

- iv) determining whether the government should undertake a project directly or contract it out to the private sector;
  - v) determining appropriate charges for services offered on a recoverable basis; and
  - vi) comparing government performance with similar activities in other jurisdictions?
- c) would the proposed system provide adequate input, processing and output control mechanisms?
- d) would the proposed system provide a one-time capture of data as close as possible to their source?
- e) given the decentralized nature of the Department's organization, would the proposed system be adequately economical in the use of communications facilities? and
- f) when cost effective, would the proposed system provide users at all levels with automated assistance in the performance of their financial administration and control functions?

### CURRENT FINANCIAL SYSTEMS SERVING THE DEPARTMENT

3.6 In broad terms, the generation and channeling of financial information is currently as follows. Responsibility centers at Headquarters and Posts report their expenditures (and, at Headquarters, commitments) to the Departmental FMS; the Posts send that information through the Telegraphic Input Data (TID) System. The information is edited, errors are corrected or queried, and the information is entered in the FMS data base. This information is processed by the FMS computer (the Departmental DEC 20 which also serves other information systems) which produces a tape every month for the transfer of data to the DRS. In turn, the DRS produces monthly returns and sends them directly to the Department's responsibility centers, including the Posts. An overview of this flow of financial data is presented at Annex A to this Chapter.

### Supply and Services DRS

3.7 The Task Force examined the DRS with senior officers of the Financial Reporting Evaluation and Development Division (FRED) of the Government of Canada Banking and Accounting Branch. It is through this system that the Department of External Affairs responds to the financial information requirements of the Public Accounts and Parliament of Canada. The Task Force was briefed on some DRS options available on request, at no additional cost to the Department of External Affairs; these details are set out in Annex B to this Chapter.

3.8 Senior project officers of the Government of Canada Banking and Accounting Branch met with the Task Force to review the status of