

**THE INFLUENCE OF INTEGRATED FINANCIAL
MANAGEMENT INFORMATION SYSTEM ON TIMELY
FINANCIAL REPORTING IN THE NATIONAL SUB COUNTY
TREASURIES IN NYANZA REGION, KENYA**

BY

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DECLARATION

This research project is my original work and has not been presented for an award of a degree in any other university.

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DEDICATION

I dedicate my research project to my both parents for their continued support, morally, spiritually, financially through the entire academic journey

ABSTRACT

IFMIS as an automated system of information it facilitates tracking of events of financial nature, summarization of information, which actually leads to timely financial reporting, fiduciary responsibilities, timely decision-making on policy issues, and preparation of reliable financial reports.. The National Treasury adopted IFMIS in Kenya in 1998 and later in 2003 launched in other line ministries. Whereas Financial reports aim to improve budget compliance and provide a means for internal or external actors to assess government performance. IFMIS improves financial controls by availing reliable and timely financial information. .A more detailed IFMIS gives accurate, timely, consistent and relevant financial information for the purpose of management and decision making functions.Public Finance Management practices have been characterized by challenges in revenue collection, lack of transparency and accountability in the national and county governments. It has been observed that accurate financial position both at individual reporting level and government wide level was not possible within IFMIS due to the prevalent use of manual cash books and asset management was in manual system thus making it difficult to produce timely financial reports within the IFMIS and more so IFMIS servers are hosted in a shared data center managed by government information technology services, which have no proper financial controls and physical security on the data center, such as surveillance systems. There have been increasing allegations of misappropriations and untimely financial reporting on public resources despite the existence of IFMIS. The objective of the study was to determine the influence of IFMIS on timely financial reporting in National Sub County Treasuries in Nyanza Region,Kenya. To achieve this objective, the study was guided by one objective; to determine the influence of IFMIS on timely financial reporting in National Sub County Treasuries in Nyanza Region,Kenya. The research adopted descriptive survey and it targeted 45 National Sub County Treasuries in Nyanza Region, Kenya. The data collection was through the questionnaire and data capture form for secondary data. The spss was key in the analysis of data. The findings from the study were presented by use of Figures,Tables, Means, and standard deviations.established that with all 3 independent variables taken into consideration and constant at Zero, timely financial reporting performance will be at 71.228. The findings further show that taking all the other independent variables at zero, Reliability and compatibility of IFMIS would be the highest strategy at 28.527 to positively influence the Timely financial reporting while the lowest independent variable to influence timely financial reporting would be IFMIS Infrastructure at 10.165.The findings also imply that a unit increase in IFMIS Infrastructure would lead to 10.165 increase in timely financial reporting. A unit decrease in IFMIS Internal Control would lead to -20.132 decrease in timely financial reporting. Hence the need for the government to invest in latest technology systems that would influence timely financial reporting in National Sub County Treasuries, in Nyanza Region, Kenya and unto the rest of the regions in Kenya.

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ABBREVIATIONS AND ACRONYMS

COA:	Chart of Accounts
COB:	Controller of Budget
COK:	Constitution of Kenya
FASB:	Financial Accounting Standards Board
IAS:	International Accounting Standards
IASB:	International Accounting Standards Board
ICPAK:	Institute of Certified Public Accountants of Kenya
IFMIS:	Integrated Financial Management Information
IFRS:	International Financial Reporting Standards
IFRS:	International Financial Reporting Standards
IPSAS:	International Public Sector Accounting Standards
IPSASB:	International Public Sector Accounting Standards Board
KGSP:	Kenya Governance Support Programme
NSCIA:	National Sub County Internal Auditor
NSCT:	National Sub County Treasuries.
NT:	National Treasury
PEFA:	Public Expenditure and Financial Accountability
PFM:	Public Finance Management
PFMS:	Public Finance Management System
PSASB:	Public Sector Accounting Standards Board
SPSS:	Special Package for Social Sciences
TFR:	Timely Financial Reporting
TFR:	Timely Financial Reporting

