

PRINCIPLES AND PRACTICES IN MANAGING FINANCIAL RECORDS: A REFERENCE MODEL AND ASSESSMENT TOOL

Four very thoughtful and helpful reviews were received reflecting quite different perspectives. None of the reviewers doubted the competence of the researchers or the quality of their work. Nor did they doubt the significance of the subject area.

Margaret Hule of the Accountant General's Department in Botswana, writing on behalf of the East and Southern African Accountants General (ESAAG) Committee, was clearly of the view that the reference model would be of real practical value to her government in terms of establishing practical guidelines, setting profiles for skill requirements and diagnosing weaknesses in systems in relation to the basic principles defined. Schalk Human, of the Office of the Auditor General in South Africa, writing on behalf of the Southern African Committee of Supreme Audit Institutions (SADCOSAI), largely concurred. However, he felt that the tool was too narrowly focussed on the role of the national archives and needed to look also at the internal quality control systems in ministries and other entities.

Phil Calder, Chief Accountant at the Government Accounting Office in Washington, raised a similar concern. He suggested that a separate chapter or section could be devoted to the fundamental concepts inherent in internal control and stressed the need to establish an overview of the entity's internal control structure or control environment. He also provided a list of proposed specific amendments. Mr Calder's primary suggestion, however, which was not covered in his formal review, was that it would be helpful to provide a shorter, highly practical assessment tool that could be of immediate use to the audit community. Work is now underway on this tool and on amendments to the existing tool.

Mr Calder's suggestion can be linked to the comments by Andrew McDonald, who felt that while the tool was sound and would be of real value in helping to establish new records systems to support financial processes, it was better attuned to the needs of the records professionals than to the requirements for accountants and financial managers. He also felt that the tool was too prescriptive in relation to the role of the national archives and too closely allied to British or Commonwealth practice to be of real use to managers in jurisdictions with other administrative traditions. Finally, he noted that the tool did not make it easy to assess the extent to which systems for managing financial records had failed to meet their objectives nor how to address shortcomings. He stressed the need to move forward in the future to produce guidance on building better systems.