2022; Accepted 19 December 2022

Abstract:

Just like in the private environment, accounting information from the public sector in general and from educational institutions in particular, is of interest to a multitude of users, is the basis of decision-making in this sector and is considered important and essential for the smooth running of the activity. Improving the quality of information provided by public accounting was and is a priority for the authorities. Precisely for this reason, lately, the accounting of the public sector and implicitly the accounting of educational institutions have been subject to numerous legislative changes, which had as their starting point the International Standards for Public Accounting and accrual accounting. Thus, this research aims to highlight the main international and national regulations with a direct impact on public accounting in educational institutions in Romania, as well as the effects of these legislative changes on the accounting information system in educational institutions.

Key words: IPSAS, accounting information system, legislation, public accounting

JEL classification: H83

1. INTRODUCTION

Internationally, the great challenge of the public sector is to improve the information provided by public accounting. Public accounting reform aims to apply accounting principles and management techniques from the private sector to the public sector, precisely because public entities need comparable and transparent information to improve decision-making and accountability.

The most common model in public accounting reform is by adopting the commitment-based principle. The financial and economic crisis demonstrated the role of accrual accounting in providing transparent, credible and relevant information. Romania does not give a discordant note to the requests of international bodies, as well as due to the desire to join the European Union space, it has gradually made the transition towards the harmonization of public sector accounting (PSA).

2. LITERATURE REVIEW

At the global level, the tendency to change accounting systems in public institutions from cash accounting to accrual accounting, specific to the private sector and economic entities, is present and generally accepted. Even in these conditions, the change generates a series of controversies, especially since the emergence of IPSAS, which mainly starts from the degree of suitability of this accounting system for the public sector. "The adoption of accrual accounting in the public sector is part of the New Public Management" (Hood, 1995), which puts in the foreground "quantification and measurement of economic performance (economy, efficiency and effectiveness) and the reorientation of public administration from procedure to results." (Mussari, 2014).

Disputes at the international level regarding the two types of accounting systems mainly consider their advantages and disadvantages. Thus, "international studies clearly recognize, through

qualitative or theoretical demonstrations, the importance of accrual accounting" (Deaconu et al., 2011). Among its advantages, Guthrie mentions "providing a transparent, clear and pertinent picture of the financial or non-financial performance of public institutions" (Guthrie, 1998), Perrin emphasizes "its ability to increase accountability" (Perrin, 1998), van der Hoek highlights "improvement of transparency" (van der Hoek, 2005), and Hodges and Mellett "the ability to fairly reflect the heritage." (Hodges, and Mellett, 2003).

The adoption of accrual accounting in the public sector is considered by some scholars to be totally inappropriate, (Carnegie and West, 2003) who consider "performance measurement for an economic entity centered on the notion of profit irrelevant in the public sector field." Guthrie, for his part, expresses the opposite opinion, according to which in the public sector "profit is not an objective and cannot be taken as a performance measure, and the financial structure and solvency are not considered to be relevant." Furthermore, he believes that "results are not measured by commitments, the use of commitments limits the idea of public performance to efficiency and cost savings." (Guthrie et al., 1999).

Some researchers suggest the simultaneous use of the two types of accounting systems (Monsen, 2002), but this approach is also considered by other researchers to be inappropriate (Guthrie et al., 1999).

Even if the implementation of accounting in the public sector is difficult to achieve, its benefits are undeniable. Thus, it became impetuously necessary to harmonize the public sector accrual accounting, through the development of IPSAS based on IFRS (international scale) and through the development of European Standards for the Sector Public (EPSAS) (European scale). The latter are based on the conviction of the EU institutions that "on the one hand, it seems clear that IPSAS cannot be easily implemented in EU member states in their current form, but that on the other hand, IPSAS standards represent an indisputable reference for potential harmonized EU public sector accounts." (European Commission, 2013)

The concept of harmonization in the public sector is debated in more than 214 scientific papers published in Web of Science, mostly in the economic field. A suggestive image can be found in Figure no. 1 and represents the analysis of Clarivate Analytics results.



Figure no. 1. Harmonization in the PSA in the Web of Science

Source: processing according to <https://wcs-webofknowledge-com.am.e-nformation.ro/RA/analyze.do>

From the 139 scientific articles in the economic field, from the period 1992-2021, with the help of VOSviewer we identified the most important topics addressed. Thus, Figure no. 2 presents the obtained result in a structured way, by identifying four interconnected groups around the notions of framework, management, standard and change.

