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Journal of Administration and Finance

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Presentation of Content

In the first article we present, *Effect of the pandemic on the Distribuidora Los Paisas, through the study of leverage and activity*, by TUAREZ-SOLORZANO, Diana Elizabeth, TRIANA-JIMENEZ, Katherin Yessenia and GUTIERREZ-JARAMILLO, Daniel Néstor, with ascription in the Universidad Técnica de Machala, as next article we present, *Analysis of the changes with respect to the authorized donees in the Fiscal Code of the Federation of 2020, legal and accounting aspects*, by RUIZ-MEDRANO, Salvador Francisco & GALVÁN-ZAVALA, Karina, with ascription in Universidad de Guanajuato, as next article we present, *How do the people of Tenancingo and Pilcaya spend their money?*, by PORTILLO-FLORES, Nina Martha, ZARATE-JUÁREZ, Erika Lizbeth, TORRES-JUAREZ, Larissa Anahí and GARCÍA-CASTILLO, Karla Yazmín, with ascription in the Tecnológico de Estudios Superiores de Villa Guerrero, as next article we present, *Analysis of manufacturing companies in Ciudad Juárez that are currently certified*, by NAVARRO-ENRÍQUEZ, Laura, HOLTZEIMER-ÁLVAREZ, Ángeles, RIVERA-MOJICA, Denisse and TOVAR-VÁSQUEZ, Amado, with ascription in the Universidad Tecnológica Paso del Norte.

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Effect of the pandemic on the Distribuidora Los Paisas, through the study of leverage and activity

Efecto de la pandemia en la Distribuidora Los Paisas, a través del estudio del apalancamiento y la actividad

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Abstract

The purpose of this research is to analyze what has been the effect that the time of the pandemic has generated in the Distribuidora Los Paisas, at the time of the recovery of the portfolios and also to determine the degree of operational and total leverage that it has, in other words, profitability will be analyzed as it is an extremely important variable in a company that is aimed at returning profit to its owner, taking into account that its presence shows growth and its absence will lead to failure of it. The study will focus on a descriptive, documentary and exploratory methodology, so the information will be obtained from the company for the period 2019 and the year 2020. Interpreting the indicators resulted in accounts receivable not providing sufficient liquidity with a negative effect, resulting in complications in meeting their obligations.

Receivables, Leverage, Financial indicators, Profitability

Resumen

El propósito de esta investigación es analizar cuál ha sido el efecto que ha generado el momento de la pandemia en la Distribuidora Los Paisas, al momento de la recuperación de las carteras y también determinar el grado de apalancamiento operativo y total que tiene. es decir, se analizará la rentabilidad por ser una variable de suma importancia en una empresa que tiene como objetivo devolver la ganancia a su propietario, teniendo en cuenta que su presencia muestra crecimiento y su ausencia conducirá al fracaso de la misma. El estudio se enfocará en una metodología descriptiva, documental y exploratoria, por lo que la información se obtendrá de la empresa para el período 2019 y el año 2020. La interpretación de los indicadores dio como resultado que las cuentas por cobrar no brinden suficiente liquidez con un efecto negativo, resultando en complicaciones. en el cumplimiento de sus obligaciones.

Cuentas por cobrar, Apalancamiento, Indicadores financieros, Rentabilidad

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Introduction

The COVID-19 pandemic has become one of the most tragic humanitarian crises for Latin America and the world, with a negative impact on all economic sectors, so many of the businesses did not get the income they expected in the year. so it had a very dramatic impact on sales, thus on the company's profits.

Decision-making within a company is reflected in fast and optimal results, with the pandemic managers are unwilling to make losses, because sales are being made at low rates. one of the biggest concerns they have is the total closure of business and the increase in unemployment, therefore, they must develop a social economic plan that allows policies to help the company profit.

For all businesses or businesses, propaganda and advertising that are related to the circumstances of the pandemic is important. as real and potential customers are going to demand a lot of the products offered to them and give them the greatest assurance of being free from any contamination.

Because of this, companies take steps to help keep their business going and between them. it is meeting the needs of its clients, so the entrepreneurs chose to implement portfolio collection policies because this is one of the principal piles of the entity as it generates high levels of profitability. that is, they will try to keep existing customers and attract new customers, so they must grant credits and maintain inventories.

Accounts receivable are determined by the volume of sales to credit, this is effective because they set the due date of the invoice. Bearing the commitment of the clients for the service provided that the conditions of the mode of payment are becoming effective within the reasonable period (Umasi Olarte & Choquepuma Olarte, 2016).

The importance of accounts receivable within any business represents benefits, so the degree of activity reason should be analyzed, which helps us determine backlog, high risk portfolios, and obtain timely and accurate reports. benefitting and obtaining utility from the company.

The management control tools used by most managers are the financial indicators in the same way leverage, because these instruments help to predict in the future the behavior of the company's economy, based on historical accounting information (Chávez & Cordova, 2017)

The financial indicators of activity and leverage will be used, since by correctly interpreting them, they allow to measure the degree of solvency by predicting the capacity of effective indebtedness, helping to analyze the financial situation of companies to evaluate integral management and improve decision-making.

The objective of this research is to determine the degree of leverage and level of recovery of the portfolios of the Distribuidora Los Paisas by applying financial-activity indicators and operating leverage - total, which allows to determine the change in sales over the company's profit.

Methodology

Information was taken from the company dedicated to the distribution of bakery inputs from the period 2019 and 2020 to determine the degree of leverage and the movement that this economic entity has suffered in the time of global pandemic at the time of the recovery of portfolios performed a descriptive study, documentary and exploratory to demonstrate the effects that the pandemic has generated by applying financial indicators of activity ratio and operational and total leverages.

Development

Financial indicators

Financial indicators are considered as an indispensable tool for the proper financial management of companies, they are a reason that relate two or more variables taken from the financial statements, some resulting from relating accounts of the financial statements and others of the statement of results, the indicators have more value when compared to previous periods so that you can determine the degree of difference they have had. Some of the indicators are represented in percentages and others in numbers of times (Correa García, Gómez Restrepo, & Londoño Castañeda, 2018).

The financial indicators in the business field are essential to know if the company can fulfill its obligations in the long or short term, by making a financial diagnosis allowing to know the current situation, In the profitability and verifying the fulfillment of the clients in the payment of the portfolios (Herrera Freire, Herrera Freire, Vega Rodriguez, & Vivanco Granda, 2016).

By analyzing financial indicators such as liquidity, solvency, profitability and efficiency, these will help the people in charge of the administration of an economic entity make a good decision in the administrative and financial part. Seeking strategies that will enable them to achieve the goals in one way or another (Garzozzi Pincay, Perero Triguero, Rangel Luzuriaga, & Vera Alcivar, 2017).

An organization that performs cost application effectively and efficiently will serve as a contribution tool for growth ranging from production to admiration achieving goals based on administrative and operational strategies for stability and profitability. Generating a positive impact on the economic entity (Correa Mejia, Martinez Molina, Ruiz Criollo, & Yepes Montoya, 2018).

Activity indicators

The activity indicators that you understand for this reason allow us to assess how quickly inventories become cash they measure the speed with which the company operates in the management of inventories, collections and expenses. it also evaluates the efficiency with which assets are used. These reasons explain why companies are able to rotate faster than other assets (Ollague Valarezo, Ramón Ramón, Soto Gonzalez , & Novillo , 2017).

These indicators are also known as rotation indicators, which require measuring the efficiency with which a company uses its assets, depending on the speed of recovery of the values applied in them (Espinoza, Figueroa, Lainez, & Malave, 2017).

Within the activity indicators are the following:

Inventory turnover

This indicator allows you to measure the liquidity that inventory has in the business, a comparison is made to see what the difference was with the previous year. If the inventory rotation shows the very low times of inventory rotation, it makes any strategy difficult because it involves having to invest working capital in inventory management (Cardona Olaya, Martínez Carvajal, Velásquez Retrepo , & López Fernández , 2015).

The following formula applies:

$$\text{Inventory rotation} = \frac{\text{Net sales}}{\text{Average inventory}} \quad (1)$$

Average inventory period

Measures the number of days in the year the inventory is renewed, but this indicator, while rotating at least four times a year, its analysis by purchase group overlaps the results for each product. Thus, the possible deficiencies in their availability or in their sales levels are hidden (Villar Ledo & Ledo Ferrer, 2016).

Formula to apply this indicator:

$$\text{Average inventory period} = \frac{360}{\text{Inventory rotation}} \quad (2)$$

Fixed asset turnover

This indicator sets the productivity of fixed asset use, i.e., shows the volume of sales obtained for each dollar of net fixed assets (Sánchez Giner, García Regalado, & Holguín Alvarado, 2019).

The following formula applies:

$$\text{Fixed asset rotation} = \frac{\text{Current net sales}}{\text{Net fixed asset}} \quad (3)$$

Account turnover

This indicator represents the number of times credit sales have been generated and cash portfolio has been recovered over the period (Flores Morales & Naval Carrasco, 2017). The following formula applies:

$$\text{Turnover of accounts receivable} = \frac{\text{Annual sales on credit}}{\text{accounts receivable.}} \quad (4)$$

Average accounts receivable lead time

Indicates the number of days accounts receivable take to become cash. When there is a higher number of delinquencies in the accounts receivable, that is to say that it does not have sufficient flow of resources to respond to its short-term obligations, while its liquidity is concentrated in the accounts receivable (Cárdenas & Velasco, 2014). The following formula applies:

$$\text{Average Term of Accounts Receivable to Customer} = \frac{360}{\text{Receivables Rotation}} \quad (5)$$

Leverage

All businesses need to leverage to maximize profitability because it is considered one of the main factors influencing risk and business fragility. While large businesses are less likely to fail, small businesses are more likely to borrow in the short term. (Salome, Salazar & Lasso Palacios, 2020).

Leverage analysis helps determine the effect it has on profitability and financial position of businesses, and analyzes factors of indebtedness, repayment capacity, cash applications and others, failure to do so could have significant negative effects (Salcedo lasado & Piza Pelay, 2018).

Leverage compares financing originating from third parties as shareholder resources, thus contributing to a small part of the total financing, the risks of the company fall on creditors (Fontalvo Herrera, de la Hoz Granadillo, & Vergara, 2012).

Within leverage are: Operational, financial and total.

Operating leverage

is the leverage effect on the company's results reflected in fixed costs, i.e., operating leverage is the discrimination against costs by classifying it between fixed and variable costs? Because they are information only managed by people working in the entity, that is, they are not information that is stated in the annual declarations that are in public law (Diéguez Soto & Aranda, 2006).

