

Management of financial records in selected public institutions in Botswana

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Abstract

This article focuses on the challenges faced by public institutions in Botswana in managing financial records for accountability. It also looks at strategies that can be employed to improve the management of financial records in these institutions. As has been found out by the International Records Management Trust (IRMT), a number of countries especially those in the sub-Saharan region are facing critical problems in areas of budgeting and auditing, which in most cases results in poor financial controls. In most instances, organisations in those countries are failing to comply with financial and audit legislation and this lack of compliance has led to poor financial accountability and corporate governance. This has subsequently led to fraud and corrupt practices. In discussing the challenges and possible strategies for improvement, raw data was collected from selected public institutions that have a national responsibility for ensuring public finances are accounted for and well managed. The review of literature also identified challenges in other public institutions that are discussed in this study. It was found that, while most organisations have implemented Financial Management Systems (FMS) as a solution to enhancing financial operations, without them being audited, computerisation of accounting system alone does not solve the problem. The paper contends that financial records play an important role in ensuring organisations are accountable; they support decision-making and help in auditing processes. In making suggestions for improved financial accountability, the paper recommends that it is important to have proper records management systems in both the manual and electronic environments which will ensure availability of authentic and reliable financial records.

Keywords: financial accountability; financial management system; financial records; public institution

1. Introduction

Financial records play a critical role in financial management and in ensuring financial accountability. Most organisations are, however, facing challenges in ensuring that reliable records are available for accountability in their financial

operations. Financial records can be defined as records that are generated from business activities related to financial processes and examples of these records include financial statements; invoices; cashbooks and payment vouchers. These records play an important role in financial management and financial operations and as such have to be properly managed. Conversely, financial management is defined as a specialised function that is responsible for the efficient and effective management of money (funds) in such a manner as to accomplish the objectives of the organisation (Brigham & Huston 2007). Furthermore, the Auditor General of Singapore (2015) defines financial accountability as a situation where a person is given the responsibility to hold, use or dispose of resources not belonging to him. Generally, governments are custodians of these resources. According to Roper and Millar (1999), it is all about planning, controlling, implementation, and monitoring of fiscal policies, including accounting, audit of revenue and expenditure, assets and liabilities (Roper & Millar 1999).

It follows, therefore, that financial strength of any business organisation depends on efficient acquisition and management of resources by those who have responsibility and authority to control the use of these resources and accounting for them. This in turn depends on quality and timely provision of information available. The importance of financial records and proper records management practices in organisations as evidenced from general records management literature cannot be overemphasised. In particular, the literature available focuses on the role of records in ensuring the right to land, health and social welfare services which all depend on well managed records. Records are a corporate memory of organisations and they support decision making. More importantly, they help in rooting corruption and ensuring delivery of services

and failure to manage them can result in inefficiencies in business transactions (Ngoepe & Ngulube 2014:135; Ndenje-Sichalwe et al. 2011: 264; Bhana 2008; Mhache 2007). A number of regional conferences including the East and Southern African Regional Branch of the International Council on Archives (ESARBICA) conference held in Tanzania in 2007; South African Society of Archivists (SASA) (2016) focused on the role of records on accountability, financial management and public sector reforms. From these conferences, it emerged that many countries have focused on using records to root out corruption and improving financial integrity and accountability. In addition, in its priorities for funding public sector reforms, the World Bank (2015) has attached their aid to proper record-keeping systems to ensure accountability. They put emphasis on the importance of financial accountability and the need to account for financial resources. The literature also highlights records management as being essential for accountable financial management because accurate records of actual expenditure, budgeting and reconciling budgets is crucial to the accounting function. In most cases, the government is entrusted with public funds and has to account for them. The government, through the Office of the Accountant General, is entrusted to manage public finances to be able to develop the country. They have to produce financial statements and these have to be audited. Financial auditing is the examination of the business' finances by an independent auditor. It allows organisations to have a credible system and can help catch accounting errors. This introduction is important in providing a basis for discussing the role of financial records in selected public institutions in Botswana and strategies that can improve their efficient management.

2. Contextual setting of public institutions in Botswana

In discussing strategies to improve management of financial records, the study focused on public institutions in Botswana. Public institutions in Botswana comprise of central government, local government and parastatals and are responsible to government. According to Hope (1995:51), public institutions are those institutions that serve the public administrative structures, governing public affairs in terms of services, assets and expenditure. These institutions are the largest producers of records and the literature reviewed later focuses on records management practices mainly in the public sector. The World Bank and IRMT support proper record-keeping within the public sector and the need to manage information as a strategic resource (The World Bank and IRMT 2000).