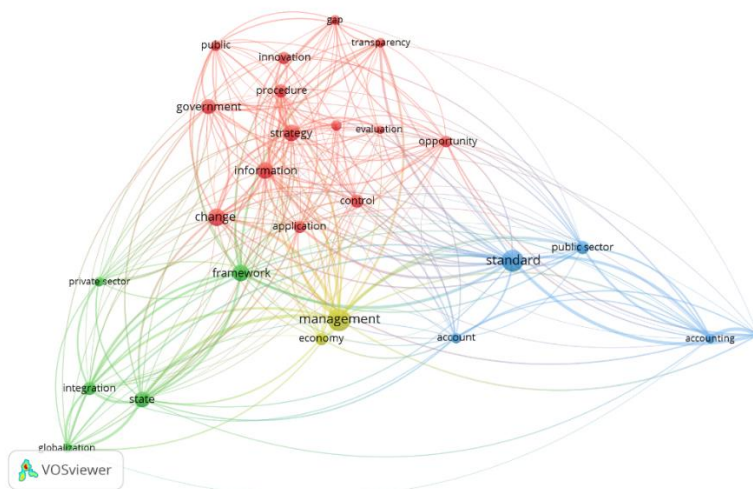


Figure no. 2. Directions of research regarding the evolution of harmonization in the PSA
 Source: development with the help of VOSviewer

As we can see from the keywords identified in the current scientific works, the research directions regarding PSA have in mind the legal framework, the management of public institutions, the need for standardization, as well as the need for change.

3. RESEARCH METHODOLOGY

The paper aims to illustrate the changes in the education accounting system as a result of its harmonization with the IPSAS, by identifying the international regulations in the public sector, then the national regulations with a direct impact on the accounting information system (AIS) in the educational institutions of Romania, as well as the effects of these legislative changes.

The purpose of the research is directed towards highlighting the impact that legislative changes have on the AIS in educational institutions in Romania.

The main objective, as well as the secondary objectives that we propose in this research are illustrated in Figure no. 3.

Central objective: Relief of the impact of legislative changes on the AIS in educational institutions in Romania	Objective no. 1: Identification of international regulations - IPSAS and EPSAS
	Objective no. 2: Identification of the main national legislative changes with an impact on the AIS in educational institutions
	Objective no. 3: Identifying the effects of legislative changes on AIS in educational institutions

Figure no. 3. Research objectives
 Source: own processing

As for the research methodology, it is based on the consultation of a consistent number of bibliographic sources, represented by scientific articles published in national and international journals. The research methodology considered the application of various methods, such as observation, comparative analysis, selection, deduction and induction.

4. RESULTS AND DISCUSSIONS

In the last three decades, public sector management has undergone significant changes. The term used to describe these transformations is New Public Management (NPM). This neoliberal

doctrine comes in the face of accusations bureaucracy, inefficiency and ineffectiveness of the public sector. NPM advocates for the management of public institutions based on private sector rules and market mechanisms. NPM involves the adoption of managerial and accounting techniques from the private sector with the aim of "making the public sector more business-like".

NPM aims to modernize the public sector by organizing it on the model of an economic entity, based on results and performance. The changes in the public sector imposed by the NPM aim to improve management and increase the quality of the decision-making process in public institutions. Figure no. 4 structures the main essential elements of the NPM concept.

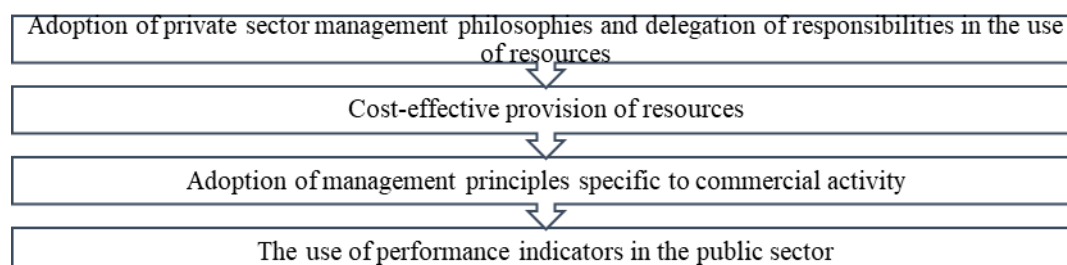


Figure no. 4. Essential features of NPM

Source: adapted from Lee, J. (2008), "Preparing Performance Information in the Public Sector: an Australian Perspective"