The following formula applies in this leverage:

$$GAO = \frac{(VT-CVT)}{(VT-CVT-CF)} \quad (6)$$

Where:

VT: Total sale

CVT: Total variable cost

CF: Fixed cost

Financial leverage

Financial leverage is defined as a tool used by companies to look for higher equity investments plus debt aimed at higher profitability, i.e., supporting organizations based on their accounting actions (Marin, 2019).

The effect of financial leverage has three paths: Positive, negative, and neutral, when positive, economic benefits have to be higher than the financial costs generated by debt. When negative economic benefits are lower than the financial costs generated by debt, as neutral we will have that economic benefits are equal to the financial costs generated by debt (Salcedo Lasado & Piza Pelay, 2018).

The following formula applies:

$$UPA = \frac{(UO-I)(1-PPT)*(1-PI)-(DP)}{NAP} \quad (7)$$

Where:

UO: Operational Utility

I: Interest

PPT: Percentage of Worker Participation

PI: Percentage of Taxes

DP: Preferred Dividends

NAP: Number of Shares Paid

Total leverage

Total leverage is intended to measure the percentage change in earnings per share because of sales changes, this leverage is a combination of operating and financial leverage, is also the result of using fixed cost assets or funds, therefore, it is seen as the total impact of fixed costs on the company's operational and financial structure (Castañeda Vélez & Ortega Ortega, 2019).

The following formula applies:

$$GAT = \frac{(VT-CVT)}{(VT-CVT-CF-I)} \quad (8)$$

Where:

VT: Total sale

CVT: Total variable cost

CF: Fixed cost

I: Interest

Result

The case of the Distribuidora Los Paisas dedicated to the distribution of bakery inputs from the period 2019 and 2020 is developed to determine the reason of activity and the degree of leverage.

	Dates	
	2019	2020
Net Sales	481.221,38	333.571,29
Annual Sales on credit	22.220,15	32.992,83
Avoic	56.566,27	53.465,29
A net fixed asset	9.635,71	11.326,34
Promedium of customer accounts	10.767,67	25.606,49

Table 1 Data for calculation of the activity rate

Source: Statement of Result, Financial Statement for the Year 2019 and 2020

Inventory rotation

Year 2019

$$\text{Inventory rotation} = \frac{481.221,38}{56.566,27}$$

$$\text{Inventory rotation} = 8,50$$

Year 2019

$$\text{Inventory rotation} = \frac{333.571,29}{53.465,29}$$

$$\text{Inventory rotation} = 6,24$$

The company has an inventory turnover in the period 2020 of 6.24 times, and in the year 2019 rotates 8.50 times it is evident that the result is not favorable because it is not recovering its income or profits faster from the company.

Average inventory period

Year 2019

$$\text{Average inventory period} = \frac{360}{8,50}$$

$$\text{Average inventory period} = 42,35$$

Year 2020

$$\text{Average inventory period} = \frac{360}{6,24}$$

$$\text{Average inventory period} = 57,69$$

The company changed inventory in the year 2020 57.69 days and in the year 2019 reached about 42.35 days, i.e. the company in the year 2020 had more units in the warehouse for more days having an idle capacity that generates no profit

Fixed asset rotation

Year 2019

$$\text{Fixed asset turnover} = \frac{481.221,38}{9.635,71}$$

$$\text{Fixed asset turnover} = 49,94$$

Year 2020

$$\text{Fixed asset rotation} = \frac{333.571,29}{11.326,34}$$

$$\text{Fixed asset rotation} = 29,45$$

The company has a fixed asset turnover in the year 2019 is performed 49.94 times, whereas in the year 2020 it is realized 29.45 there being a decrease that in the year 2020 the fixed asset was able to cover less sales than the previous year.

Turnover of accounts receivable

Year 2019

$$\text{Turnover of accounts receivable} = \frac{22.220,15}{10.767,67}$$

$$\text{Turnover of accounts receivable} = 2,06$$

Year 2020

$$\text{Turnover of accounts receivable} = \frac{32.992,83}{25.606,49}$$

$$\text{Turnover of accounts receivable} = 1,28$$

The company in the period 2020 recovers the portfolio 1.28 times, comparing with the result of the period 2019 which was 2.06 times, meaning that in the year 2020 there is a decrease in inventory turnover. and the terms of the credit policy state that the portfolio recovery is 30 days, that it must be 12 times in the year, as it covers less times that there is inefficiency or mismanagement in the sales.

Average term of accounts receivable to customers

Year 2019

$$\text{Average term of accounts receivable to customers} = \frac{360}{2,06}$$

$$\text{Average term of accounts receivable to customers} = 174,75$$

Year 2020

$$\text{Average term of accounts receivable to customers} = \frac{360}{1,28}$$

$$\text{Average term of accounts receivable to customers} = 281,25$$

The company in 2020 delays in collecting its clients on credit 281.21 days while in 2019 it takes 174.75 days, i.e., there is an increase in the collection of accounts receivable in 2020.

	Dates	
	2019	2020
Total Sales	481.221,38	333.571,29
A total variable cost	425.764,04	296.798,14
Fixed cost	12.989,76	7.325,89
Interests	14.436.34	5.445,28

Table 2 Leverage calculation data
Source: Statement of Result, Financial Statement for 2019 and 2020

Operational leverage

Year 2019

$$GAO = \frac{(481.221,38-425.764,04)}{(481.221,38-425.764,04-12.989,76)}$$

$$GAO = 1,31$$

Year 2020

$$GAO = \frac{(333.571,29-296.798,14)}{(333.571,29-296.798,14-7.325,89)}$$

$$GAO = 1,24$$

The company in 2020 can increase its operating profit by 1.24 per 1% that it is able to increase its level of operations, there being a decrease in contrast to the year 2019 that was obtained from 1.31.

Total Leverage

Year 2019

$$GAT = \frac{(481.221,38-425.764,04)}{(481.221,38-425.764,04-12.989,76-14.436,34)}$$

$$GAT = 1,98$$

Year 2020

$$GAT = \frac{(333.571,29-296.798,14)}{(333.571,29-296.798,14-7.325,89-5.445,28)}$$

$$GAT = 1,53$$

The company obtained a GAT of 1.53 in 2020 and a GAT of 1.98 in 2019, indicating that the impact of the change in sales was higher in 2019 and decreased in 2020. their risk and increased profits, due to the direct relationship maintained by the degree of total leverage, risk, and utility.

Conclusion

The company dedicated to the distribution of bakery inputs was affected by the pandemic in terms of the recovery of the portfolio obtained a rotation in 2020 of 281.21 days while in 2019 it was 174.75 days.

That is, in 2020, it took longer to recover the portfolio, which is negative because I raise money longer and made it difficult to meet its suppliers, which means that the accounts receivable did not give enough liquidity, and inventory turnover was also affected in 2020 as it broken only 6.24 times compared to 2019 which was 8.50, i.e., not favorable because it is not getting faster income.

In terms of leverage in GAO and GAT year 2020, there was a decrease compared to the previous year, leading to a decrease in risk and thus a lower profit, i.e., there was less income, this was due to the pandemic that severely affected the company's sales.

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Analysis of the changes with respect to the authorized donees in the Fiscal Code of the Federation of 2020, legal and accounting aspects

Análisis de los cambios con respecto a las donatarias autorizadas en el Código Fiscal de la Federación de 2020, aspectos jurídicos y contables

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Abstract

Mexico is the fifth country that collects the least in Latin America as a proportion of gross domestic product (GDP) and also the one with the lowest income from the value added tax, has highlighted the Organization for Economic Cooperation and Development (OECD) in the year 2020, (OCDE, 2020) derived from this, the Federal Executive proposed a series of reforms that allow increasing collection, among which the most notable is the Decree that reforms, adds and repeals various provisions of the Tax Law on the Income, the Law of Value Added Tax and the Fiscal Code of the Federation which has a direct effect on the so-called Authorized Grantees, this based on the fact that cases have been detected in which the income of the Authorized Grantees is not found. related to the activity authorized by the Law and carry out simulated operations. The objective of this work is to analyze the effects that this reform will have and try to foresee its immediate success.

Income Tax Act, Reforms 2020, Authorized Donors

Resumen

México es el quinto país que menos recauda en América Latina como proporción del producto interno bruto (PIB) y también el que tiene los ingresos más bajos del impuesto al valor agregado, destacó la Organización para la Cooperación y el Desarrollo Económicos (OCDE) en el año 2020, (OCDE, 2020) derivada de esto, el Ejecutivo Federal propuso una serie de reformas que permitan incrementar la recaudación, entre las que destaca el Decreto que reforma, suma y excepciones diversas disposiciones de la Ley Tributaria sobre la Renta, la Ley del Impuesto al Valor Agregado y el Código Fiscal de la Federación que tiene un efecto directo en los llamados Concesionarios autorizados, esto basado en el hecho de que se han detectado casos en los que no se encuentran los ingresos de los concesionarios autorizados. relacionada con la actividad autorizada por la Ley y llevar a cabo operaciones simuladas. El objetivo de este trabajo es analizar los efectos que tendrá esta reforma y tratar de prever su éxito inmediato.

Ley del Impuesto sobre la Renta, Reformas 2020, Donatarias autorizadas

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Introduction

In the explanatory memorandum of the draft decree initiative that reforms, adds and repeals various provisions of the Income Tax Law. The federal Executive indicates that, in the sense of not creating new taxes, as well as fighting corruption and impunity head-on, the initiative includes proposals that move along the following axes: administrative simplification and legal certainty, modernization, tax management, collection efficiency, combat corruption and impunity, tax evasion and avoidance.

The axis of tax evasion and avoidance corresponds to the following approaches: adjustments are proposed in order to strengthen the monitoring of the merger and division of companies, transmission of tax losses, tax refunds, tax receipts that presumably cover simulated operations, authorized donees, tax reports, conclusive agreements, transfer prices and cancellation of the federal taxpayer registry, as these are cases in which the tax authority has detected practices that result in tax evasion or avoidance.

The 2020 tax reform brings with it significant changes in terms of preventing and combating corruption in Mexico, it is important to review the positive effects of the tax reform in terms of authorized donees, one of the main successes is to combat tax evasion and avoidance of organizations that divert resources and are operating through the figure of civil association, and that also has the distinction of being an authorized donee.

This study is approached from the legal and accounting approach that reviews the foundation of the reform in the Income Tax Law and its implications in the operation of authorized donees.