Public institutions have responsibilities in accounting to the public, especially in use of public resources such as finances. For this study, only five institutions were selected mainly because they have a national responsibility in ensuring financial accountability and management. These included The Auditor General (coded as organisation A); Accountant General (B); Public Accounts Committee (C); University of Botswana (Finance Department) (D) and the Botswana Unified Revenue Service (E). Of these five, three are from central government whereas the other two represent the parastatals. The rest of the coding used are for other public institutions that came out prominently from the literature as having challenges in management of financial records and used for comparative purposes. The selected institutions were selected for the following reasons: The Office of the Accountant General was chosen because it is responsible for prudent financial management and issues financial instructions.

The Office has to ensure safe custody of all government financial records and their provision when the need arises. The Accountant General has to keep accounts, consolidate government financial statements and submit them to the Auditor General as well as submission to the Public Accounts Committee for auditing. This function was of interest to the study. The Auditor General, on the other hand, is responsible for auditing of the financial statements as provided by Section 124 of the Constitution and Section 7 of the Public Audit Act (Cap 52:02) to promote accountability. The Public Accounts Committee was chosen because it is responsible for examining the accounting officers on the financial performance of their institutions. The researcher as an employee of the University of Botswana, the highest institution of learning in the country thought it would be interesting to find out about issues of financial governance. Finally, the Botswana Unified Revenue Service was included because it is one of the main generators of funds to the government, which in the end is distributed to public institutions. Hence, its inclusion to find out if it faces similar challenges in financial management with other public institutions.

3. Literature review

There is more literature on management of public sector records in Botswana and the region. However, literature on specialised records such as land, legal, patient, and financial records is still scanty, as there are no studies available on management of financial records in Botswana. Most studies conducted in the rest of the region on management of financial records are those that were commissioned by the World Bank and undertaken by the IRMT and their international partners (consultants) in developing countries. The next section reviews general literature in the region generally and Botswana in particular. It

looks at the role of financial records and the financial regulatory framework to establish whether these selected institutions comply with them as this affects corporate governance and financial accountability.

3.1 Records management practices in ESARBICA region

There is a plethora of literature on management of public sector records in ESARBICA region. Much of this literature still focuses on the challenges that the region is facing in the management to records. Of concern in the literature is that records management is still marginalised in member countries. In particular, there is no national policies and procedures of classification and retention schedules in some countries. In addition, legislations are not comprehensive. Moreover, there is lack of integrated records management programmes and strategies; concerns of preservation; lack of appropriate storage facilities for records; security concerns; limited resources for managing records; training and capacity building and management of electronic records (Kalusopa & Ngulube 2012:515; Ndenje-Sichalwe, Ngulube & Stillwell 2011:264; Lihoma 2011; Ngoepe & Keakopa 2011:29; Ngoepe & Ngulube 2013:52; Nengomasha 2009:112; Ngulube & Tafor 2006:135; Wamukuya & Mutula 2005:67; World Bank and IRMT 2000).

As pointed out in the introduction, Auditor General reports in a number of countries have reported on poor financial controls resulting from poor keeping of financial records. Poor records are a bad sign of financial integrity and in turn poor accountability. As found by Barata and others (2001), poor records contribute to poor financial management. In many countries in ESARBICA region, it is common to find financial records in a chaotic state and this has undermined the ability to audit accounts efficiently to provide evidence that

detect and prosecute fraud. In some countries, it was found that weak financial record-keeping systems, resulting in unauthorised spending, fraud and embezzlement of public funds. The IRMT has found that there are serious problems in management of public sector records especially financial records as evidenced from case studies in Tanzania and Namibia (Wallace 2007) among others. For example, fraud cannot be proven and meaningful audits cannot be carried out without records. Wallace (2007) argues that financial, legal, operational, and reputational risks have all been documented because of poor record-keeping in banking, investment and auditing sectors. Obstruction of justice, fines, independent investigations, and even organisational collapses have been traced to failures to abide by records-based accountability requirements (Wallace 2007).

