

FINANCIAL MANAGEMENT IN THE DEPARTMENT OF EXTERNAL AFFAIRS

As a necessary prerequisite to determining the scope for improving financial management in the Department of External Affairs in general, and to developing a responsibility structure for the Department in particular, we carried out a comprehensive review of the policies and procedures presently followed by the Department in managing its financial affairs. We were fortunate in this respect in having on the survey team two of the key financial management personnel in the Department.

In this section of our report we describe in broad terms the present system of financial management in the Department. Various aspects of the system are discussed in greater detail in later sections of the report. We then point out the way in which the present system does not meet the financial management needs of the Department.

Later in the section we discuss the basic factors that need to be considered in designing a system that will meet the Department's needs, and that will take into account some of the unusual operating characteristics of the Department. Finally, we describe the main features of the system we are proposing, to provide a birdseye view of the plan and to give some perspective to the detailed descriptions that ensue in later sections on various aspects of the system.