
Performance audit in the Botswana public service and arising records management issues

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Abstract

This article reports on records management findings emanating from performance audits conducted by the Office of the Auditor General (OAG) at selected offices covering the financial years 2003-04 to 2007-08. The performance audits were conducted at the Ministry of Trade and Industry (MTI), Kgatleng Land Board (KLB), Gaborone City Council (GCC), Office of the Independent Electoral College (IEC) and the Public Procurement and Asset Disposal Board (PPADB). The OAG conducted performance audits at these institutions in accordance with the provisions of the Finance and Audit Act of 1997. The study revealed cases of poor records management practices in the audit findings of selected entities. Poor records management practices impede proper accountability on the utilization of limited public resources. Consequently, the OAG is unable to offer worthwhile opinions on whether public resources have been used effectively, economically and efficiently. In order to improve the management of records, it is recommended that the public entities should develop and implement file classifications schemes for records control, record the performance of organisational functions and put in place measures for proper storage and security of records.

Keywords: Performance audit, Office of Auditor General, records management, Botswana, accountability

1 Introduction

Records management is a fundamental activity in public administration. The public sector's ability to deliver efficient and effective services depends upon accurate, up-to-date records that can be readily accessed as and when needed. The management of public records is an integral part of effective public administration. The provision of services to the public has to be done effectively and efficiently as resources are in most cases scarce and limited. The Office of the Auditor General (OAG) in Botswana regularly conducts performance audits in the public sector as a way of examining the economy, efficiency or effectiveness with which government ministries and departments utilize public resources in the provision of services to the public. OAG is empowered by the Finance and Audit Act of 1997 to carry out performance audits in the public sector. Conducting performance audits in Botswana has been a pain for the OAG as performance audits are riddled with lamentations of poor records management. The delivery of services to the public must be cost effective and not waste limited resources and with poor records management, accountability for the usage of public resources becomes questionable. Auditing relies heavily on access to complete and reliable records. Without adequate records, auditors cannot offer worthwhile opinions on whether public resources have been used effectively and efficiently.

This paper examines reports of performance audits conducted at the Independent Electoral Commission (2009), Gaborone City Council (2008), Ministry of Trade and Industry

(2009), Public Procurement and Asset Disposal Board (2009) and Kgatleng Land Board (2008). The paper reports on the lamentations of the OAG over the poor state of records management in the selected entities.

2 Scope and research methodology

This study utilised both primary and secondary data in the form of audit reports and internet research. The study is limited to a review of performance audit reports conducted from 2003-04 to 2007-08 at the Ministry of Trade and Industry (MTI), Kgatleng Land Board (KLB), Gaborone City Council (GCC), Office of the Independent Electoral College (IEC) and the Public Procurement and Asset Disposal Board (PPADB). For the purposes of comparison, local authorities and central government departments were purposively chosen for the study. The selected entities are central government departments (MTI and IEC), local authorities (KLB and GCC) and a parastatal organisation (PPADB).

3 Background to performance audit

3.1 The nature and aim of performance audit

The general aim of performance audit is to ascertain accountability in the use of public resources by those responsible. This is meant to avoid wastage of limited public resources. According to the International Organization of Supreme Audit Institutions (INTOSAI) Code of Ethics and Auditing Standards (2001), performance auditing is an audit of the economy, efficiency and effectiveness with which the audited entity uses its resources in carrying out its responsibilities. Larsson (2004) asserts that the full scope of government auditing embraces:

- a. An audit of the economy of administrative activities in accordance with sound administrative principles and practices, and management policies.
- b. An audit of the efficiency of utilization of human, financial and other resources. This includes an examination of information systems, performance measures and monitoring arrangements, and procedures followed by audited entities for remedying identified deficiencies.
- c. An audit of the effectiveness of performance in relation to achievement of the objectiveness of the audited entity, and audit of the actual impact of activities compared with the intended impact.

The quest for accountability in the use of public resources reigns supreme in the world of performance audit. The International Records Management Trust (IRMT) (1999) asserts that information, particularly in the form of records, is essential for supporting accountability. Furthermore, the massive decline, and in some cases total collapse of record-keeping systems within the public sector in many developing countries, especially in sub-Saharan Africa makes it virtually impossible to determine responsibility for actions taken and to hold individuals accountable. More often than not, this situation breeds corruption.