It is noted that most of the income that the authorized donees obtain is not related to the purpose for which they obtained their authorization. According to the 2019 authorized donee report issued by the Tax Administration Service SAT, the income of legal entities authorized to receive deductible donations for income tax purposes is classified according to the following:

Concept	Amount:	Percentage
Donations	\$47,659,423,027.00	24%
Income related to the corporate purpose	\$20,276,273,378.00	10%
Income not related to the corporate purpose	\$132,323,707,585.00	66%
Total	\$200,259,403,990.00	100%

Table 1 Participation of the different types of income of the authorized donees for 2019

Source: Own elaboration from SAT data

A first general analysis

Although the reform had been planned for a long time, it was not until September of last year that the President delivered the initiative for a Decree that amended, added and repealed various provisions of the Income Tax Law, of the Law on Value Added Tax and the Fiscal Code of the Federation which has a direct effect on the so-called Authorized Grantees, which are all non-profit associations that pursue philanthropic objectives. The Income Tax Law describes them as all those associations that do not seek to generate a profit, therefore they enjoy fiscal benefits, it is precisely these benefits that the reform affects, since the tax authority has detected that most of the income obtained by authorized donees is not related to the purpose for which they obtained their authorization; Therefore, an eighth paragraph was added to article 80 of the Income Tax Law, so that if the authorized donees obtain most of their income (more than 50%) from activities not related to their corporate purpose, lose their authorization (Arzate López, 2021), in this way the paragraph in comment is as follows (Chamber of Deputies of the H. Congress of the Union, 2021):

"In the event that the people referred to in the previous paragraph obtain income from activities other than the purposes for Those who were authorized to receive donations in a percentage greater than 50% of the total income for the fiscal year will lose the corresponding authorization, which will be determined by resolution issued and notified by the fiscal authority. If within the twelve months following the loss of authorization to receive deductible donations from income tax, said authorization is not obtained again, they must allocate all their assets to another authorized donee to receive deductible donations."

Another change in relation to the so-called simulated operations, where the reform initiative indicated that at least 2,000 authorized donees have carried out operations with companies that invoice simulated operations, as mentioned in the statement of reasons for the reform (Arzate López, 2021) that is, they obtained benefits of a tax nature that are clearly illegal that affect the economic capacity of the State and the benefit of the people.

The income tax law

The core of all this reform is found in the Income Tax Law (Chamber of Deputies of the H. Congress of the Union, 2021), specifically in Title III, Of the Regime of Legal Persons with Non-Profit Purposes, specifically in its article 79, which by letter explains:

“The following legal persons are not taxpayers of income tax:... .XI. Non-profit civil societies or associations authorized to receive deductible donations under the terms of this Law, dedicated to scientific or technological research that are registered in the National Registry of Scientific and Technological Institutions ... XVII. Associations or civil societies, organized non-profit and authorized to receive deductible donations in the terms of this Law, that grant scholarships, referred to in article 83 of this Law... XIX. The civil societies or associations, organized non-profit and authorized to receive deductible donations in the terms of this Law, that are constituted and function exclusively for the carrying out of research activities or preservation of the wild, terrestrial or wild flora or fauna. within the defined geographic areas indicated by the Tax Administration Service through general rules, as well as those that are constituted and function exclusively to promote the prevention and control of water, air and pollution among the population. of the soil, the protection of the environment and the preservation and restoration of the ecological balance... XX. Non-profit associations and civil societies authorized to receive deductible donations under the terms of this Law, which prove that they are exclusively dedicated to the reproduction of species in protection and danger of extinction and to the conservation of their habitat, provided that in addition To comply with the general rules issued by the Tax Administration Service, a prior opinion is obtained from the Ministry of the Environment and Natural Resources.

The legal entities referred to in sections V, VI, VII, IX, X, XI, XIII, XVI, XVII, XVIII, XIX, XX, XXIV and XXV of this article, as well as the legal entities and trusts authorized to receive Tax-deductible donations, and the investment funds referred to in this Title, will consider the remnant distributable, even when they have not delivered it in cash or goods to their members or partners, the amount of the omissions of income or the purchases not made. and improperly registered; the expenditures they make and are not deductible under the terms of Title IV of this Law; The loans that they make to their partners or members, or to the spouses, ascendants or descendants in a straight line of said members or members, except in the case of loans to members or members of the savings and loan cooperative societies referred to in the fraction XIII of this article. In the case of loans that in the terms of this paragraph are considered distributable remnant, their amount will be reduced from the distributable remnants that the legal entity distributes to its partners or members.

In the case in which a distributable remnant is determined in the terms of the preceding paragraph, the legal entity in question will pay as a tax the tax that results from applying on said distributable remnant, the maximum rate to be applied on the surplus of the lower limit that establishes the rate contained in article 152 of this Law, in which case it will be considered as a final tax, having to make the corresponding integer no later than the month of February of the year following the one in which any of the assumptions occurs referred to in said paragraph. " It should be clarified that the reform to sections XI, XVII, XIX and XX of article 79 in the Official Gazette of the Federation on December 8, 2020 will enter into force on July 1, 2021, and it is for this reason that they are the only ones that are mentioned here. As can be seen from the previous reading, the most significant change is related to the so-called distributable remnant, which will cause taxes in accordance with the rate contained in article 152 of the Income Tax Law, when they result, in general terms, of what could be called "simulated operations".

Where the loans they make to their partners or members, or to the spouses, ascendants or descendants in a straight line of said partners or members are mentioned ... the corresponding integer must be made no later than the month of February of the following year ...

Likewise, article 80 states that in the event that legal entities whose activity is for non-profit purposes dispose of goods other than their fixed assets or provide services to persons other than their members or partners, they must determine the tax that corresponds to the profit from the income derived from the aforementioned activities, provided that said income exceeds 5% of the total income of the legal entity in the year in question, and likewise, the legal entities and trusts authorized to receive tax-deductible donations may obtain income from activities other than the purposes for which they were authorized to receive said donations, provided that they do not exceed 10% of their total income in the year in question, however, when these legal entities obtain income from different activities for the purposes for which they were authorized to receive donations in a percentage greater than 50% of the total income for the fiscal year will lose the corresponding authorization. In this case, the modification made by the legislature refers to the abuse that the authorized donees could incur when obtaining a 50% higher income through activities other than those that are authorized, which would validate the hypothesis that its true income and therefore profit, derives from other activities and not only from those for which it was authorized.

Continuing with the updating of the Law, its article 82 provides that legal entities whose activity is for non-profit purposes, must comply with the following to be considered as authorized institutions to receive deductible donations in the terms of this Law: "I... II ... III... IV. That they allocate their assets exclusively for the purposes of their corporate purpose, for which they have been authorized to receive deductible donations from income tax, not being able to grant benefits on the remaining distributable to any individual or to their members, individuals or companies, except in the case, in the latter case, of any of the legal entities or trusts authorized to receive tax-deductible donations or the remuneration of services actually received.

"That as already mentioned above, it is in line with avoiding the simulation of operations, and that it is also complemented with the fraction V which indicates: "V. That, at the time of their liquidation or change of residence for tax purposes, they allocate all of their assets to entities authorized to receive deductible donations. In cases of revocation of the authorization or when its validity has ended and it has not been obtained again or renewed, within the twelve months following the date on which such events occur, all of its assets must be allocated to other entities authorized to receive donations deductible from income tax who must issue the corresponding tax receipt for donation, which will not be deductible for income tax purposes. The legal entities referred to in the preceding paragraph shall pay tax under the terms and conditions established in Title II of this Law. The resources that must be allocated to other authorized donees must be transmitted within a period of 6 months from the end of the term to obtain the authorization again when it was revoked or the expiration of the authorization. The provisions of the preceding paragraph will also be applicable in the event that an authorized donee is approved her request to cancel her authorization, who must allocate all her assets to another authorized donee to receive donations deductible from income tax and the latter must issue the corresponding tax receipt for donation, which will not be deductible for income tax purposes."

These reforms regarding the so-called "destination of the patrimony", have found diverse critical voices since it directly threatens the private property and the assets of the associates of the association, as well as the fact of revoking the authorization will immediately render inoperative to the association, since de facto it will lose assets and infrastructure, and therefore, its operation will be affected, making it impossible to offer the services it was granting, prior to the revocation of registration as Authorized Grantee (Arzate López, 2021), that is, it is made a de facto confiscation of the patrimony without any economic compensation so that it is donated to another authorized donee. The measure is clearly questionable and will most likely be subject to controversy in a guarantee trial, since, although it is true that the non-profit purpose of an association is merely philanthropic, this does not lead to turning the associations into martyrs. that they have to lose their patrimony in order to keep it for altruistic purposes.

In short, the free disposition of property should be a right that is little questioned by the authorities and should not be directed to an altruistic purpose without taking into account the wishes of the owners. In the exercise practiced by the Chamber of Deputies called "Open Parliament", the arguments of the non-profit associations prevailed that exposed, in some cases dramatically, that the reforms, although they seek to deactivate abusive practices, would also damage the financing and operation of the few associations that are dedicated to the care of goods, people, animals, cultural and artistic heritage in our country (Arzate López, 2021).

Continuing with the new changes to the Law, Article 82-Quáter, indicates that civil organizations and trusts whose authorization to receive deductible donations for income tax purposes has been revoked for the aforementioned causes, will not be able to obtain the authorization to receive deductible donations, until they correct the reason for which they were revoked or, if applicable, pay the corresponding income tax.

In this way, a premise that has been constant during the current government is fulfilled, which is the reparation of damage, from a pecuniary point of view, in order to continue operating or in more serious cases, obtain benefits of early release or reduction of sentence.

In this same article added by the reform, a procedure is provided to carry out the revocation which will be initiated by the Tax Administration Service in accordance with the following:

- I. It will issue an official letter through which it informs the authorized donee of the grounds for revocation in order for her to manifest before the tax authority what is appropriate to her right, where all kinds of evidence will be admitted, except for testimonial and confessional evidence. charge of the authorities.
- II. Once the term has expired, the tax authority will issue the corresponding resolution within a term that will not exceed three months, counted from the day following that on which the referred term expired.

- III. The resolution indicated in the preceding section will be notified in accordance with the applicable tax provisions.

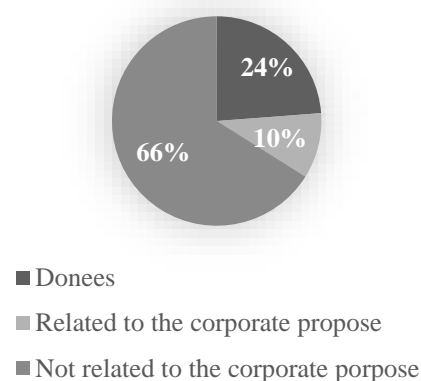
Financing strategies of civil society organizations

One of the most recurrent problems for civil associations is related to the financing of their operations, (Muñoz Hernández, 2012) In Muñoz Hernández, it is pointed out that one of the most important problems of CSO networks to obtain financing is that of give trust and credibility to your donors. Instruments have recently been designed from the public and private sectors to increase the trust and credibility of CSOs, to guarantee CSO donors that their resources will be well applied. These instruments are from the public sector the certification for CSOs that they are authorized donees endorsed by the Tax Administration System (SAT) of the Ministry of Finance.