The central role in the adoption of NPM is given to accounting, by restructuring the financial-accounting systems and by replacing cash accounting with accrual accounting. Moreover, in the specialized literature (Mussari, 2014), it is considered that „the link between NPM and accrual accounting is so strict that, without accrual accounting, part of the NPM agenda would be significantly diminished."

"NPG has its origins in the radical changes introduced in the public sector in the 1980s and 1990s, and can partly be seen as a response to NPM guidelines particularly in terms of "marketing" and "accounting." More specifically, the term NPG refers to "the leadership, coordination and use of institutional arrangements formulated in policy-making and implementation processes aimed at the collective interest in a polycentric and multi-sectoral context of stakeholders to pursue the collective interest." (Osborne, 2010)

Accounting harmonization represents "the process of alignment, compatibility, of the accounting rules in force" (Osborne, 2010), and in the public sector this implies the adoption of IPSAS and accrual-based accounting. Harmonization is promoted globally, and the rationale for their implementation is to ensure transparency and accountability, as well as comparability and understanding of information. "The application of IPSAS standards is considered a true revolution, perhaps much more important than that of IFRS standards for economic entities, because public institutions will be managed like a private entity, with accrual, patrimonial and double-entry accounting." (Ristea et al., 2010)

IPSAS are accounting standards developed by the International Public Sector Accounting Standards Board (IPSASB). Their development is based on the IFRS valid for economic entities, and the stated purpose is to "increase the quality and transparency of financial reporting in the public sector." (IPSAS 1) The IPSASB has so far developed 42 accrual accounting standards, one cash accounting standard, three practice recommendations (RPs) and a conceptual framework. And yet , "IPSAS, as it currently stands, is not considered suitable for full and direct adoption throughout the EU, the implementation of the harmonization of government accounting standards in the EU requires the development of a set of European Public Sector Accounting Standards - EPSAS."

„In 2013, the European Commission began to address the issue of harmonizing public sector accounting across all EU member states, launching a project to develop European Public Sector Accounting Standards (EPSAS)" (Polzer et al., 2021). The EPSAS project was actually a response to weaknesses in government accounting systems, brought to light by the sovereign debt crisis. The

crisis was considered a triggering factor, and the objectives pursued through the development of EPSAS refer to: better coordination of economic policies, strengthening the financial management of the public sector and improving the accounting information available in the EU. The main aim of this initiative is to improve the transparency, reliability and comparability of financial accounting and reporting of EU governments " At the same time, the creation of such standards applicable at the level of the European Union aims to reconcile the significant differences that currently exist between IPSAS and ESA, mandatory European benchmark to be applied by the member states for the calculation of indicators such as budget deficit or surplus, according to the Maastricht Treaty" (Crisan, 2017).

The European Union and the Public Sector Accounting Standards Council (CNOCP) believe that EPSAS should use IPSAS as a reference point, which they classify into three categories according to the degree of application. Table no. 2 suggestively presents the classification of IPSAS by applicability to EPSAS.

Table no. 1. IPSAS classification according to the degree of applicability to EPSAS

Standard	IPSAS that can be implemented with little/no modifications		IPSAS that require adaptation before implementation		Standards that require changes for implementation in Europe	
	I	CNOCP	I	CNOCP	I	CNOCP
IPSAS 1	*			*		
IPSAS 2	*	*				
IPSAS 3	*	*				
IPSAS 10	*	*				
IPSAS 18			*	*		
IPSAS 20			*	*		
IPSAS 22			*		Abandon	
IPSAS 24			*		Abandon	
IPSAS 4	*	*				
IPSAS 9	*		*			
IPSAS 11	*	*				
IPSAS 23			*	*		
IPSAS 25			*	*		
IPSAS 6					*	*
IPSAS 7			*			*
IPSAS 8			*			*
IPSAS 5	*					*
IPSAS 12	*	*				
IPSAS 13		*	*			
IPSAS 14	*	*				
IPSAS 16	*			*		
IPSAS 17			*	*		
IPSAS 19	*			*		
IPSAS 21			*	*		
IPSAS 26			*	*		
IPSAS 27	*			*		
IPSAS 31			*	*		
IPSAS 32	*					
IPSAS 28					*	*
IPSAS 29					*	*
IPSAS 30 -					*	*
TOTAL CNOCP	14	9	13	13	4	9