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Integrated Financial Management Information System is a key component of public finance management Reform that aimed at promoting efficiency on data management, security and timely financial reporting (Chene, 2009). USAID practical guide (2008) refers IFMIS as the computerization of budget preparation, financial management in public sector, execution of accounting and reporting functions. IFMIS is a system that has proved to be a very important tool in the government, It monitors financial activities and summarizes data to financial reports (Matheri, 2016). Whereas Timely financial reporting involves the preparation of financial statements that provide quality financial information for the evaluation of performance within the stipulated timeframes. The timely reports facilitate informed decision making as the content is of great value to users of statements. The timely information is meant to influence the stakeholders impression of the public entity's performance (Ilaboya, 2005) The reports comprises of the comprehensive income, statement the financial position, the statement of changes in equity, statement of cash flows and notes to the statements. IFMIS was geared towards improving on the effective processing of Financial statements so as to meet the set timeframes of reporting. The PFM Act, (2012) recommends that, all public entities should report their financial activities on quarterly, and annually. Timely financial reporting is more dependent on IFMIS. The Financial reporting standards employed by entities must be in accordance with the international Financial reporting Standards (IFRS) given by International Public Sector Accounting Standards Board (IPSAS Handbook, March 2011).

This study is anchored on two theories, one, The stakeholders theory; Stakeholders theory was advanced by Edward Freeman in 1984. The stakeholders theory is defined as any group or individual who is affected by the achievement and working of an entity, hence the stakeholders and the entity are interdependent. The significance of stakeholders theory is that it recognizes that organizations are not controlled or affected purely by those that exercise ownership rights in the public entity. Two, The agency theory was advanced by Jensen and Meckling in 1976. Much of the research into governance derives from agency theory, which postulates that accountability is necessary in order to ensure that the principal-agent problem is mitigated (Berle & Means 1932).

Quite a good number of literature has been reviewed about IFMIS and other dependent variables like cash management, financial performance, financial probity, but as at moment, it is evident that not much has been researched on the influence of IFMIS on timely financial reporting in the national sub-county treasuries hence creating the gap that has not been researched on. This study therefore comes in to fill the gap that exist in determining the influence of IFMIS on timely financial reporting in the National Sub County Treasuries in Nyanza Region, Kenya.

1.1.1 Integrated Management Information System (IFMIS)

IFMIS as an automated system of information it facilitates tracking of events of financial nature, summarization of information, which actually leads to timely financial reporting, fiduciary responsibilities, timely decision-making on policy issues, and preparation of reliable financial reports (Hendriks, 2013). The National Treasury adopted IFMIS in Kenya in 1998 and later in 2003 launched in other line ministries. A fully operational IFMIS can lead to improved management through provision of well-timed financial details, that finance managers can utilize to manage activities efficiently, develop budgets and administer resource

allocation and timely processing of financial reports (Muigai, 2012). Before the IFMIS most Organizations faced a lot of challenges: poor control, unrealistic budgets, growing bending bills, poor transaction management, and lack of effective auditability which led to poor service delivery. (ICPAK, 2017)

1.1.2 Timely Financial Reporting

Financial reports aim to improve budget compliance and provide a means for internal or external actors to assess government performance (Simson, Sharma & Aziz, 2011). Murdick and Ross (1971) contended that timely information is key to the continuity of any entity. Need for financial reports arises because they assist a number of users in making quality and timely decisions (Charles, 2013). Timely reports facilitate greater accountability, fiscal concern and better governance, Article 7 of the PFM Act 2012. The financial reporting plays a significant role in extraction as well as presentation and dissemination of accounts related data that facilitates easier analysis. (Simson et al, 2011).The Kenyan government has taken the initiative of addressing the untimely financial reporting system and ensuring proper management of the financial information. (Transparency International, 2014). The national treasury should prepare the quarterly financial reports and file them with the National Assembly, Auditor General and Commissioner on Revenue administration, publish the reports within 45 days and annual reports within 90 days from closure of financial year (Mygov.go.ke.). Timely reports facilitate greater accountability, fiscal concern and better governance (Kragbe, 2012). According to PFM Act, (2012) requires that IFMIS as designed and prescribed by the Kenyan government to ensure that there is transparent financial management and standard financial reporting.