For his part, Jorge Villalobos, leader of the Mexican Center for Philanthropy (CEMEFI), said that in Mexico there are 9 thousand authorized grantees whose donations rose from 34 billion pesos six years ago to 47 billion pesos this year.

Effects on the accounting income of civil associations

The volume of authorized donees who receive income not related to their corporate purpose is incremental, the referred income from activities other than the corporate purpose represent 66% of total income, which represents a concentration of income from lucrative activities.



Graphic 1 Percentage of income from authorized donees 2019

Source: Own elaboration from SAT data

The last paragraph of article 80 of the Income Tax Law states that they can only obtain income from activities other than the purposes for which they were authorized to receive said donations, provided that they do not exceed 10% of their total income in the exercise in question.

The reform proposes that in the event that authorized donees obtain most of their income (more than 50%) from activities not related to their corporate purpose, they lose their authorization, in order to prevent these entities from carrying out activities aimed at obtaining a profit.

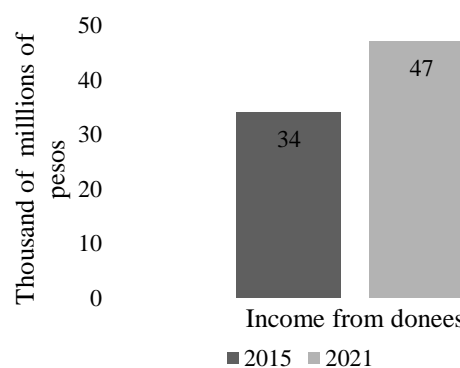
The following Table shows the variable income obtained by civil associations that have the distinctive of authorized donees, with the tax reform, those authorized donees who obtain more than 50% of their income from income not related to their corporate purpose will lose the registry of donee Authorized Tax Administration System.

Variable	2020	2021	Support	Incidence
Percentage of income not related to the corporate purpose to continue with the registration of authorized donee.	10%	<50%	Article 80 LISR eighth paragraph	Reduce the tendency and propensity to profit on the part of authorized donees.

Table 2 Main changes for authorized donees in the area of income tax after the 2021 tax reform in terms of income
Source: Own elaboration based on the draft explanatory memorandum for the 2021 tax reform

Effects on accountants on the deductibility of donations

According to the Mexican Center for Philanthropy (CEMEFI), the volume of donations received by civil associations with an authorized donee registration issued by the Tax Administration System (SAT) has been incremental in recent years, which shows that the Mexican taxpayers have a high propensity to make donations and consequently deduct these expenses from paying their taxes.



Graphic 2 Authorized grantees of the Mexican Center for Philanthropy
Source of Consultation: Own elaboration from the Mexican Center for Philanthropy

The nomination of authorized donee is also considered as a very important fundraising tool for CSOs since for each donation they receive they can deliver a tax deductible receipt, 7% of the ISR. With this nomination the income they receive as a donation is tax free, they only pay taxes on salaries. (Muñoz Hernández, 2012)

Given this, the increase in the collection of donations from the income from donations should be influenced, it is extremely important for civil associations to retain the distinctive of authorized donee so and in order to continue issuing tax receipts for the deductibility of donors.

Conclusions and relevant aspects of the ISR reform

The 2020 tax reform brings with it significant changes in terms of preventing and combating corruption in Mexico, it is important to review the positive effects of the tax reform in terms of authorized donees, one of the main successes is to combat tax evasion and avoidance of organizations that divert resources and are operating through the Figure of civil association, and that also has the distinction of being an authorized donee.

Article 80 of the Income Tax Law states that in the event that legal entities whose activity is for non-profit purposes dispose of goods other than their fixed assets or provide services to persons other than their members or partners, they must determine the tax that corresponds to the profit from the income derived from the aforementioned activities, provided that said income exceeds 5% of the total income of the legal entity in the year in question, and likewise, the legal entities and trusts authorized to receive donations Tax deductible may obtain income from activities other than the purposes for which they were authorized to receive said donations, provided that they do not exceed 10% of their total income in the fiscal year in question, however, when these legal entities obtain income for activities other than the purposes for which they were authorized to receive donations in a percentage greater than 50% of the total income for the fiscal year, they will lose the corresponding authorization. In this case, the modification made by the legislature refers to the abuse that the authorized donees could incur when obtaining a 50% higher income through activities other than those that are authorized, which would validate the hypothesis that its true income and therefore profit, derives from other activities and not only from those for which it was authorized.

The reform provides a procedure to carry out the revocation which will be initiated by the Tax Administration Service in accordance with the following:

- I. It will issue an official letter through which it informs the authorized donee of the grounds for revocation in order for her to manifest before the tax authority what is appropriate to her right, where all kinds of evidence will be admitted, except for testimonial and confessional evidence. charge of the authorities.
- II. Once the term has expired, the tax authority will issue the corresponding resolution within a term that will not exceed three months, counted from the day following that on which the referred term expired.
- III. The resolution indicated in the preceding section will be notified in accordance with the applicable tax provisions.

The volume of authorized donees that receive income not related to their corporate purpose is incremental, the referred income from activities other than the corporate purpose represent 66% of total income, which represents a concentration of income from lucrative activities.

Confronting tax evasion and avoidance is one of the central axes of the tax reform, which is considered positive, however, the financing challenges for the operation of civil associations will continue to be an important challenge to continue with the march and work for part of these organisms.

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How do the people of Tenancingo and Pilcaya spend their money?

¿En qué gastan su dinero las personas de Tenancingo y Pilcaya?

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Abstract

One of the serious issues today is that people spend more than their income, so the objective of this study is to investigate the behavior of the citizens of Pilcaya Guerrero and Tenancingo, Mexico with respect to their personal expenses and make a comparison between them in order to find differences and similarities as well as areas of opportunity in education and financial literacy. Based on this context, the research hypothesis arises: People who do not have financial education, do not properly manage their money which leads them to make unnecessary expenses. For the verification of the hypothesis a quantitative methodology of descriptive, explanatory and correlational cut was used, using as a technique for data collection surveys of closed questions Likert type, with a non-probabilistic sample and convenience sampling, which were applied through forms in Google forms, and then analyzed with descriptive and correlational statistical techniques in the SPSS program. The results obtained show that 3 out of 10 people save, and only 2 out of 10 people make unnecessary purchases, but despite the fact that few people make unnecessary purchases they do not know about financial education because more than 85% have misconceptions about the basic concepts of finance, so the hypothesis is rejected, because even though they do not make unnecessary expenses they do not know how to manage their money and therefore try not to overspend.

Financial education, Personal spending, Financial literacy, Tenancingo, Pilcaya

Resumen

Una de las cuestiones graves en la actualidad es que las personas gastan más de lo que perciben de ingresos, por lo que el objetivo de ese estudio es indagar en el comportamiento de los ciudadanos de Pilcaya Guerrero y Tenancingo, México con respecto a sus gastos personales y realizar una comparación entre los mismos para poder encontrar diferencias y similitudes además de áreas de oportunidad en temas de educación y cultura financiera. Con base a este contexto surge la hipótesis de investigación: Las personas que no poseen educación financiera, no administran adecuadamente su dinero lo que los lleva a realizar gastos innecesarios. Para la comprobación de la hipótesis se utilizó una metodología cuantitativa de corte descriptivo, explicativo y correlacional, utilizando como técnica para la recolección de datos encuestas de preguntas cerradas tipo Likert, con una muestra no probabilística y muestreo por conveniencia, los cuales fueron aplicados por medio de formularios en Google forms, para después analizarlos con técnicas de estadística descriptiva y correlacional en el programa SPSS. Los resultados obtenidos muestran que 3 de cada 10 personas ahorran, y tan solo 2 de cada 10 personas realizan compras innecesarias, pero pese a que pocas personas realizan compras innecesarias no conocen de temas de educación financiera debido que más del 85% tienen ideas erróneas acerca de los conceptos básicos de las finanzas por lo que se rechaza la hipótesis, porque a pesar de que no realizan gastos innecesarios no saben cómo administrar su dinero y por eso tratan de no gastar de más.

Educación financiera, Gasto personal, Educación financiera, Tenancingo, Pilcaya

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Introduction

In Mexico, the culture of saving has not been able to consolidate because families have not been familiar with this habit of the most fundamental for life in the long, medium and short term. Therefore, in the last decade has focused on the mismanagement that is done with the money, because most Mexican families do not prioritize their expenses, do not account for them, or budget them.

All the above is presented as a result of the little financial information that exists to invest their money, ie, people are not used to have their capital in any investment for not knowing how or for fear of losing it resulting in little interest in the subject of investment funds being this in the future a magnet of great repercussions leading them to the extreme case of a large indebtedness by poor financial education.

Therefore, this research aims to investigate the behavior of citizens with respect to their personal expenses in the municipalities of Pilcaya, Guerrero and Tenancingo, Mexico, where in the first section concepts and theories that help to substantiate the hypothesis put forward in this work are addressed. In the second section, the research design for the verification of the hypothesis will be presented, to then explain the results obtained and give rise to the discussion and conclusions of this.