In South Africa, it was found that the Auditor General reports carried sentiments of financial disorder and mismanagement of taxpayer' s money because of lack of proper record-keeping. Reports showed that records could not be retrieved and that many departments were presenting inaccurate and unreliable information, resulting in general lack of evidence (Ngoepe & Ngulube 2014; Mukwevho & Jacobs 2012). Still in South Africa, Bhana (2008) report that there was corruption reported in getting identity cards (IDs) in organisation. The Chief Director of the National Archives of South Africa in presenting on the state of archives highlighted issues relating to human rights protection, governance, accountability anti-corruption, and financial management, which all require proper record-keeping. As can be seen from this, records are important for financial management and accountability. In Namibia, the Auditor General identified 73 instances where poor record-keeping was of concern for financial year ending 1998 (IRMT 2001). Most will

have unauthorised and improper expenditure, have no payment vouchers or other documentary evidence to substantiate the authenticity of expenditure. In this case, fraud and misappropriation of money cannot be ruled out. The situation is not different from other parts of the region, where in Zimbabwe, David (2017) found a similar situation in that government entities had poor record-keeping, therefore, become a breeding ground for fraud and corruption, leading to reputation risk, legal and financial risks (Bhana 2008). Generally, there is still a gap in the literature focusing on management of financial records in the region and Botswana in particular. Much of the contributions on management of financial records have been from the IRMT through consultancies, training materials and case studies which are available online at www.irmt.org.

Therefore, the region is still facing a number of challenges though progress has been reported in a number of areas. For example, Lihoma (2011) argues that major public sector reforms in Malawi have led to improvement in the records management. Furthermore, the regional countries reports presented by member countries during the ESARBICA Executive Board meeting held in Eswatini, in July 2018 registered a lot of progress as shown in the Table 1.

Table 1: Summary of notes taken during the ESARBICA Board meeting, Eswatini

Country	Status of Development
Botswana	<ul style="list-style-type: none"> - Working on legal framework, developing guidelines for electronic records and digitization. - Capacity building and benchmarking visits - Implementing EDRMS which is now live at the Archives.
Eswatini	<ul style="list-style-type: none"> - Established new audio-visual section working with National Television. - Have developed a Disaster Management Plan - Conducted appraisal workshops - Digitising newspapers - Implementing EDRMS - Developing national policy.
Kenya	<ul style="list-style-type: none"> - Working on repatriation of migrated archives - Working partnership with stakeholders - Staffing still a challenge.
Lesotho	<ul style="list-style-type: none"> - Working on Strategic Plan - Restructuring the records management cadre, hoping to create positions. - Raising awareness.
Malawi	<ul style="list-style-type: none"> - Reviewing legislation - Received funding from World Bank - National Records Management Policy developed and submitted to Parliament - Reviewing systems in the public sector following the Freedom of Information legislation (FoI). - Staffing improved.
Country	Status of Development
Mozambique	<ul style="list-style-type: none"> - Undertaking capacity building on management of electronic records.
Namibia	<ul style="list-style-type: none"> - Staffing still inadequate - Promoting archives to the public - Received a consignment of migrated archives from USA - Digitisation ongoing - Reviewing the structure - Renovating the Archives building
South Africa	<ul style="list-style-type: none"> - Updating legislation - Renovating infrastructure - Has national policy on digitization - Working on outreach programmes, e.g friends of the archives.
Tanzania	<ul style="list-style-type: none"> - Working on digitisation project - Collecting Oral Histories.
Zambia	<ul style="list-style-type: none"> - Conducting records surveys - Building 3 new Records Centres - Working on digitisation project.
Zanzibar	<ul style="list-style-type: none"> - Moved to Ministry of Good Governance - Construction of Records Centre ongoing - Undertaking a Records Survey.
Zimbabwe	<ul style="list-style-type: none"> - Working on digitisation project - Worked on migrated archives (2003/2011)

3.2 Records management practices in Botswana

It is important to note that the responsibility for managing records in Botswana falls under Botswana National Archives and Records Services (BNARS) as a custodian of public records is supposed to be playing a leading role in issuing national guidelines and monitor compliance. However, BNARS seems overwhelmed with this responsibility (Keakopa 2018). In Botswana, similar literature, like in the region, exists on records management practices in different organisations and it raises the same challenges and concerns. Examples of this literature include Keakopa (2018:235); Kootshabe and Mnjama (2014); Ndabambi, Grand and Zulu (2014:1); Keakopa (2013:37); Keorapetse and Keakopa (2013:29); Motsaathebe and Mnjama (2009:173). This literature posits that records management in Botswana is still fragmented in approach because of lack of a national records management policy, which is currently a serious concern. For example, Keootshabe and Mnjama (2014) point to backlogs of unprocessed records and poor storage facilities. The authors have pointed out that the management of specialised records such as legal records has received little attention and have called for their effective management. From this, it can also be deduced that financial records like legal records have also not been given any attention, yet, they are important to government operations. All these records management challenges highlighted in the literature are not new as all the available literature captures them in their introductions.