1.1.3 IFMIS and Timely Financial Reporting

IFMIS as an automated system of information does the tracking of events of financial nature and summarization of data, processing of timely financial reports, and decision-making by policy makers, fiduciary responsibilities and reliable financial reports for audit function. A case study by (World Bank, 2000) found that adequate use IFMIS facilitates effective and efficient production of timely reports thus effective financial decisions. IFMIS improves on effectiveness and efficiency in preparation of reports. Influence of IFMIS is an independent variable while timely financial reporting is a dependent variable. IFMIS improves the Practicability of the financial data analysis (Simson et al, 2011). According to Diamond and Khemani, (2005) IFMIS in developing countries established that some benefits of IFMIS are improved recording and processing of government financial transactions which allows prompt and efficient access to a reliable financial data that supports enhanced transparency and accountability of the executive to parliament, the general public and other external agencies. IFMIS improves financial controls by availing reliable and timely financial information (Ministry of Finance, 2013)

1.1.4 National Sub-County Treasuries in Nyanza Region, Kenya

National Sub County Treasuries are the devolved units of the ministry of National Treasury whose headquarter office is at Bima House Nairobi. Formally it was called the Ministry of Finance but due to Constitutional Reforms in 2010, the name changed to National Treasury. The core mandate of National Sub County Treasury is derived from the 2010 Constitution and Act 2012 of the Public Finance Management, which is, to offer financial services and advise between the National Government and other Government Ministries. The PFM Act, (2012) mandates the National Sub County treasuries with the duty of accounting for the finances entrusted on them .The National Sub County Treasuries provide support to other sub county

ministries. They offer professional financial services to other ministries within the same Sub Counties and subsequent accountability and reporting function. The Sub County Treasuries report directly to the Director General Accounting Services and Quality Assurance who in turn reports to the Principal Secretary in the Ministry of National Treasury, without forgetting the Cabinet Secretary who is at the top. National Sub-County Treasuries report to the Director General Accounting Services and Quality Assurance and to the Auditor General (PFM, 2012), In the entire Kenya, there are three hundred and eleven national sub counties treasuries that report directly to National Treasury head quarter. This research covers (45) forty-five national sub county treasuries (National Treasury, 2019). The National sub county treasuries are headed by the Principal Accountant, Chief Accountant, Accountant I, Accountant II and Clerical officers (Public Service Commission of Kenya, 2013

1.2 Research Problem

Many research studies have been carried out on the problems that were to be solved through the use of IFMIS. According to a study by Hendricks, (2012) sought to identify the risks and the problems arising from use of IFMIS. His findings revealed that there were significant challenges when the quantity of data involved is bulky hence this leads to untimely reports. A study by Kaindi, (2012) found that IFMIS had a huge impact on the internal financial control structure and cash flow management in public organizations. The research findings hinted that IFMIS enhanced credibility, confidence and transparency in all financial information through provision of accurate, relevant and up to date data for the purposes of decision making. A more detailed IFMIS gives accurate, timely, consistent and relevant financial information for the purpose of management and decision making functions. A research by Ajoyi and Omirin, (2007) found that IFMIS was inadequately utilized in undertaking decisions on short and long term planning, and budget preparation in most public entities. A study done by Adero, Chumba and Odoyo, (2014) on the impact of IFMIS on the management of cash in

Eldoret National Sub County Treasury. The study found that the flexibility and reliability of IFMIS affected the timely financial reporting, which led to IFMIS implementation not achieving its main objective. Njonde and Kimanzi (2014) National Treasuries are not fully convinced with the reports generated by IFMIS and this has been a serious controversy area between the software team and the government (GOK/KPMG Report, 1997). Mburu and Ngahu (2013) studied the effectiveness of IFMIS in Nakuru County Government, Kenya Muigai, (2012) did a research on IFMIS implementation and observed that IFMIS as a major pillar of PFMR which has affected financial reporting but he recommended that further research be carried out in other regions in Kenya to identify the effect of IFMIS on timely reporting According to Hamisi, (2010), in Kenya it is widely acknowledged that there are fundamental problems that currently inhibit the efficiency and effectiveness of the Government of Kenya's finance and accounting functions.. The whole functioning IFMIS leads to improved management through provision of well-timed information that finance department can employ to manage activities efficiently, manage organizational assets, in budget formulation and timely processing of financial reports (Muigai, 2012).