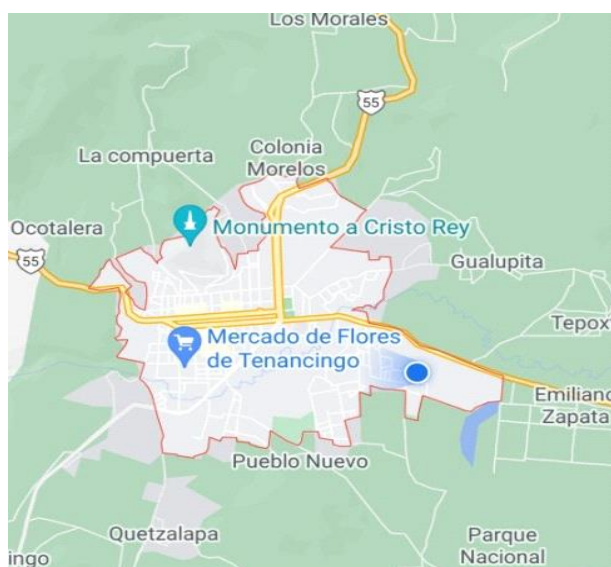


Figure 1 Map of municipality of Pilcaya, Gro.
Source: Pilcaya, Guerrero. Google Maps (2021)

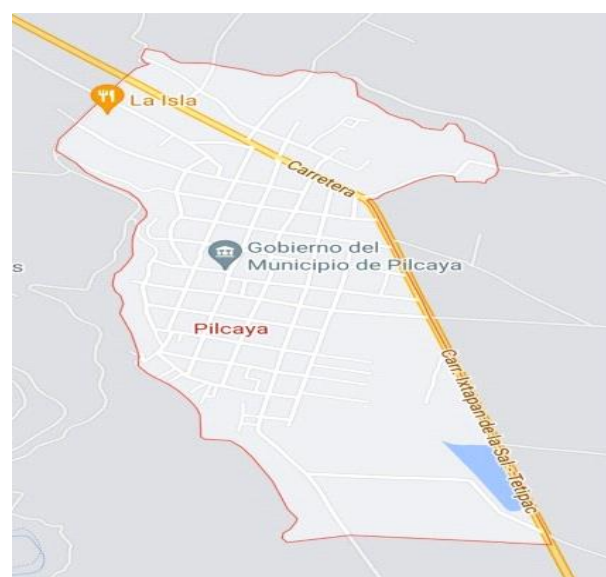


Figure 2 Map of municipality of Tenancingo, Edo, Mex
Source: Tenancingo, Edo.Mex. Google Maps (2021)

Literature review

Financial education

According to the Organisation for Economic Co-operation and Development (OECD) defines Financial Education as: "the process by which individuals acquire the knowledge, skills, and attitudes necessary to become financially literate. a better understanding of financial concepts and products and develop the skills necessary to make informed decisions, assess financial risks and opportunities, and improve their well-being". Also Bansefi (2017) tells us that:

"Financial education is a process of developing skills and attitudes that, through the assimilation of comprehensible information and basic tools for resource management and planning, allow individuals to make personal and social decisions of an economic nature in their daily lives and to use financial products and services to improve their quality of life under conditions of certainty".

Characteristics:	IMPORTANCE:
- Develops skills.	- Improve the quality of life.
- Transmits knowledge.	- Knowing how to take care of and yield the money in an adequate way.
- Raises the level of well-being	- Stability and better development of the patrimony.
	- Benefit to the markets.

History

According to Henao, Oscar, Córdoba L. and José Fernando (2017):

"Consumption is an increasingly acute feature of modern societies. The effects of consumption have been one of the main subjects of interest throughout the history of economic thought. Consumption is the economic activity closely linked to the satisfaction of needs".

Consumerism is one of the symbols of contemporary society, which is why we talk about the consumer society. New behaviors have developed, where we consume appliances, clothing and technological accessories, aimed at improving the quality of life and status, ensuring us more leisure time. However, more money is necessary for it, and therefore part of society lives according to work, work and work to enjoy consumption.

COVID-19 Pandemic Income of Individuals

It is imperative to talk about the implications of Covid-19 on household finances in Mexico. In that sense, it is worth asking ourselves: how financially prepared are Mexicans to face Covid-19? Who could be most affected? and, of course, what have been the effects of Covid-19 on Mexicans' finances so far?

The pandemic has affected 100% of the population; in the economic aspects it is reflected in the expected fall of the GDP, the increase of unemployment, the turbulences in the financial markets, the fall of the prices of the raw materials as in the case of the quotations of the oil due to the fall of the demand of the hydrocarbon, the devaluation of the emergent currencies, the closing of companies, the fall in the consumption, the increase of poor and deaths by hunger, the increase of the public expense, the fall of the tributary and not tributary income among other affectations.

The ultimate impact on household income in the COVID-19 contingency will depend on the speed of recovery of the Mexican economy and the actions taken both to prevent the pandemic and to boost the economy during and after the pandemic. The sum of social alienation and the lack of a single census of beneficiaries or people in informal employment make this a monumental challenge.

Faced with a complex scenario, where uncertainty prevails, both health and economic, experts recommend maintaining, as far as possible, financial health. This factor is fundamental in the starting situation, according to González-Páramo, for two reasons:

- First, because, although increased uncertainty always leads to an instinctive increase in our savings rate as a precautionary measure, in many cases these savings will be low because they will be based on a reduced income.
- The second is because our ability to plan financially for the future (e.g., to pay for children's education or to afford retirement) is much more complex in a context of health and economic uncertainty.

To strengthen finances and meet these challenges, a minimum of financial literacy is necessary. A knowledge that, as Helen Gibbons explains, should emphasize four points: "Diversify savings, maintain a level of debt that is manageable, review personal finances more frequently and use technology for financial control".

Methodology

The research project used several approaches due to the great need for information that was required, such as descriptive, explanatory and correlational research, which involve detailed observation of the previously selected populations (municipality of Tenancingo and Pilcaya) to explain the type of behavior they have according to various factors such as the socio-economic environment, their financial education and their index of consumer behavior. For the testing of the hypothesis it was decided to start from a causal research design because the project is of quantitative approach, which requires evidence to know the main causes of the behavior of people based on their money they perceive so data were collected through the technique of electronic surveys where the type of sample used was non-probabilistic, convenience sampling since two municipalities were studied, which were: Pilcaya, Gro and Tenancingo, Edomex, where in the first according to INEGI data (2020), has 3599 inhabitants in its entirety and in Tenancingo around 11000 inhabitants of an age range of 18- 30 years, but due to contingency issues it was only possible to contact inhabitants of the center of the municipalities so a small representative sample was achieved to inquire into their behavior as consumers, because they are two different regions and therefore have different lifestyles, customs and their economic activities in which they perform different.

The surveys that were applied for Tenancingo correspond to 143 people of an age range of 18 - 30 years, while for Pilcaya, having a smaller population than the previous site, it was applied to 82 people of an age range of 25 - 30 years, these surveys were applied by means of Google Forms due to the current conditions due to the COVID-19 contingency.

All the above, served to expose the degree of association between the variables and test the hypothesis: since questions were asked to know the degree of study, savings accounts, saving habits, expenses, purchases, economic activities in which they perform, socioeconomic level among others.

Results

The following are the results obtained from the survey applied to the sample of inhabitants of Pilcaya and Tenancingo:

The inhabitants who answered were of an age range of 18-30 years old where their academic level is professional and others are engaged in studying or working. Only 76 of the 76 people are financially independent while the rest still need or depend on someone else. 64.9% of people do not depend on them financially.

People do have the habit of saving a part of their income, but they also sometimes spend it unnecessarily, 36.9% of people do save but 20.4% do not know how to manage their money. 83 of the people are motivated to save to buy something they like while only 22 people are looking for their old age. It was very sad to observe that more than 76% of the surveyed population has debts but they consider that getting into debt is bad if it exceeds their capacity to pay. 67.1% of those surveyed consider that it is bad to get into debt if they exceed their capacity to pay.

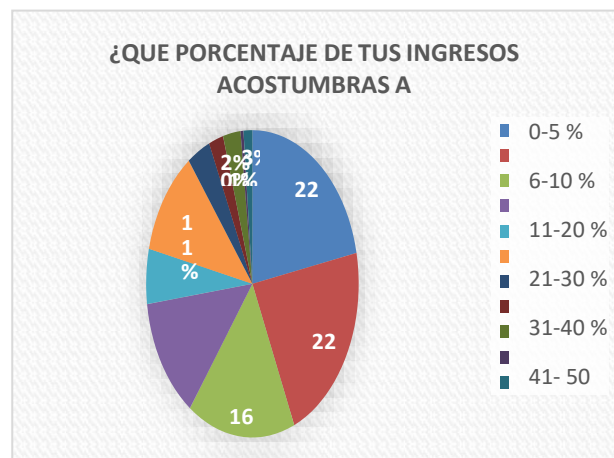
However, 28.4% consider that sometimes it is necessary to get into debt for different reasons, such as debts to pay for their children's education or for some illness. 47.1% if they had an economic emergency equal to what they earn or receive for the month, they would pay for it with their savings, which indicates that a little less than half are concerned about saving in case of an emergency.

Only 33.8% invest, the other part of the population does not know about the subject or distrusts financial institutions. 11.1% usually save 51 to 50% of their income, most of them only save 0 to 5% of their income, which is not ideal to be able to save a favorable amount for their retirement or an emergency. 57.3% of the population does not have debts or if they do, they pay 0 to 5% monthly, which is a low percentage. Most of the population prefers to keep their money at home; they are unaware of the risk involved in keeping it at home or simply due to misinformation and lack of confidence in keeping it in a financial institution.

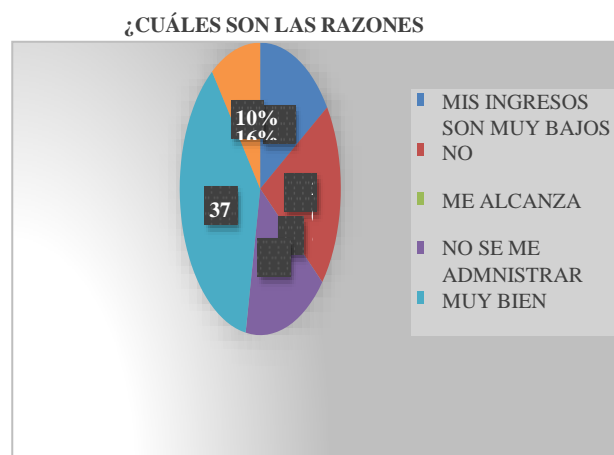
They do not keep track of their budget, 16% keep track of their budget in a mobile application, 50.7% sometimes have long term financial goals and strive to obtain them, this indicates that they mostly do it for vacations, starting a business but very few do it for their retirement. 45.3% of the population does not have an account, insurance, or credit and only 24.9% compare banks, financial institutions to contract a bank account or insurance.

Much of the people do not know how to calculate their payment capacity, they only try not to spend more than they can, this indicates that they do not have a broad financial knowledge, however they try not to have debts. 85.8% think that setting up a budget is useful to organize their expenses. 57.8% believe that the key to managing a credit card is not to exceed the credit line. 56% of the population does not take out loans or credit.