3.3 Regulatory framework governing financial management

For this particular study, it was also important to review literature on the regulatory framework governing financial management. From this literature it

emerged that government accounting and financial reporting in most countries such as Tanzania, Botswana, Namibia and South Africa are governed by the Public Finance Act and Public Finance Regulations or Instructions. This regulatory framework provides for control and management of public finances and defines the role and responsibility of the accounting officers. In Botswana, the provisions of the Constitution and the Finance and Audit Act of 1970 govern financial management. This legislation provides for the control and management of public monies and for the audit of public accounts. This provides precisely how the machinery of public finances should operate. Section 7 (a) of this Act promulgates that the Permanent Secretary who is one of the accounting officers shall be entitled at any time to inspect such moneys, supplies, documents, and records so far as necessary for the purpose of ensuring compliance with the financial regulations and instructions. Section 12 (2) of the Act specifies that the recording of deposits should be the form of receipts. What is coming out clearly is that all organisations have to maintain adequate accounting records and be responsible for the content and integrity of financial information. Financial records are undoubtedly relied upon for preparation of annual financial statements.

The same Act also promulgates the establishment the Office of the Accountant General who is responsible for prudent financial management and issues financial instructions. The Office has to ensure safe custody of all government financial records and their provision when the need arises. Akotia (1996) argues that the objectives of government cannot be carried out without the management of the consolidated fund. In Botswana and many other African countries, the management of consolidated fund lies with the Ministries of Finance and the Office of the Accountant General. The Accountant General has

to keep accounts, consolidate government financial statements and submit them to the Auditor General as well as submission to the Public Accounts Committee for auditing.

On the contrary, the Auditor General is responsible for auditing of the financial statements as provided by Section 124 of the Constitution and Section 7 of the Public Audit Act (Cap 52:02) to promote accountability. The Act postulates that the Auditor General shall have unrestricted access to all books and records held by any public officer for financial auditing purposes. Section 32 (a) further accentuates that the Auditor General may require any person to produce to him such books, records, reports, and other documents in that person's custody as he may consider it necessary to examine in order to fully execute those duties. In most of these jurisdictions, this Act further gives the Auditor General the mandate to carry out performance audit in the public sector on public finances and is empowered to seek any information or explanation from government entities. This report is then submitted to the Minister responsible. In addition, Section 34 (2) asserts that within the period of eight months after the close of each financial year, the Accountant General shall prepare, sign and transmit to the Auditor General, for the purpose of auditing, the accounts, financial statements and any other documents. After the report of the Auditor General, The Public Accounts Committee of Parliament will then examine the accounting officers on the performance of their institutions (Public Accounts Committee Report 2013).

In South Africa, the Public Audit Act (Act Number 25 of 2004) gives this mandate, which gives the Auditor General authority and protects it in carrying out its mandate (Bhana 2008). Recommendations from these audits are meant

to improve accountability and use of public resources. Audit is, therefore, a major function in finance administration and is meant to strengthen good governance.

In addition to the Act, the financial instructions and regulations also focus on maintenance of receipts; need for audit trails and treasury cash books (Financial instructions 2017). The financial instructions provide guidance on maintaining and preserving accounting records and emphasises the importance of keeping accounting documents in an orderly manner and retention periods for such records. Interestingly, these acts and regulations provide sections that relate to management of different financial records (accounting records) and the importance of keeping accounting books. Clearly coming out from sections of these legislations is the fact that records are recognised and should, therefore, be properly managed to assist with compliance. This means that Auditors cannot fulfil their role without records and as such the two are intertwined.

In spite of availability of these legislative tools, organisations still face major challenges in ensuring compliance, financial accountability and integrity. This means that organisations need to establish internal financial controls by maintaining a strong control environment. The management of financial records as will be discussed in later sections contributes immensely to these controls and has proved to be essential to financial accountability. When properly managed, records can play a major role in enforcing compliance with relevant legislations. It can then be deduced from this that accountability and audit depend on effective records management and in particular management of financial records.