Source: "Classification of IPSAS Standards - Conclusions of the CNOCP Working Party on IPSAS Assessment" available at

https://www.economie.gouv.fr/files/files/directions_services/cnocp/international/2016/Assessment_of_IPSASs_January_2014.pdf

As we can see, there are a minimum of 4 IPSASs that require substantial changes to be adopted in Europe, but also a minimum of 9 IPSASs that can be implemented without modification or with minor adjustments.

The study carried out by PricewatersCoopers in 2014 identifies a number of arguments for and against the use of IPSAS as a reference basis for future EPSAS. Table no. 3 briefly describes these arguments, structured on three scenarios.

Table no. 2. Arguments for and against using IPSAS as a reference for EPSAS

Scenario	Pro arguments	Arguments against
1. EPSAS are elaborated taking IPSAS as the main source of reference, by capitalizing on the results of the analysis regarding the opportunity to adapt IPSAS in the member states.	The EPSAS development process is accelerated; The development of EPSAS will be based on internationally accepted standards Achieving the harmonization objective.	Risk of non-involvement from Member States who do not want IPSAS to be the main reference source for EPSAS development.
2. IPSAS are not considered as a reference basis. The EPSAS standards development process takes into account both IPSAS, other internationally recognized accounting standards, and other regulations imposed by the EU and other national institutions.	High involvement of those Member States who do not want IPSAS to be the main reference source for EPSAS development. Achieving the harmonization objective.	The risk of a significant slowdown in the EPSAS development process; The risk of deviating from IPSAS; Risk of non-commitment by Member States wishing to apply IPSAS as a baseline for EPSAS.
3. Development of only the important accounting principles related to accrual accounting, and Member States are given the freedom to apply these principles in their specific context	Accelerating the EPSAS development process.	Insufficient guidance provided to Member States on the accounting principles to be applied, which may lead to inappropriate financial statements; Failure to achieve the harmonization objective; High risk for member countries of lower quality national accounts.

Source: PriceWatersCoopers – "Collection of Information Related to the Potential Impact, Including Costs, of Implementing Accrual Accounting in the Public Sector and Technical Analysis of the Suitability of Individual IPSAS Standards", 2014 available at <https://www.pwc.com/gx/en/psrc/pdf/pwc-implementing-epsas.pdf>

The EPSAS are still at the drafting stage, and the stages that the EU proposes are:

- *Stage 1: in the short and medium term* - Increasing fiscal transparency in Member States by promoting accrual accounting (IPSAS, in the period 2016-2020 and in parallel the development of EPSAS (ie EPSAS governance, accounting principles and standards).

- *Stage 2: medium and long term*: Comparability of information within the EU and between EU members through the adoption of EPSAS by 2025.

The EPSAS development project is considered very important (Müller-Marqués Berger, 2016), "the standards will take the form of binding legal acts, developed by an EPSAS committee, composed of representatives of the member states, chaired by the European Commission and supported by working groups, other interested parties being involved through consultations or as observers."

The reference point in the adoption of IPSAS in Romania is considered to be the year 2002, regulated by OMFP no. 1746/2002. The adaptation of the Romanian public accounting system to IPSAS was carried out for two reasons: to comply with the requirements imposed by international financial bodies and to meet the country's criteria for joining the European Union. Regarding the implementation of the standards, this was achieved in 2006.

Currently, all public institutions in Romania apply the same set of standards. Table no. 4 presents the way of adopting IPSAS in Romania, based on the Financial Statements, according to Annex 7.1 which accompanies the Commission's report on the suitability of IPSAS for the member states.