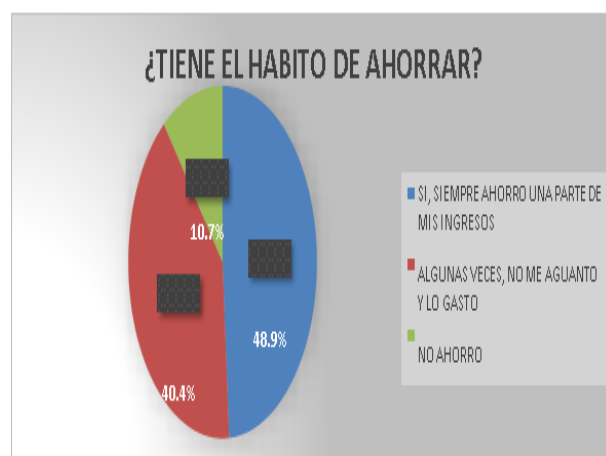
Below is a series of graphs of the key questions from the survey:



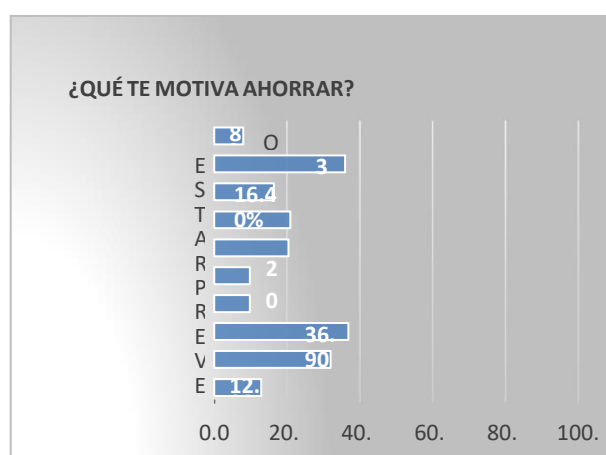
Graphic 1 Percentage of income used to save
Source: Own elaboration



Graphic 2 Reasons not to save
Source: Own elaboration



Graphic 3 Percentage of income used to save
Source: Own elaboration



Graphic 4 Savings motivation
Source: Own elaboration

Variables	Correlation	Results	Analysis
AGE	.202**	Positive correlation	Age may correspond to the profession and/or trade of the individual.
Do you have the habit of saving?	0.032	Positive correlation	The profession and/or trade is a determining factor in savings habits.
What motivates you to save?	-0.083	Negative correlation	The profession and/or occupation does not influence the motives for saving.
What are the reasons why you do not save?	0.006	Positive correlation	The profession and/or trade determines the reasons why people do not save
What percentage of your income do you usually save?	-0.093	Negative correlation	There is no relationship between the profession and/or trade with the percentage of savings.

	Age		
What are the reasons why you don't save? save?	0.0905014	Positive correlation	Age can influence savings
	Academic level		
What are the reasons you don't save?	0.050	Positive correlation	Academic level responds to the reasons for not saving
What percentage of your income do you usually save?	0.062	Positive correlation	Academic level influences the percentage of income to be saved

Table 1 Simple view of a data correlation in the SPSS statistical program with Pearson's coefficient
 Source: Own elaboration based on results of the SPSS analysis

To measure the significance level of Person's correlation and test the hypothesis, a significance level of .05, which is ideal in social science research according to various researchers, so it was shown that people who have a higher academic level (professional level), manage their money properly because the profession and/or trade is a determinant for saving habits, If the person is a professional, he/she has a tendency to save, given that if he/she does not have a remunerated profession and/or trade, it directly influences the reasons why he/she does not save, all this positively related to the academic level, since the higher the academic level, the greater the knowledge that will influence the use of some financial practices, such as saving and investment.

Discussion

The results of this study clearly show that the age range had a significant influence on the respondents' response to the electronic survey, given the culture and environment in which the respondents live. Respondents in the 18-30 age range tended to be more open about financial literacy and personal finance topics while those in the 41-60 age range were more closed and skeptical about the survey for fear of misuse of the information provided.

All the above, because in the results obtained in the surveys it was observed that a percentage of 84.4% of young adults with an age range of 18-30 years old answered the form, which caused a considerable bias, since the remaining 15.1% corresponds to the different categories of life (31-60 years old) whose answers left different concerns and interests about their behavior in the topic of financial education and personal finance.

Therefore, it is intended that in future research, in order to obtain more information about the remaining age ranges, a qualitative approach will be added in which the activities to be carried out would be an in-depth interview to complement the case study.

Conclusion

In relation to the above, one of the objectives of the research was to analyze and identify whether the citizens of the municipalities of Tenancingo, State of Mexico and Pilcaya, Guerrero have knowledge about financial concepts such as savings, investments, credits and savings funds, which resulted in that, in general people have notions of these terms, as well as some people have that kind of financial services either because of their work, for some need and/or impulse, among other aspects of the socioeconomic environment of the aforementioned municipalities.

On the other hand, at the moment of carrying out this study the mentioned municipalities of the region were chosen, because their customs and behaviors of the population were varied by the geographic zone, the amount of inhabitants that conform it and in turn the socioeconomic environment that surrounds them being this determinant as far as the application of the surveys since for Pilcaya, Guerrero being a more traditionalist area, the thinking of its inhabitants tend to be more reserved in terms of money-related issues, while for Tenancingo, located in the State of Mexico, being considered a city, its economic activities and behaviors are different and according to age, they responded without any problem to the form. In addition, when analyzing the data, it was observed that despite the fact that most of the respondents answered that getting into debt is bad if it exceeds the ability to pay, 76% of them are in that situation.

In addition to finding positive correlations between variables, such is the case of the profession and/or trade, which turned out to be a determinant for saving habits, if the person is a professional he/she has a tendency to save, given that if he/she does not have a remunerated profession and/or trade it influences the saving habits.

This is positively related to the academic level, since the higher the academic level, the greater the knowledge of finance, which will influence the use of some financial practices, such as saving and investment. This leads us to reject the hypothesis because only 20% of respondents answered to make unnecessary expenses, however, most of them do not have an adequate money management so they tend to get into debt and therefore not to practice saving. The above only highlights the lack of financial education among society, which leads to suggest that such information is made known among communities through workshops or subjects taught from basic education for Mexico to be a country with less indebtedness and more savings and investment among its inhabitants.

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Analysis of manufacturing companies in Ciudad Juárez that are currently certified

Análisis de las empresas manufactureras de Ciudad Juárez que actualmente están certificadas

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Abstract

The lack of specific information on the internet and in other media with reference to currently certified companies, which is intended to create a database of companies that are certified and those that are not ISO 9000 certified, show them the benefits, as well as give them the opportunity to know the advantages of being certified in ISO 9000 and if they are interested to present a proposal for a quality management system. And even generate a link with Índex de Juárez to share this information with this institution to give extra value to this research. The research approach is mixed with the combination of the quantitative and qualitative approach, for the first phase of this research a field investigation of the background of companies that are currently certified and which are the certifying companies as well as the preparation of a standard questionnaire for other entities and Ciudad Juárez that will be applied throughout this study to collect relevant data and present the number of companies that have their ISO 9001 certification, if they are interested in being certified and which ones are not certified.

ISO 9001 Certification, Analysis, Quality of companies (SGC), Manufacturing companies

Resumen

La falta de información concreta en internet y en otros medios con referencia a las empresas certificadas actualmente, con lo cual se pretende crear una base de datos de empresas que están certificadas y las que no están certificadas en ISO 9000 mostrarles los beneficios, así como darles la oportunidad de conocer las ventajas de estar certificado en ISO 9000 y si están interesadas presentarles una propuesta de un sistema de gestión de calidad. E incluso generar un vínculo con Índex de Juárez para compartir esta información con esta institución para darle un valor extra a esta investigación. El enfoque de la investigación es mixto con la combinación del enfoque cuantitativo y cualitativo, para la primer fase de esta investigación se realizara una investigación de campo de los antecedentes de empresas que están certificadas actualmente y cuáles son las empresas certificadoras así como la elaboración de un cuestionario estándar para otras entidades y Ciudad Juárez que estará aplicándose a lo largo de este estudio para recabar datos relevantes y presentar la cantidad de empresas que cuentan con su certificación ISO 9001, si están interesados en certificarse y cuales no están certificadas.

Certificación ISO 9001, Análisis, Calidad de las empresas (SGC), Empresas manufactureras

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Introduction

This research work is focused on generating a Geo-socio-economic diagnosis in Ciudad Juárez and the relationship to the manufacturing companies that are currently certified, since there is no simple registry where information on these companies can be found, as well as their certifying houses. Motivating those who are not certified to seek their certification, presenting the benefits and advantages of being certified to the ISO 9001 standard with the possibility that our educational institutions could advise them in the future in the implementation of a QMS. Currently, it is not possible to find a metric to measure quality in companies, therefore, it would be important to have a benchmark such as, in your case, all those companies that are certified. The interest in quality in Mexico is demonstrated by the growing number of companies that have achieved ISO quality recognition. (Show% hard data from INEGI for our entities). Although the certification of ISO standards it is understood that it should be an initial step towards other Total quality strategies. (Meegan and Taylor, 1997)

Therefore, this study focuses its attention on the following topics of interest in relation to quality, ISO 9001 certification and certifying companies, for which we will only focus solely on the collection of data and application of the survey for documentary purposes for In a second stage, analyze the results and obtain statistical data, which will not be included in this article for the moment, since this project is still being worked on until its completion next year.

Requirements necessary to obtain an ISO 9000 certificate

What companies must adopt these standards?

The systems apply to any type of business organization, from transnational to medium and small, internal consumption and mainly companies dedicated to export. Standards can be adopted by the public sector and / or the private sector.

Requirements in ISO 9001

The requirements in ISO 9001 are as follows: Managerial responsibility, a quality system, contract review, design control, document control, customer-supplied products, process control, inspection, control of non-conforming products, actions corrective and preventive, handling, storage, packaging, control of records, audits, training, statistical techniques. These are specified in the ISO 9001 standard. (Espinoza, 1999)

ISO 9001 certification companies

Some of these associations are EFAC (European Federation of Association of Bodies Certification), the IQNet (International Certification Network) and the PEFCS (Program for the Endorsement of Forest Certification Schemes). As indicated by the IEC 17021 standard, the objective of the certification is to generate confidence in all parties about the QMS meets the specified requirements (Álvarez, 2015)

Certified companies in Mexico

Quality	Standard	Total Percentage
NMX-CC-9001-IMNC-2000/ISO 9001:2000	84	4.92%
NMX-CC-9001-IMNC-2008/ ISO 9001:2008	1442	84.48%
NMX-CC-SAA-19011-IMNC-2002/ISO 19011:2002	3	0.18%
NMX-F-CC-22000-NORMEX-IMNC-2007/ISO 22000:2005	14	.82%
NMX-SAA-14001-IMNC-2004/ISO 14001-2004	116	6.8%
NMX-SAST-001-IMNC-2008	46	2.69%
NMX-TT-006:1996 IMNC	2	0.12%

Table 1 Certified companies in Mexico
Source: SE (Secretaría de Economía, 2012)

Benefits of companies certified in ISO 9001

Some benefits, both direct and indirect, are the following: Improvement in the management of the organization since at this point it requires full participation of the management team, increased productivity, satisfied customers, motivated staff since the standard requires that the organization know their functions and responsibilities within it, improves the image since a certification is an excellent presentation letter for the company. A study carried out a few years ago at UCLA (University of California) revealed that companies certified in ISO 9001 had achieved superior financial performance compared to other companies that did not have this certification. Implementing a QMS is not a cost but an investment that is reflected in its processes and its results. (López, 2016)

Method description

Ciudad Juárez is a city in Mexico with a total population of 1,512,450 (Population Census. INEGI, 2020) which is located in the north of the country, in the state of Chihuahua, on the banks of the Rio Bravo is located in the central table of the region Northern Mexico, in the state of Chihuahua, between the states of Sonora, Sinaloa, Durango and Coahuila, borders the United States border.