It has clearly emerged from reviewed literature that in organisations, the auditing period is usually stressful as records are only prepared at the end of the financial year. Late closure of accounts, poor internal controls, incomplete, and inaccurate records are often reported. Payment vouchers are not supported by appropriate documents to authenticate payments. Some reports were said to be signed six years after being prepared (Akotia 1996). Against this background, it is important that information is always prepared and readily available as auditing requires proper records. It is also lamentable to note that Internal Audit departments in many organisations are never really taken serious and as such their recommendations for improvement are never implemented. Moreover, their responsibility is viewed as just ceremonial and follow-ups are never made. The Auditor General's report of 2017 in Botswana has in fact raised a concern that institutions are ignoring recommendations of the Public Accounts Committee, which is responsible for auditing the Auditor General's report before final submission to Parliament. For example, observations were made in the report but accounting officers were not responding (Nkoni 2014; Kgangkenna 2012). The standard of accounting was found to be below that of financial instructions. There is cause for budget alarm as there is no effort in providing performance information or feedback and as such not easy to tell if public money is being wasted or not.

It has emerged from the literature that records are important as they document evidence of business transactions. This is even more critical in financial institutions entrusted with the responsibility of managing public finances to be able to develop the country. In spite of this, it has also emerged that financial records are in a state of disarray in most public institutions. The IRMT's report

on financial records and information systems also document evidence of serious lack of accountability for public funds as in the case of Tanzania (IRMT 2002). In addition, media reports have also reported on financial disorder, mismanagement of taxpayer money resulting from lack of proper record-keeping. Research by Ngoepe and Ngulube (2014); Mukwevho and Jacobs (2012) found that in the case of South Africa, the Auditor General was unable to express an opinion on financial statements and this was owing to unavailability of reliable financial information. Expressing an opinion in this particular case refers to an expression of auditor's certification that accompanies financial statement on whether misstatements exists (Chen 2018). The World Bank has also reported on weaknesses in information sharing, which created a barrier to financial contracting. According to the World Bank, there is need for better information availability and sharing of information, which is important, especially in an environment where there is corruption and poor property rights (World Bank 2015).

In spite of efforts made, there are still many challenges in management of financial records, which calls for serious intervention measures. In response to these challenges, most organisations have resorted to implementation of financial management systems to help them improve management of their finances and ensure reconciliation of accounts. There is, however, still a gap in management of financial information as evidenced from Auditors General reports. In Botswana, there are many instances of unavailability of records leading to non-compliance in most organisations, which calls for intervention measures. Financial records are not properly managed in most organisations and are in most cases unavailable for auditing purposes. Organisations are facing challenges relating to financial management especially non-compliance

with regulatory environment and unavailability of reliable and complete records for auditing. The Auditor General in all these countries for example, has identified cases of fraud in financial institutions. This is a major problem and that a number of cases were under investigation. In Botswana, for example, the Auditor General Reports of 2010, 2013 and 2017 reported weaknesses in accounting for the disbursements and monitoring of funds in a number of government ministries, departments and other state-owned enterprises. Their reports have recommended the need for accountability mechanisms and strengthening of financial controls. The purpose of this paper, therefore, is to discuss the challenges in managing financial records in selected organisations in Botswana and propose strategies for improvement of financial record-keeping in public institutions.

4. Objectives of the study

The main objectives of this study were to:

- Find out the role of records in financial management in public institutions of Botswana.
- Identify the responsibility for management of financial records in the public institutions of Botswana.
- Assess compliance to the financial regulatory prescripts by public institutions in Botswana.
- Identify strategies for improvement of financial records management in the public institutions of Botswana

5. Methodology

The study used both primary and secondary data. It was qualitative in nature and the primary data was collected using questionnaires. Two types of

questionnaires were structured to collect data from two sets of professional cadres, being financial and records professionals responsible for management of financial records. The first questionnaire was administered among financial professions or accountants dealing with financial management responsibility. The questions were designed to find out the role of financial records in their business operations and the responsibility for their management. Therefore, the first questionnaire asked questions related to financial management including the regulatory framework. The second questionnaire was used to collect information related to the role of financial records in financial management and accountability was administered to records professionals in Record Management Units (RMUs). This was meant to find out the responsibilities for management of financial records and the challenges faced. Letters were written to heads of these organisations for permission to administer the questionnaires.