Table no. 3. The nature of accounting practices in Romania by sub-sector

Financial situations	All subsectors
Statement of financial position (balance sheet)	Modified accrual accounting
Financial Performance Statement (Profit and Loss Account)	Modified accrual accounting
Statement of changes in net assets	Modified accrual accounting
Statement of cash flows	House accounting

Source: "Annex 7.1 to the Working Committee's Document Accompanying the Commission's Report on the Suitability of IPSAS for Member States", March 2013, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013SC0057>

The results are also confirmed by the studies that analyze the similarity between the Romanian regulations and IPSAS. The number of researches that analyze this aspect is small, and in our approach we chose to mention the result of the study by Tudor-Tiron and Crisan, which analyzes the degree of formal (legislative) harmonization between the Romanian accounting regulations and a number of 14 IPSAS Standards. The compared Romanian regulations are OMFP no. 1917/2005, and Law no. 500/2002, regarding public finances. The summary of the study results are presented in Table no. 5.

Table no. 4. The similarity coefficients and dissimilarity from regulation Romanian and IPSAS analyzed

Standard	No. of elements		Similarity coefficient	Dissimilarity coefficient _
	community	EXAMINED		
IPSAS 1	46	102	0.4510	0.5490
IPSAS 2	1	24	0.0417	0.9583
IPSAS 3	7	17	0.4118	0.5882
IPSAS 4	3	20	0.1500	0.8500
IPSAS 5	1	13	0.0769	0.9231
IPSAS 9	6	29	0.2069	0.7931
IPSAS 10	3	6	0.5000	0.5000
IPSAS 11	0	25	0	1
IPSAS 12	4	24	0.1667	0.8333
IPSAS 14	1	8	0.1250	0.8750
IPSAS 16	0	24	0	1
IPSAS 19	8	40	0.2000	0.8000
IPSAS 27	0	41	0	1
IPSAS 32	0	20	0	1

Source: Crişan, A., R., "Harmonization of Accounting in the Public Sector in the European Context" doctoral thesis available at <http://doctorate.uab.ro>

As can be seen, the provisions of four of the analyzed standards, namely IPSAS 11, IPSAS16, IPSAS 27 and IPSAS 32, are not found at all in the Romanian legislation. At the opposite pole, the greatest degree of similarity is noted regarding IPSAS 10 followed by IPSAS 1. We consider relevant the results obtained in the case of IPSAS 1, which has a number of analyzed elements significantly higher than the standards issuer, as well as the most common elements with domestic legislation. Table no. 6 centralizes the common elements, but also the differences between IPSAS 1 and the Romanian regulations identified by the mentioned study.

Table no. 5. Common and distinct elements between the Romanian regulations and IPSAS 1

Common elements of IPSAS 1 and Romanian legislation	Distinct elements	
	IPSAS 1	Romanian legislation
Definition of some concepts: the basis of commitments, assets, liabilities, net assets, expenses and income, explanatory notes to the financial statements, the significance threshold.	The obligation to draw up the comparative statement of the budget and actual amounts	The obligation to draw up the budget execution account;

Purpose of financial statements	Definition of concepts: contributions from owners, distributions to owners, economic entity and state economic entity	These concepts are not defined.
Composition of financial statements	These concepts are not defined.	Definition of concepts: tangible, intangible, financial fixed assets, stocks, public debt
The minimum elements of the financial statements: tangible and intangible fixed assets, financial assets, liabilities, provisions, the patrimonial result and the effects of changes. The explanatory notes must present the accounting policies used, the basis for preparing the financial statements and any other information that is not presented in the other statements, but which is considered relevant to the understanding of the entity's activity. Information regarding the domicile and legal form of the entity, the description of its main activities, the relevant legislation governing these operations.	Presentation of information related to the continuity of the activity, financing costs, the amount of dividends or similar distributions, both common and preferential, the useful life of the entity	This information is not requested.
	This information is not requested.	Presentation of the elements: advance expenses, reserves and funds, how to develop accounting policies.

Source: processing after Crişan, A., R., "Accounting Harmonization in the Public Sector in the European Context", doctoral thesis available at <http://doctorate.uab.ro>

The process of transforming the accounting system in public institutions, as well as that in educational institutions, was carried out in stages. Diaconu divides the public accounting transformation process into 3 important stages (Deaconu et. al, 2011), shown in Figure no. 2.