List of industries by activity

SCIAN 2007 is divided into 20 activity sectors at the most general level, 94 subsectors, 304 branches, 617 underlines and, at its most detailed level, into 1049 activity classes. It is important to bear in mind that when businesses carry out more than one activity, they are classified by the most relevant. This catalog includes 459 companies of which 411 are manufacturers and 48 are non-manufacturers. (IMIP, 2014). For this research we will only consider the following sectors: Electronics, Automotive, Medicine, Food, Chemical, Petrochemical, Textile, Wood Industry and others due to the industry that exists in our entity.

Searching in Dengue (2018) it was found that from 31 to 250 employees there are 239 manufacturing companies in Ciudad Juárez considering the category of small or medium companies, it was also investigated of 250 employees or more there are 215 manufacturing companies in Ciudad Juárez.

According to the Official Mexican Standard for Industrial Parks NMX-R-046-SCFI-2011 they are classified as Industrial Warehouse, Industrial Park, Industrial Lot, Industrial Complex, Industrial Zone. (IMP)

Various authors have studied the contribution of ICT to strengthen KM in organizations, small and medium-sized enterprises (SMEs), as well as the main factors that influence its adoption and dissemination, such as the economic environment and the particular characteristics of the company (Quijano, 2021).

Analysis from the method

The research was carried out from a qualitative methodological approach, since it is required through interviews with personnel who work directly in the maquiladora industries and SMEs and the type of study that was carried out is descriptive, Fidias, argues that this type of research consists of "the characterization of a fact, phenomenon, individual or group, in order to establish its structure or behavior. (Montaño B, 2021 & Fidias, 2012)

This research work is focused on generating a Geo-socio-economic diagnosis in Ciudad Juárez in relation to the manufacturing companies that are currently certified, since there is no simple registry where information on these companies can be found, as well as their certifying houses. Motivating those who are not certified to seek their certification, presenting the benefits and advantages of being certified to the ISO 9001 standard with the possibility that our educational institutions could advise them in the future in the implementation of a QMS. At present it is not possible to find a metric to measure quality in companies, therefore, it would be important to have a benchmark such as all those companies that are certified. The interest in quality in Mexico is demonstrated by the growing number of companies that have achieved Iso quality recognition. (Show % hard data from INEGI for our entities).

To carry out this project we rely on the information provided by the 2020 population census to search for information on geo-statistical areas, as well as the National Statistical Directory of economic units (Denue), List of companies of the Paso del Norte Technological University that They currently have an agreement by the linking department, in addition it is intended to seek sources and support from the National Council of the Maquiladora and Export Manufacturing Industry (Índex), Georeferenced Catalog-directory of parks, industrial zones and industries of Ciudad Juárez, Chihuahua . It is worth mentioning that the Official Mexican Standard for Industrial Parks makes a division (Industrial warehouse, industrial park, Industrial lot, Industrial complex, Industrial zone) which is important to take into consideration when collecting the information and classifying it. It is also necessary to know the geographic location of the industries since they are divided into 7 sectors (North West, Central West, South West, North East, Central East, South East, South East East) so which this has to be a priority on the part of both academic bodies to delimit the area of study. The manufacturing industry in Ciudad Juárez Chihuahua is divided into parks and industrial zones that are subdivided into sector, name and area. There are a total of 33 industrial parks, 298 manufacturing industries and 44,000 small and medium-sized companies according to table 2 and the INEGI digital maps in figure 1 and 2.

List of Industrial Parks and Industrial Zones	Number of maquiladoras in the area
Intermex South Park	4
Intermex East Park	2
South Towers Park	1
Nuevo Zaragoza Park	2
Salvarcar Park	7
Satelite Park	1
Independencia Park	5
El Mirador Park	1
El Marques Park	1
Juarez Industrial Center	3
Magnaplex Industrial Park	2
Aero Juarez Ii Park	1
Omega 17 Park	17
Eje Juan Gabriel Industrial Park	2
Ramón Rivera Industrial Zone	8
Aztecas Industrial Park	12
Fernández Industrial Park	9
Aeropuerto Industrial Park	2
Industrial City	8
J. Bermudez Park	2
Las Fuentes Industrial Park	1
Total	397

Table 2 List of Parks and Industrial Zones in Ciudad Juárez

Source: INEGI_DENUE 02032021

In total, the municipality of Ciudad Juárez has a total of 397 maquiladoras. (Inegi, 2020)

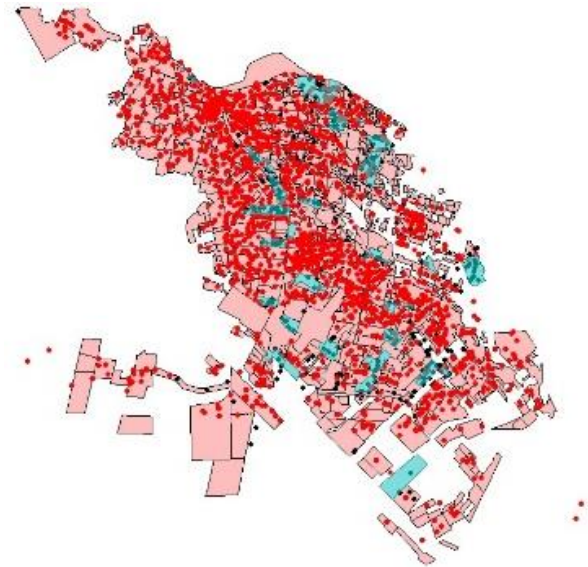


Figure 1 Map of all maquiladoras and Pymes
Source: Campos J, Digital Maps of Mexico INEGI

The points marked in red in figure 1 are the Pymes, the ones marked in green are the maquiladora companies.

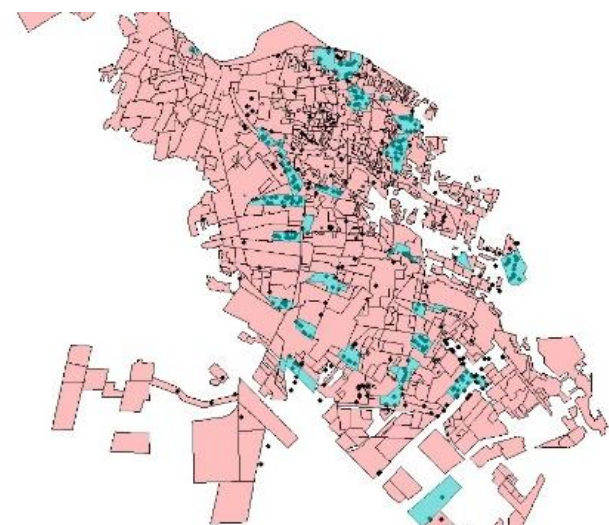


Figure 2 Map of Ciudad Juárez of all sectors where there are maquiladoras
Source: Campos J, Digital Maps of Mexico INEGI

Those that are marked in fig. 2 in green are the sectors where maquiladoras are located.

ID	Name of Economic Unit	Company name	Name of human settlement	Municipality	Basic geo-statistical area
152210	ABARROTES Y COSTURAS CARRETES		SIMONA BARBARA	Juarez	4716
156249	GROCERIES AND BAKERY		AMPL PLUTARCO ELIAS CALLES	Juarez	4141
714941	ABARROTES Y PANADERIA MORALES		RIBERAS DEL BRAVO	Juarez	7729
711902	ABARROTES Y FORTALEZA RUBI		FELIPE ANGELES	Juarez	2961
629147	AGROINDUSTRIAL LIDERLAC	AGROINDUSTRIAL LIDERLAC SA DE CV	PUENTE ALTO	Juarez	294A
52785	AGUA ALASKA	AL TEC PURIFICACION SA DE CV	PROGRESISTA	Juarez	3476
3097146	AGUA IMACULADA DE JUAREZ		GRANJAS DEL DESIERTO	Juarez	8408

Table 3 List of Pymes in Ciudad Juárez

Name of between	Outer number or kilometer	Type of human settlement human settlement	Name of human settlement
Road 2	2706	Colonia	Simona Barbara
Maria viuda de romero	4728	Colonia	Ampl Plutarco Elias Calles
Philippine islands	83	Subdivision	Riberas Del Bravo
Rivera del moro	6812	Colonia	Felipe Angeles
Reynosa	10405	Colonia	Puente Alto
None	754	Colonia	Progresista
Bouche		Colonia	Granjas Del Desierto
None	2703	Colonia	Americas
Tomas alva edison	3310	Subdivision	Infonavit Parques Industriales
Donato azures	6780	Subdivision	La Cuesta Ii
Tecnologico		Subdivision	Parajes De San Juan
Montecolon	5525	Subdivision	La Cuesta Ii
Caucasus mountain range	232	Section	Samalayuca
Ignacio allende	6005	Colonia	Partido Las Fuentes
None	1961	Commercial zone	Plaza San Andres
Reserva del valle	0	Subdivision	Misiones Del Real
Paseo de compositores	1223	Subdivision	Heroes De Mexico

The table above shows the list of manufacturing companies called SMEs, which are in total 2167 companies, according to (Inegi, 2020) INEGI_DENUE_11032021

The ISO variable is a dichotomous variable that can only take 1/0 values to define mutually exclusive options, whether or not the ISO 9000 quality certificate is available.

Among the Universities interested in participating in the project, they must determine the data analysis, collect information and interpret the results with some related statistical method that can give us important results for the investigation.

The most common way to obtain information is through open interviews where researchers generally analyze patterns in the observations during the data collection phase.

The most used technique is online surveys in google forms as it brings great benefits in reducing time and money.

This type of form you can choose from a lot of question options from a test to drop-down lists with a numerical scale.

The responses to your surveys are collected automatically and in an orderly manner in Forms, with graphs and data of the responses in real time, as well as you can examine your data in spreadsheets.

Survey of quality management system for manufacturing companies

1. How long has your company been operating in Mexico?
a) 1 to 3 years b) 3 to 5 years c) 5 to 10 years d) more than 10 years

2. How many personnel does your company have?
a) 1 to 50 b) 50 to 100 c) 100 to 300 d) 300 to 500 e) 500 to 1000 f) 1000 or more.