To give this study concentration, five organisations were selected and as explained earlier in section 2, these were coded using alphabets as organisations A to E. Other organisations reviewed in this study are given codes F to T. These organisations were selected because of their mandate in collection, management and auditing of public finances. Questionnaires were distributed by hand and appointments made to collect them even though several reminders had to be sent. In total, 15 questionnaires were distributed and 11 were returned. Where officers were to fill two different questionnaires, they preferred to work together in filling one questionnaire especially where answers were going to be similar. This is why 11 questionnaires were collected instead of 15. However, the response rate was generally satisfactory.

In addition, the secondary data was collected from in-depth review of literature in relation to the objectives of the study. Journal articles, Auditor General's reports, media reports and online information that dealt with financial records and financial management were searched and they informed the discussion. Analysis of data and presentation of findings followed the thematic areas derived from the objectives of the study.

6. Presentation and discussion of findings

The results are presented as per the objectives of the study.

6.1 Role of financial records in organisations

The first objective of the study was to find out the role of records in business operations and in particular the role of financial records in financial management. From the information that has emerged from the data collected from all the five selected public institutions, financial records that are created include but are not limited to books of accounts, charts of accounts and financial statements, purchase orders; payment vouchers; invoices, payroll, cash books. These were said to be important in ensuring financial integrity. All respondents from the five public institutions confirmed that records play a major role as a point of reference and that they rely on them for preparing financial statements. They said that records provide evidence and keeps tracks of how public funds have been expended. Respondents from all the Records Management Units said that records help their organisations to account by providing auditors with records during the audit exercise and when there are audit queries. The findings have further revealed that retrieval and use of financial records is important in ensuring financial integrity. These findings are supported by the literature that has been reviewed, which argues that records

ensure accountability and are needed for compliance with regulatory environment and financial requirements, protect assets and rights (Ndenje-Sichalwe et al. 2011). As clearly stipulated by financial acts and regulations, accounting records are important in determining financial status of an organisation. Records are important for auditing and they support the whole accounting process and audit is at risk without proper records (Bhana 2008; Ngoepe & Ngulube 2014).

Therefore, it follows from these findings that all organisations need to keep financial records which are reliable, complete and accurate. Preservation of these records is important as they also help in auditing organisations. Organisations need records on actual income and expenditure and for preparing budgets. These records can help detect corruption and fraud. Well-maintained records have become part of the improvements in any country's financial reforms. In public institutions, proper records management guards against weak internal controls and helps to audit organisations, including their financial processes. It helps in auditing to reduce tax fraud and evasion. As has emerged from Auditor General's reports in different countries, there is emphasis that accounting officers need to ensure complete documentary evidence is maintained for all payments for proper accountability for public funds spent. In spite of this, there are still lack of fully integrated records management programmes across government and other organisations and many are still to develop records management strategies, policies and procedures.

6.2 Responsibility for managing financial records

Traditionally, records management is not included in management of financial records and it is assumed that the responsibility is for accountants even though

these are not trained in records management principles and practice. However, as has emerged from a review of the legislative environment, records management has been found to be intertwined with financial management. This is because the legislation mentions the importance of keeping accounting records. The study by IRMT found that efforts to strengthen financial controls often fail and that chaotic financial records are seen as a symptom of poor management in the accounting cadre. There are no proper structures for managing records generally and financial records in particular. While records play an important role in financial management, literature has revealed that Records Management Units (RMUs) do not have control over financial records in most organisations (Ngoepe & Ngulube 2014). Financial records are managed by Finance Units which do not have the professional skills to manage records. This has been confirmed by the Head of Finance at organisation D who said that they are responsible for financial management and financial records. In most cases, RMUs are involved only when there is need for space for unwanted records or when information is missing. Moreover, there is no provision for accounting instructions and guidelines for financial record-keeping. The Records Management Unit in organisations B and E reported that they are responsible for financial records. Others said that the responsibility of financial records rests with Administration staff, Accounts Section and Procurement. There seems to be different views on the responsibilities, but whichever way, records professionals are involved and they have to be given full responsibility for managing these records together with all other organisational records.