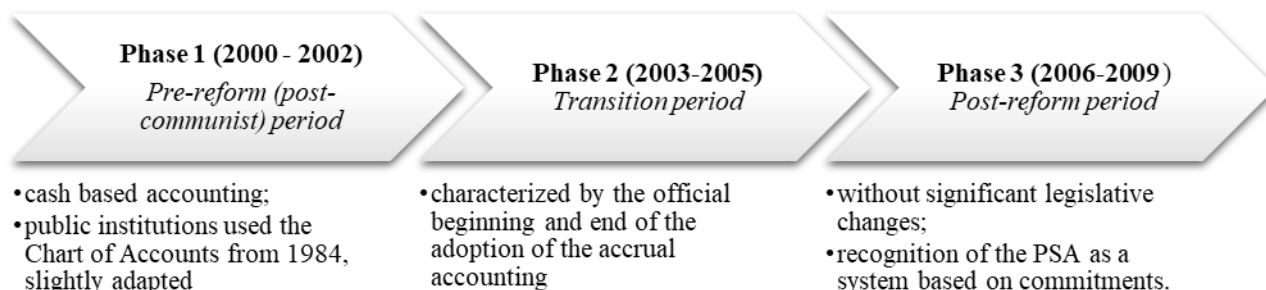


Figure no. 2. Stages of the accounting transformation process

Source: processing after Deaconu, A., Cristina Silvia, N., Crina, F. (2011). The impact of accrual accounting on public sector management: An exploratory study for Romania. *Transilvanian Review of Administrative Sciences*, (32E)/2011, pp.79-80

Of the three stages mentioned, we will continue to deal with the last two stages, which include the main legislative changes with a direct impact on the way public accounting is organized, suggestively captured in Table no. 7.

Table no. 6. The main legislative changes from 2001-2012 with a significant impact on public accounting

Year	Regulation	Stipulations
2001	Ordinance no. 61/2001	Obligation of double-entry bookkeeping by public institutions
2002	OMFP no. 1792/2002	Regulation of mandatory stages of budget execution
2002	OMFP no. 1746/2002	Methodological Norms for the organization of public institutions accounting.
2003	Ordinance no. 81/2003 OMFP no. 1487/2003	Revaluation and depreciation of fixed assets that are in the patrimony of public institutions

2003	Order no. 520/2003	Methodological Norms for the organization of accounting of budget revenues
2005	OMFP 1025/2005	Adoption of the new budget classification in correlation with ESA 95
2005	OMPF no. 1917/2005, applicable from January 1 st , 2006	Methodological Norms for the organization of public institutions' accounting and the Chart of Accounts for public institutions and its application instructions
2006	OMPF no. 616/2006	Methodological Norms for completing the 2006 quarterly financial statements of public institutions
2007	OMPF no. 40/2007	Methodological Norms for the preparation and submission of financial statements of public institutions on December 31, 2006
2008	OMEF 3471/2008	Methodological Norms for the revaluation and amortization of tangible fixed assets in the patrimony of public institutions
2012	OMPF no. 24/2012	Methodological Norms for completing the financial statements of public institutions on December 31, 2011

Source: own processing according to legislative regulations

We can consider that the reform of the public accounting system in Romania started in 2001, when the public institutions are obliged „to conduct double-entry accounting." Even if "HG no. 455/2001 provided for the introduction of accrual accounting in the public system starting from 2003" this was only achieved in 2006.

In December 2002, OMFP 1792 and OMFP 1746 were adopted. The methodological norms approved by OMFP 1792 "regulate the mandatory stages of budget execution for all state institutions, regardless of the source of funding or subordination." With regard to the second legislative regulation of this year, it has in mind „the approval of the Methodological Norms regarding the organization and management of the accounting of the patrimony of public institutions, the Chart of Accounts for public institutions and the Monograph on the accounting registration of the main operations."

The year 2003 brings an absolute novelty for the public accounting system, namely the revaluation of tangible fixed assets "with the aim of determining their fair value, taking into account inflation, the utility of the asset, its condition and the market price, when the accounting value differs significantly from the fair value", such as depreciation "tangible and intangible fixed assets in the patrimony of public institutions as of January 1, 2004." Also in 2003 it becomes mandatory to record in the accounting the rights and obligations of public institutions at the moment of their recognition.