The motivation to carry out performance audit is mainly to assess the economic, effective and efficient use of resources at KLB, GCC and IEC. OAG's motivation to examine the efficiency of KLB in managing land was borne out of the fact that there has been a public outcry on poor service delivery by Local Authorities which included among others, Land Boards, OAG (2008a). The audit at MTI was a joint pilot project on thematic audit between OAG and the Swedish National Audit Office, OAG (2009c). It was undertaken as part of OAG's ambition to widen the scope in performance audit to cover Government Ministries.

3.2 Performance audits in the Botswana Public Service

The Constitution of Botswana (1966) indicates that the Auditor General (AG) is the Head of the Office of the Auditor General (OAG). AG carries out his duties under the Finance and Audit Act of 1997. AG, thereof, undertakes performance audits at public sector bodies and submits reports, to the National Assembly. Additional to his duties under section 124(2) and (3) of the Constitution (as read with subsection (1) of the Finance and Audit Act, the Auditor-General shall, where he considers it necessary or desirable, examine the economy, efficiency or effectiveness with which any officer, authority or institution of Government falling within the scope of his audit has, in the discharge of his or its official functions, applied or utilized the public moneys or public supplies at his or its disposal. The performance audits are carried out every year at selected public sector entities and their aim is to improve public sector administration and accountability.

4 The role of records management in public administration

A report of the Auditor General of the Victorian Government in Australia (2008) observes that the public sector's ability to deliver efficient and effective services depends upon accurate, up-to-date records that can be readily accessed when needed. The management of public records is an integral part of the effective administration and governance of public sector agencies and facilitates sound decision-making; efficient and effective customer services, management of business information and resources, meeting legal, evidential and accountability requirements and documenting significant events and preserving historically and culturally important events.

According to the World Bank (2000), record-keeping is a fundamental activity of public administration without records there would be no rule of law and no accountability. Records represent a particular and crucial source of information as they provide a reliable, legally verifiable source of evidence of decisions and actions. They document compliance or non-compliance with laws, rules, and procedures. Glynn and Murphy (1996) define accountability as the process through which a person, or group of people, can be held to account for their conduct. Accountability is difficult to ascertain where records are inadequate.

Reported cases in audited entities in Ghana, Sierra Leone and Jamaica depict poor records management practices and utilization of public resources. For example, in Ghana's GA-West Municipal Assembly (GWMA), a performance audit report of 2011 by the Auditor General on the collection of property rates observed that the Assembly could not prepare and maintain complete records on property rates. The Auditor General expressed unhappiness that the effect of not keeping records such as the property rate register, the nominal roll of rate payers and defaulters made it difficult to identify defaulters, make correct estimates of revenue from property rate and to collect all property rate arrears. In Sierra Leone, a performance audit report of the Audit Service Sierra Leone (2009) on the inspection and supervision of secondary schools revealed that school inspection reports were not available and those that were available were inadequate. Their existence at central and district level could not be verified. Similarly, the Auditor General of Jamaica (2011)'s performance audit Report of the Ministry of Health's Management of the Supply of Prescription Drugs unearthed poor records management practices that resulted in overstocking and shortages of prescription drugs in the hospitals. The public pharmacy computerized management system was not used for the management of prescription drugs. The absence of internal control systems for drug distribution prompted the Auditor-General to describe the record-keeping at hospitals' pharmacies as either inadequate or non-existent.

It is, therefore, a common occurrence for performance audits to generally unearth poor records management practices in audited entities. It is a common manifestation all over, Botswana included. Incidents of poor records management at the audited entities by OAG made it difficult for the AG to make an informed opinion as to whether resources were used effectively, efficiently and economically during the process of service delivery to the public, (OAG, 2008a; OAG, 2009a; OAG, 2009b).

5 Records management findings of performance audits in the audited entities

Reports of performance audits conducted at GCC, KLB, MTI, PPADB and IEC are riddled with lamentations of poor records management practices by OAG. The inadequacy of records makes it difficult for OAG to make worthwhile opinions on the performance of authorities in delivering services to the public. Transparency and accountability in the delivery of services to the public is therefore difficult to demonstrate. Barret (2004) asserts that the public has high expectations of government and the public service with its demands for effective, efficient and economical levels on service. As a result, the public sector is therefore subject to increased levels of scrutiny of its performance and effectiveness. The following sections discuss findings on records management in the performance audit reports:

5.1 Gaborone City Council

Gaborone City Council (GCC) is one of the 28 local authorities established by the Township Act of 1955. Its mandate is the provision, operation and maintenance of all basic services (including roads) and infrastructure within areas of its jurisdiction. OAG considered it necessary to carry out an audit on maintenance of roads as there was a public outcry due to incidences of an increase in potholes, poor storm water drainage system on city roads, faded road markings, road signs and traffic lights which had not been maintained and which at times took too long to be repaired. The objective of the audit was to ascertain whether GCC carried out its road's maintenance economically, efficiently and effectively, OAG (2008b). The audit revealed that, the quality of record-keeping was inadequate in that data and information were not filed accordingly. Records for weekly maintenance activities, monthly reports, quarterly and annual records were available but inadequate for the years under review that is from 2004 to 2007. GCC failed to provide auditors with complete and accurate records. The auditors asserted that inefficiency in record-keeping could hamper management's decision making concerning planning and budgeting for road maintenance activities.

5.2 Kgatleng Land Board

Kgatlang Land Board (KLB) is an autonomous institution working within the Tribal Land Act (TLA) of 1968 which established the Land Boards. Its primary role is to allocate land for residential, commercial and industrial purposes. KLB covers a vast area in the Kgatleng District. It has Sub-Land Boards at Artesia, Mochudi and Mathubudukwane. This was meant to enable KLB to fully carry out its tasks. KLB being the main Land Board is entrusted with administration and management of land in the District. It handles all common law allocations while it's Subordinate Land Boards deal with customary allocations. The motivation to carry out the performance audit at KLB was mainly to assess the economic, effective and efficient use of resources in land management; OAG (2008a). The performance audit at KLB found poor records management practices in the form of poor storage of records, poor filing systems and incomplete and fragmented information.

The audit found that KLB did not have any information management system in place for managing its records. Files were kept haphazardly though they contained information that was vital. Information kept in files was not systematically arranged and in many instances it was missing. For instance, minutes of some full Board meetings, which were the only record of Board resolutions on various issues, had some pages missing with no account of their whereabouts.

KLB keeps permanent records such as lease agreements, land rights grants and minutes of full Board meetings. The audit revealed that KLB records were not adequately stored as most of them were found in the file cabinet along the office passage. Such records were not safe more so that movement in and out of the offices was not controlled. Therefore, information could easily get stolen, misplaced or be lost hence making it difficult to make informed decisions.

KLB Technical Section held weekly meetings, which were not recorded. The meetings attempted to review the section's intended objectives and its achievements. Furthermore, land disputes minutes, consultations and general reports were consolidated in one file. Though disputes and consultations were to be minuted, some consultations were not recorded at all contrary to the requirements of the Land Board Administration Procedures Manual of 1997. As the meetings were not minuted the auditors, could not comment on whether indeed the Technical Section achieved its intended goals. Progress reports in the files were only available for all quarters of 2003 and the first quarter of 2004. Furthermore, records were filed in the wrong files, contrary to the Land Board Manuals (1997) which clearly states that correct filing should be maintained at all times. Furthermore, in the Subordinate Land Boards Allocation Registers kept were not adequately updated and some information was mixed up and not recorded accordingly.

On a positive note, OAG appreciated that the Department of Land Board Services Management had at the time of audit engaged a consultancy on an exercise to computerize records management functions at Land Boards, including KLB. This exercise was expected to enhance land records management and to create an up to date land database for all Land Boards.

5.3 Independent Electoral Commission

The Office of the Secretary to the Independent Electoral commission (IEC) is established by section 65A of the 1966 Constitution of Botswana (amended, 1997). It is primarily responsible for preparing and conducting elections in Botswana. Additionally, its mandate is to conduct and coordinate civic voter education nationwide so that the electorate makes informed decisions when casting their votes during elections. The main objective of OAG performance audit at IEC was to establish whether IEC had efficiently and effectively implemented the strategies it had devised for intensifying civic and voter education. Findings pertaining to records management included a lack of standard filing system; and incomplete and missing information in files. On a positive note, the audit discovered that there was good storage for records at IEC district offices.

The auditors found out that IEC lacks a standard filing system for filing its records, OAG (2009a). Botswana National Archives and Records Services (2009) encourages the development and implementation of approved file classification schemes as they are the basis for filing and they also assist in the retrieval of records relating to a particular function and activity. Efficient records management entails systematic recording, filing, retrieval and dissemination of information. Proper filing systems aid timely retrieval of information and OAG is of the view that lack of a standardised filing system causes inefficiency in the

performance of daily operations which may lead to management making decision based on incomplete information.