6.3 Compliance with the Regulatory framework for financial management

All organisations contacted said that they have to comply with tax; employment acts; accounting procedures and standards and financial regulations. The respondents reported that their organisations were fully complying, although one was of the view that compliance is taking place to a certain extent and not fully. This seems to contradict the reports of the Auditor General. While it is clear from the review of the regulatory framework that organisations need to keep accounting records and submit such for auditing, the data have shown that most organisations are not complying with provisions of the regulations and acts making the responsibility of delegated offices very difficult if not impossible. For example, organisations D; E; F; G; H; I; J; K; L; M; N O; P; Q; and R were reported to have not complied with auditing instructions as many failed to submit financial statements on time for auditing. The Auditor General Report (2017) highlighted that these organisations failed to submit reports on their financial statements within specified periods, which contravened the requirements of their respective Acts. The Report also stated that proper financial record-keeping and bank reconciliations were not done regularly and in some cases cheque books were missing. This high rate of lack of compliance is a serious cause for concern. Over-expenditure in foreign missions also indicated lack of financial controls. Data collected from organisations A and B supported these findings by revealing that they have to maintain adequate accounting records.

Poor reconciliations and lack of controls in respect to cash management were also detected in these organisations. Errors were many and invoices not recorded, creating a gap in accounting records. There were shortcomings on accounting for disbursements of approved loans. A concern was even raised

that the Minister responsible for organisations A and B does not provide performance information on all areas of national development to show value for money in procurement and implementation of projects (The Patriot on Sunday 2017). The concern has been that government is investing so much in driving the economy, but little has been done in accounting for performance of projects. Plenty of waste was reported in some ministries and departments and there was no value for money spent. Even if recommendations were made from audits, these were never followed-up and there was also no monitoring.

Government budget systems generally seem to lack transparency on establishing how effective public expenditure is or even determining government spending that ensures value for money. There is also report of millions lost and these losses are reported late. This contravenes the terms of the financial instructions. Some cases that were reported were even taking up to 20 years to be resolved and some are never resolved at all (Masolotate 2011). In terms of compliance, the Public Accounts Committee (PAC) also found that institutions are even taking long to remit tax. For example, organisations S and N were found not to be following the basic procedures of governance. They did not make remittance of tax on time and made late submissions of value-added tax (VAT) and pay as you earn (PAYE) returns leading to non-compliance with the Act.

7. Conclusion and recommendations

The article has used the case of Botswana public institutions to argue that financial records are important in ensuring financial management and accountability. While there are a number of strategies that can be established to

ensure financial accountability such as policies and procedures; audit of financial operations; code of ethics; financial acts, instructions and other legislations to provide internal controls for an organisation's finances, these seem to be failing as challenges continue to be faced. It has been established in the review of literature that a number of these tools as financial acts and other legislations cover management of finance records and how long these should be retained. These could be read together with records management policies and procedures in the organisation. These will help guard against fraud, waste in financial losses owing to non-compliance and which are meant for compliance with policies, laws and regulations. The following recommendations are made that can help guide public institution in using records management to improve financial accountability:

Development and implementation of Enterprise Records Management Strategies (ERMS)

The Auditor General reports and the field data have raised a concern of unavailability of records during the auditing process. So in addition to all other internal control tools for financial management, Enterprise Records Management Strategies (ERMS) are needed to manage financial records and these can be in the form of policies, procedures computerised systems and manuals which provide guidance on use, maintenance, retention and disposition of financial information. Therefore, this study recommends the development and implementation Enterprise Records Management Strategies. Bhana (1998) and David (2017) made the same recommendation by saying that government entities in South Africa and Zimbabwe need Records Management Strategies and prioritise records management in government bodies. This will make records management a priority in most organisations as it will ensure

accountability in use of public resources. Financial reporting and financial administration depend on proper financial records management. There is need to manage public sector records as part of public sector reforms, including financial reforms. Development of ERMS should be aligned to other organisational strategies such the Information Communications Technology (ICT) strategy. It is time, record management is recognised by government as a strategic resource. In Botswana, Tanzania and Namibia, policies are still in draft form. The other challenge raised is lack of guidelines and clear policies on creation, filing use, access, and tracking of files.