Two years later, in 2005, a new budget classification was introduced in correlation with the conceptual framework SEC 95, mandatory for the states of the European Union. Thus, OMFP 1025/2005 is adopted, which provides for the adoption of the new classification starting from January 2006. "The standards included in this framework include, in some cases entirely, definitions and concepts from IPSAS." (Deaconu et. al, 2011)

Regarding European Directive 2011/85/EU, it was transposed into national accounting regulations by:

- ✓ OMFP 2021/2013, which includes provisions regarding the transition to the COFOG 3 account system;
- ✓ OMFP 720/2014, which regulates the transition of budget execution to the COFOG 3 system;
- ✓ The obligation for the managers of the financial-accounting departments to hold a attestation certificate regarding ESA;
- ✓ Creating an IT system for reporting budget execution and financial statements (Forexdebug).

"The purpose of these transformations was to reach the level of the European accounting system, based on accrual accounting, with International Public Sector Accounting Standards (IPSAS) as a reference point" (Deaconu et. al, 2011).

The effects of the Romanian legislative changes on the AIS in Romanian institutions, they are suggestively captured in Table no. 8.

Table no. 7 Effects of legislative changes on the AIS in educational institutions

<i>Positive aspects</i>	<i>Negative aspects</i>
<ul style="list-style-type: none"> ✓ Increasing the comparability of financial statement information ✓ Increasing efficiency and transparency ✓ Increasing the responsibility of decision makers ✓ Increasing the speed of obtaining information and its storage capacity ✓ Verified and credible information ✓ Implementation of a unified electronic reporting system for all educational units ✓ Automatic validation of budget revenues and expenses; ✓ Consolidated financial statements are automatic generated 	<ul style="list-style-type: none"> ✓ Allocation of important financial resources for staff training; ✓ The urgent need for investments in specialized software, also expensive ✓ The lack of financial resources lead the public institutions to abandon other investment projects ✓ The lack of qualified accounting personnel.

Source: processing after Dragușin, C.P, Criveanu, M., 2015, "Innovative Perspectives On The Accounting of Romanian Public Institutions Of Academic Education", Annals of University of Craiova - Economic Sciences Series, University of Craiova, Faculty of Economics and Business Administration, vol 1(43), pp. 194-201.

5. CONCLUSIONS

In recent years, educational institutions in Romania have experienced a real reform in terms of accounting regulations. These focused in particular on the adoption of accrual accounting, the modification of the chart of accounts, the introduction of a new accounting codification and a national reporting platform. All these changes are part of the global trend, called New Public Management, which aims to take over by public institutions the model applied by the private sector. The stated purpose of the NPM is to increase the accountability and transparency of public institutions and it has been realized through the 42 existing IPSAS to date.

The adoption of IPSAS in Romania was achieved more to comply with the requirements imposed on the one hand by external financial bodies, but also by the criteria for joining the European Union. The adoption of IPSAS was put into practice in 2006, only partially, the standards whose content can be found in the largest proportion in the current Romanian legislation being IPSAS 10 and IPSAS 1.

We can state that these changes, considered innovative in their time, have materialized in important steps that public accounting in general, and accounting of educational institutions in particular, have achieved for the intended purpose. Among the positive aspects that these changes had on the AIS, we mention the increase in the comparability of information, the increase in efficiency and transparency, the increase in the responsibilities of decision-makers, as well as the increase in the speed of obtaining information. Like any change, it also comes with a series of shortcomings or things that should be improved, such as the need for important financial resources for the material base, but also for the training of the staff involved in the accounting information system.

We believe that Romania has taken important steps in aligning public accounting with international standards, and the effects of these legislative changes had a net positive effect on the AIS in educational institutions in Romania.

6. BIBLIOGRAPHY

1. Almquist, R., Grossi, F., van Helden, GJ, Christoph, R. (2013), Public sector governance and accountability, *Critical Perspectives on Accounting* , Vol. 24, Issue 7-8: pp. 480-481, available at: <https://doi.org/10.1016/j.cpa.2012.11.005>
2. Annex 7.1 to the Working Committee's document accompanying the Commission's report on the suitability of IPSAS for Member States - 6 March 2013, available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52013SC0057>
3. Bryane, M. (2005), Questioning Public Sector Accountability, *Public Integrity*, Vol. 7, Issue 2.