The auditors discovered lack of proper documentation which could be attributed to the fact that Senior Elections Officers as managers of outstations were basically responsible for not just carrying out civic and voter education, but were also involved in other activities like District Extension Teams. As a result filing of documents was at the bottom of their priorities so they often had minimal time to attend to other issues like filling of documents. Information missing from files was due to the fact that copies of correspondences sent to superiors were not filed. Although it was easy to retrieve files, it was not easy to make follow up on issues as some of the information was missing from the files. It is Government policy that there should be accountability to the relevant stakeholders wherever public funds are involved. The absence of information in the files made it difficult for an objective conclusion to be drawn on the performance of the IEC.

All was not bad at the IEC as there were some good records management practices. The audit found that filing cabinets were used efficiently to store the files and it was easy to retrieve the files. The IEC got a pat on the back for such a positive aspect in the management of organisational records.

5.4 Public Procurement and Asset Disposal Board

The Public Procurement and Asset Disposal Board (PPADB) is a statutory body established by Parliament through the Public Procurement and Asset Disposal Act of 2001. Its mandate is to manage the procurement and disposal system of central Government in an efficient and prudent manner for the achievement of the country's socio-economic objectives. The objective of the performance audit at PPADB was to determine whether PPADB and procuring entities carried out procurement activities in an economic, efficient and effective manner, OAG (2009b). The audit at PPADB found out that some procuring entities (PEs) did not properly maintain procurement records for the stipulated period of 7 years as dictated by Public Procurement and Asset Disposal Regulations 18 of 2006. Information on procurement proceedings for the year 2007/2008 was inadequate in almost all the PEs audited. Evaluation reports, letters of award, contract documents and correspondences were absent from procurement files and this could have a detrimental effect on the monitoring and management of procurement activities. In cases of litigations or complaints by stakeholders, records would be needed for review and if they are unavailable, court proceedings could drag leading to delays in project implementation and service delivery. The auditors opined that the inadequacy of procurement records resulting from their poor maintenance made it difficult to confirm that there was transparency and accountability for procurement decisions made during various procurement processes.

5.5 Ministry of Trade and Industry

The Ministry of Trade and Industry's (MTI) mandate is to provide an enabling environment for growing the economy, creating wealth through investment, industrialisation, economic diversification and trade. The objective of the audit at MTI was to assess whether MTI discharged its intended theme objectives as captured in its five key result areas of the Ministry's Strategic Plan 2001 – 2009, OAG (2009c). The theme audited for the National Development plan 9 was "Towards Realization of Vision 2016: Sustainable and Diversified Development through Competitiveness in Global Markets." A scrutiny of performance review reports and files indicated that activities undertaken were not documented to reflect human resources deployed, budget allocation, activity commencement dates and activity

progression levels. This made it difficult for the audit to forecast the extent of effectiveness of achieving strategic objectives and economic utilisation of resources, (OAG 2009: 28). The Ministry also did not maintain proper records of its proceedings especially regulatory framework proceedings. This made it difficult if not impossible to follow the chronology of events overtime.

6 Recommendations by OAG

As discussed above, the performance audit at the audited entities unearthed poor records management practices. In order to improve the management of records, the following are the recommendations of the Auditor General, (OAG 2008a; OAG 2008b; OAG 2009a; OAG 2009c):

- Development and implementation of functional file classification scheme which are central to filing and retrieval of records. This will reduce incidents of haphazard filing of information.
- Access to records storage areas should be controlled so as to secure the records. This will ensure that records are secure and maintained over time.
- Records should be created when performing organisational business. These records are vital for future reference, decision making and they also serve as corporate memory.
- Officers managing records should be trained through in-service training and institutionally so as to improve the quality of performance and increase productivity. This will assist in upgrading their skills, technically, academically and professionally.
- PPADB should liaise with Accounting Officers in PEs to develop monitoring controls to ensure that procurement records are properly maintained, OAG (2009b).

7 Conclusion

This paper has assessed records management findings from performance audits conducted at the selected entities. The audits have revealed poor records management practices at the audited entities. In most cases this has resulted in the Office of the Auditor General being unable to make worthwhile opinions on whether public resources have been utilized effectively, efficiently and economically. A lot of effort is needed by the organizations to improve records keeping for improving accountability in the usage of public resources. The employment of qualified records personnel, development and implementation of records management policies, awareness raising on the importance of records management on the part of users and regular performance audit follow ups on issues of poor records management practices by Botswana National Archives could improve records management in government. However, not all is lost as there were few pockets of good record-keeping in some of the audited entities and these can serve as foundations for proper records management practices.

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