The Botswana National Archives and Records Services (BNARS) as a custodian of public records should play a leading role in issuing national guidelines and monitor compliance. These guidelines will help in management of financial records and all other types of records and provide for their retention and disposition. There is a need for records management manuals that provide uniform standards for organising and filing records to help control and provide access to records. This will also help with organising monthly financial statements to make auditing easier. Internal controls will minimise fraud, waste, losses from fines, and penalties owing to non-compliance. The accounting process must be seen as a records system and all processes of the accounting process should be clearly recorded to ensure traceable use of finances using invoices and vouchers. More importantly, accounting and records management system should be integrated to ensure accountability.

Forming partnerships in the auditing process

Since auditing is an integral part of the control system that ensures the adequacy and effectiveness of an organisations' system of internal control, it

should be enforced. Well-maintained records enable auditors to give the public assurance that the financial reports are credible. This helps in enhancing efficiency of the organisation's performance. For this process to be effective, there is a need to form partnerships and collaboration. In the case of Botswana, these partnerships should be between the Botswana National Archives and Records Services (BNARS), the Auditor General and Accountant General and concerned organisations to ensure procedures are followed and strengthen standards. Recommendations contained in the AG's reports should be followed up and enforced. The Ministry of Finance and Development Planning (Accountant General) and the Auditor General have a role to play and their capacity should be strengthened. Auditors can contribute significantly to improved record-keeping by making recommendations on improving record-keeping practices. The role of the records and information association is also critical, but this is still inactive in Botswana. Bhana (2008) has reported on a similar arrangement in South Africa.

Records management as part of the Financial Management System

Records management issues needs to be considered as part of financial management systems and as such be integrated. For example, retention and disposition schedules should be part of the financial management systems. The main problem in organisations is that the business process analyses are usually conducted after purchase of systems. Maintenance of records should be a part of financial processes and documents should be reconciled to the revenue or expense statement within the system. Audit trails on key financial systems may result in fraud not being detected, e.g. in payroll systems which have become target for fraud.

A study undertaken by IRMT and the World Bank has found that governments are investing heavily in implementing financial management systems as a means of improving accountability and managerial efficiency as evidenced in computerised systems of budgeting in Namibia (Barata et al. 2001). Tanzania has also introduced an Integrated Financial Management System to improve on expenditure management in the areas of accounts payable, accounts receivables, general ledger, cash management, and purchase orders modules installed to help. The system can strengthen capacity to record, monitor and control expenditure as shown in the case of Tanzania. Botswana can benefit from this. The output of the IRMT study on financial management systems should be used as a reference model to integrate records management into accounting system reforms. It also established a relationship between accounting records and financial accountability and a good practice for managing financial records.

However, these systems are not a solution if they are not audited. In such a system, there is a need for processing of transactions at different stages and identifying roles and responsibilities of all staff throughout the processes. A lack of expertise for auditing computer systems and capacity is needed in this area. Reliable backup systems are also needed. Sometimes accounting systems are down as found in the case of Organisation S (Kgangeng 2012). Therefore, computerisation alone is not a solution; records management issues need to be considered.

Clear responsibilities and skills for management of financial records

Record-keeping should be the responsibility of records professionals. This can be one of the internal control measures. This requires skills and professional

expertise. There is also need to sensitise accounting staff on proper record-keeping. Most organisations are not coping as there are still inadequate staffing levels in the records management field. Assignment of responsibilities is important for the maintenance of records. Regular reporting to management on monthly reconciliations also important so that they are able to take corrective measures where necessary on abnormal revenue and expense patterns.

This can be done through assigning responsibilities, which may include transaction processing record-keeping and financial monitoring delegated to different units in the organisation. There is a need for accounting officers to ensure complete and authentic documentary evidence to demonstrate proper accountability for public funds spent. Clearly emerging from this study, records professionals have an important role to play in the care of financial records. A respondent from Organisation E informed that there is need to assign records officers to manage financial records and not leave the responsibility to financial officers as is the case now. However, records officers have to be trained in basic finance procedures and subject matter to understand the records generated in Finance departments. Administering financial processes can be designated so that duties provide crosscheck on the work of all employees. This can help prevent errors and provide prompt detection of irregularities in the performance of assigned tasks. More importantly, records provide details of transactions such as dates; prices and description of transaction and these can be used as evidence of such transactions. Records should be managed as part of the monitoring system. Otherwise, control mechanisms will fail. Records officers need to keep abreast with trends in financial management so that they are able to management all records in organisations, regardless of business activity. Organisation E stated that the

role of the Records Management Unit is to provide all records management services across the organisation through provision of up-to-date information for decision-making.

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