4. Carnegie, GD, West, BP, (2003), How Well Does Accrual Accounting Fit the Public Sector?, *Australian Journal of Public Administration* , vol. 62, no. 2.
5. Crişan, A., R., Harmonization ACCOUNTING in the public sector in the European context , doctoral thesis available at <http://doctorate.uab.ro>
6. Deaconu, A., Cristina Silvia, N., Crina, F., (2011), The impact of accrual accounting on public sector management: An exploratory study for Romania. *Transylvanian Review of Administrative Sciences* , (32E)/2011
7. Draguşin, CP, Criveanu, M., 2015, Innovative Perspectives On The Accounting of Romanian Public Institutions Of Academic Education, *Annals of University of Craiova - Economic Sciences Series*, University of Craiova, Faculty of Economics and Business Administration, vol. 1(43).
8. European Commission. (2013, March), Report from the commission to the council and the European Parliament, towards implementing harmonized public sector accounting standards in Member States.
9. Guthrie, J., (1998), Application of Accrual Accounting in the Australian Public Sector – Rhetoric or Reality?, *Financial Accountability and Management* , vol. 14, no. 1
10. Guthrie, J., Olson, O., & Humphrey, C., (1999), Debating developments in new public financial management: The limits of global theorizing and some new ways forward. *Financial Accountability & Management*, 15(3&4), pp.209–228. Available at <https://doi.org/10.1111/1468-0408.00082>
11. Hodges, R. and Mellett, H., (2003), Reporting Public Sector Financial Results, *Public Management Review* , vol. 5, no. 1
12. Hood, C. (1995), The New Public Management in the 1980s: Variations on a theme. *Accounting Organizations and Society*, 20(2–3).
13. IPSAS 1
14. McKendrick, J., (2007), Modernization of the Public Accounting Systems in Central and Eastern European Countries: The Case of Romania, *International Public Management Review*, Vol. 8, Issue 1.
15. McGregor, W. (1999), The Pivotal Role of Accounting Concepts in the Development of Public Sector Accounting Standards, *Australian Accounting Review*, Vol. 9, No. 1.
16. Monsen, N., (2002), The Case for Internal Accounting, *Financial Accountability & Management*, vol. 18, no. 1.
17. Mussari, R. (2014), EPSAS and the Unification of Public Sector Accounting Across Europe, *Accounting, Economics and Law*, Vol. 4, Issue 3.
18. Müller-Marqués Berger, T. (2016), European Harmonization and EPSAS, *Global Encyclopedia of Public Administration, Public Policy, and Governance*.
19. Ordinance no. 61/2001 for the amendment and completion of the Accounting Law no. 82/1991 published in the Official Gazette, Part I no. 531 of August 31, 2001.
20. Order no. 1,792/2002 for the approval of the Methodological Norms regarding the employment, liquidation, ordering and payment of expenses of public institutions, as well as the organization, record and reporting of budgetary and legal commitments, published in the Official Gazette no. 37 of January 23, 2003
21. Order no. 1.746/2002 for the approval of the Methodological Norms regarding the organization and management of the accounting of the patrimony of public institutions, the Chart of accounts for public institutions and the Monograph on the accounting registration of the main operations, published in the Official Gazette no. 36 of January 23, 2003
22. Ordinance no. 81/2003 regarding the revaluation and depreciation of fixed assets in the patrimony of public institutions, published in the Official Gazette no. 624 of August 31, 2003.

23. Osborne, S., P., (2010), The introduction. The (New) Public Governance: a suitable case for treatment?. The New Public Governance? Emerging perspectives on the theory and practice of public governance. London: Routledge;
24. Perrin, J., (1998), Resource Accounting and Budgeting: From Cash to Accruals in 25 Years', Public Money and Management, vol. 18, no. 2.
25. Polzer, T., Grossi, G., Reichard, C., (2021) Implementation of the international public sector accounting standards in Europe. Variations on a global theme. Accounting Forum 0:0, p. 1 available on <https://doi.org/10.1080/17449480.2020.1742362>
26. Ristea M., Jianu I., Jianu, I., - Romania's experience in the application of international financial reporting standards and international accounting standards for the public sector available at https://www.researchgate.net/publication/49583975_Experienta_Romaniei_in_aplicarea_standardelor_internationale_de_raportare_financiara_si_a_standardelor_internationale_de_contabilitate_pentru_sectorul_public
27. van der Hoek, MP, From Cash to Accrual Budgeting and Accounting in the Public Sector: The Dutch Experience, 2005, Public Budgeting and Finance , vol. 25, no. 1.