3. What is your company's line of business?
a) Electronics b) Automotive c) Medical d) Food e) Medical and Chemical f) Petrochemical g) Textile h) Wood industry I) Other

4. Do you have a quality management system?
YES NO

5. Is your company certified under ISO 9001?
IF NOT WHICH VERSION: _____

6. Which version of the standard do you have?

7. Would you be interested in certification?

8. Can you provide name and contact e-mail address?
Name: _____
E-mail address: _____

9. In which State and City is your company located?

10. Do you have certification in any other standard? (Indicate which one)

Figure 3 Quality management system survey for manufacturing companies
Source: Own elaboration, (2021)

Results

The objective of the Certification system is to facilitate national and international trade, allow better identification of products and that they comply with certain requirements of the ISO 9001: 2015 standard, as well as for consumers to be sure that the product you purchase is safe and has the specific quality of the product. The ISO 9001 certification must give confidence about the quality management system to the consumer, customer and suppliers.

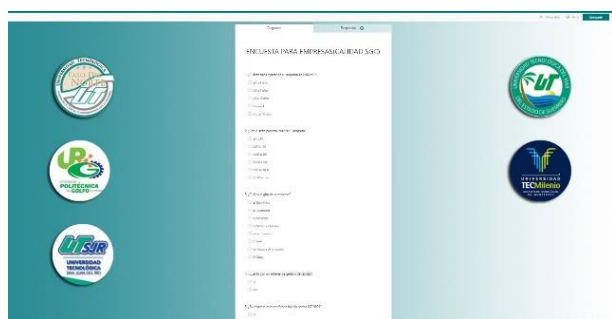
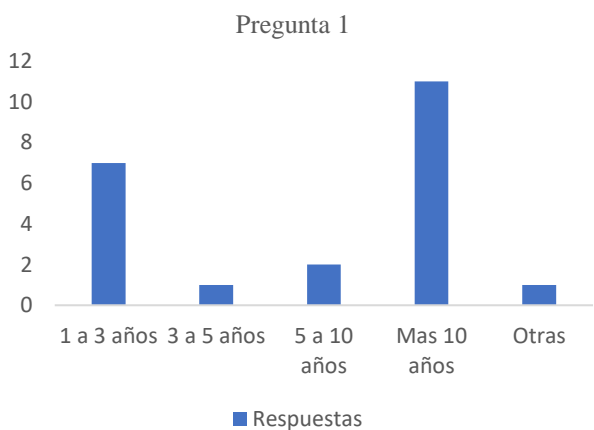


Figure 4 Survey proposed in online google forms to be applied to manufacturing companies
 Source: Own elaboration, (2021)

Results analysis

1. How long has your company operating in Mexico?

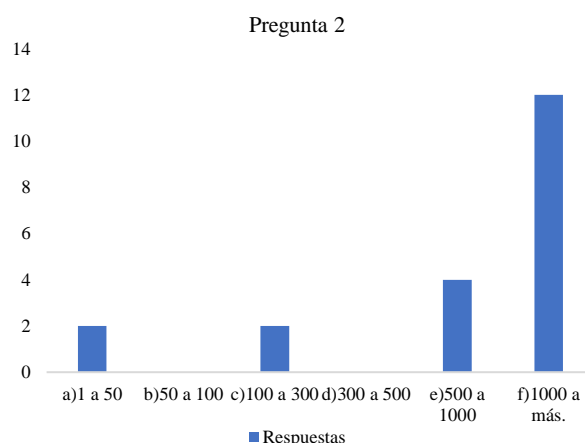
Time (years)	Answers
a) 1 to 3 years	7
b) 3 to 5 years	1
c) 5 to 10 years	2
d) More than 10 years	11
Others	1



Graphic 1 Question 1
 Source: Own elaboration, (2021)

2. How many staff does your company have?

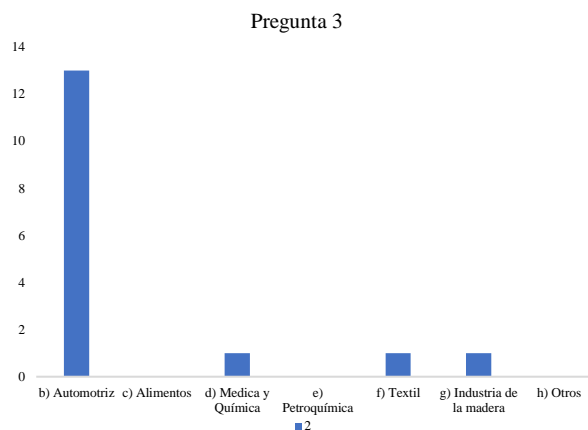
Personal quantity	Answers
a) 1 to 50	2
b) 50 to 100	0
c) 100 to 300	2
d) 300 to 500	0
e) 500 to 1000	4
f) More than 1000 years.	12



Graphic 2 Question 2
 Source: Own elaboration, (2021)

3. What is the business of the company?

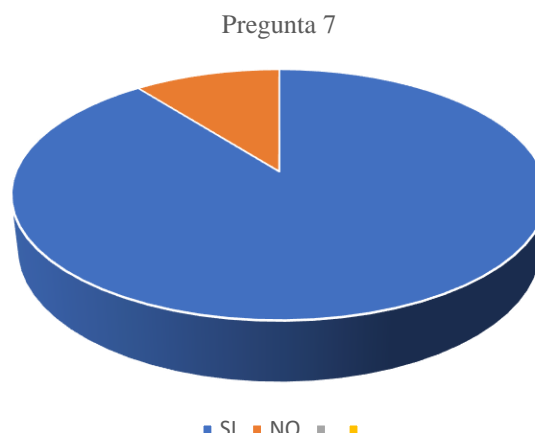
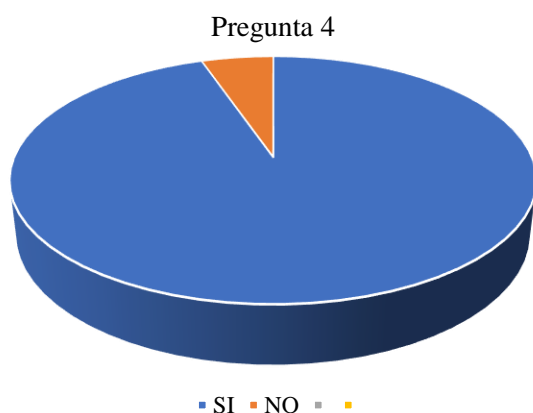
a) Electronics	2
b) Automotive	13
c) Food	0
d) Medical and Chemical	1
e) Petrochemical	0
f) Textil	1
g) Wood industry	1
h) Others	1



Graphic 3 Question 3
 Source: Own elaboration, (2021)

4. Do you have a quality management system?

Yes	18
No	1

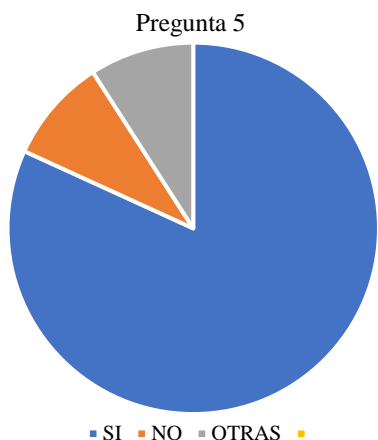


Graphic 4 Question 4
Source: Own elaboration, (2021)

Graphic 6 Question 7
Source: Own elaboration, (2021)

5. Is your company certified under the ISO 9001 standard?

Yes	18
No	2
Others	2



Graphic 5 Question 5
Source: Own elaboration, (2021)

6. What version do you have of the standard?

ID	Answers
1	9001-2015
2	I don't remember
3	I don't really know
4	9001:2018
5	2015
6	9000
7	Satisfy the customer in time and order
8	The recent

7. Would you be interested in getting certified?

Yes	17
No	2

8. Could you provide name and contact-email?

ID	Answers
1	LEAR VICTORIA abdielfeliperamirez7@gmail.com 6563481430
2	José Alfredo Pavía Rodríguez 1986paviafredy@gmail.com
3	I no longer work there
4	Luis Daniel Luevanos Salazar 18030334@utpn.edu.mx, dhanlvns13@gmail.com
5	jesus.ismael.pillado@outlook.com
6	1503185c@utpn.edu.mx
7	María Abigail lindo morales abigaillindo538@gmail.com
8	ulisesrojas48@gmail.com ulises marines
9	Enrique sanchezenrique593@gmail.com

9. In what State and City is your company located?

ID	Answers
1	CD Juárez
2	Cd. Juárez Chihuahua
3	Cd, Juárez Chihuahua
4	En ciudad Juárez Chihuahua
5	Cd Juárez Chihuahua
6	Cd, Juárez Chihuahua
7	CD Juárez Chihuahua
8	CD Juárez, Bermúdez park
9	Cd Juárez Chihuahua
10	Cd Juárez

10. Are you certified in any other standard? (Say which)

ISO 14,000

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Conclusion

The objective of the Certification system is to facilitate national and international trade, allow better identification of products and that they comply with certain requirements of the ISO 9001: 2015 standard, as well as for consumers to be sure that the product you purchase is safe and has the specific quality of the product. The ISO 9001 certification must give confidence about the quality management system to the consumer, customer and suppliers.

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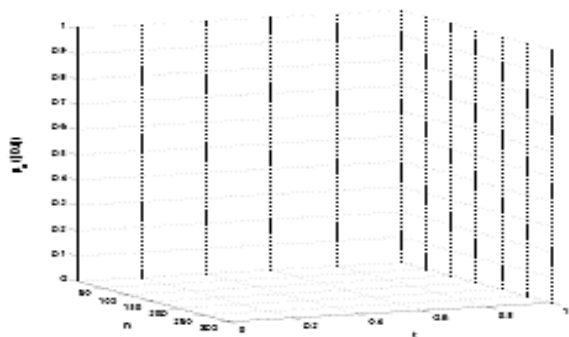
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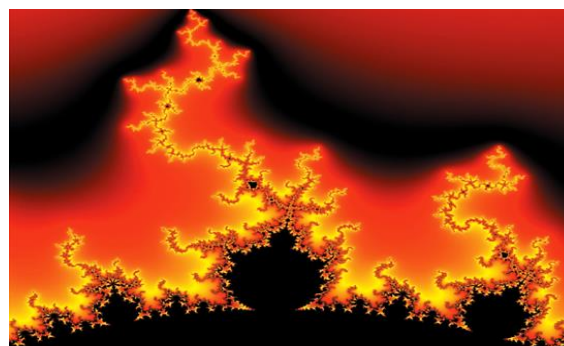


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