Public Finance Management practices have been characterized by challenges in revenue collection, lack of transparency and accountability in the national and county governments (Office of Auditor General's reports, 2015). This has made National Sub County Treasuries not able to achieve the intended objectives as well as partial delivery of objectives due to inefficiency in management of resources and time lags in the reporting function. Auditor General's report, (2016) observed that accurate financial position both at individual reporting level and government wide level was not possible within IFMIS due to the prevalent use of manual cash books and asset management was in manual system thus making it difficult to produce timely financial reports within the IFMIS and moreover IFMIS servers are hosted in a shared data center managed by government information technology services, which have no

proper financial controls and physical security on the data center, such as surveillance systems. There have been increasing allegations of misappropriations and untimely financial reporting on public resources despite the existence of IFMIS. According to the report of the Auditor General,(2013-2014) out of the annual statements prepared by the National Sub County treasuries,only the summary statements of recurrent and development appropriation accounts reports have been configured and customized in IFMIS, the rest are done manually.The truth of the matter is that, theexistence of IFMIS has not helped much in eliminating the delays in submission of financial reports, attributed to poor network connectivity, poor IFMIS infrastructure andinadequate IFMIS interfaces. Much of the workload is still being done manually, thus impacting negatively on the Timely financial Reporting (Kenya Government Support Programme, 2017). Ideally, the National Sub County Treasuries have not been able to meet the financial reporting timelines owing to challenges attributed to IFMIS. Despite the introduction of IFMIS at National Sub County Treasuries, challenges of failing to meet the reporting deadlines are very high (Kihara, 2009).

Most of researchers have dwelt more on the impact of IFMIS and internal financial controls, IFMIS and management of cash in Kenya and many more. It was observed that there are a number of conflicting opinions which brings about abig gap between IFMIS and Timely financial reporting. Thus the need to fill the gap through carrying out the study on the influence of IFMIS on the timely financial reporting in the National Sub County Treasuries in Nyanza region, Kenya. This study therefore tries to answer the research question; DoesIFMIS influence on timely financial reporting in the Sub County Treasuries in Nyanza region, Kenya?

1.3 Research Objective

To determine the influence of IFMIS on timely financial reporting in National Sub-County Treasuries in Nyanza Region, Kenya.

1.4 Value of the study

Through IFMIS the timely financial reports produced will enable the Government, to issue government financial instruments that are attractive to international financial markets. Timely financial reports increases the level of confidence and credibility of financial information in security market exchanges. The study will be essential in supporting the Kenyan economy through publishing the timely financial reports so as to use them to benchmark with other countries and other policy makers. The government will be able identify areas improve on most in terms of IFMIS and timely financial reporting. The study will contribute towards the development of more knowledge that will guide future academicians in carrying out related studies. knowledge basically pertains to facts based on objective insights processed by researchers. The study will be of great importance to the National Sub County Treasuries in identifying the gaps that exist on the influence of IFMIS on timely financial reporting thus enabling them to come up with better policies and strategies of governance and will also help them to manage system change so as to maximize on cost benefit analysis. The research will help the finance managers to uphold the ethical standards and Core values that will enable the public entity to be ahead in financial reporting. Timely financial reporting is likely to increase the level of confidence and improved decision making. The study will provide the best framework for reporting. This study will increase the knowledge on the end users of the reports and the general public who are the key stakeholders to the government, who majorly rely on the financial statements. The stakeholders will be better placed in terms of financial decision making. The study will assist the government in fast tracking it development agenda down to its Citizens through efficient and effective service delivery via mandated offices.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature related to IFMIS and timely financial reporting. The section expounds on theoretical review and empirical literature review regarding the relationship between IFMIS and timely financial reporting and finally summarizes the literature review under study.

2.2. Theoretical Foundation

The study is based two theories: Stakeholders Theory and agency theory. They are elaborated below;

2.2.1 Stakeholders Theory

The stakeholders theory was advanced by Edward Freeman in 1984. The stakeholders theory is defined as any group or individual who is affected by the achievement and working of an entity, hence the stakeholders and the entity are interdependent. The significance of stakeholders theory is that it recognizes that organizations are not controlled or affected purely by those that exercise ownership rights in the public entity but the stakeholders to the entity. By contrast, Freeman, (1984) suggests that a company's stakeholders are those groups without whose support the public entity will cease to exist. The stakeholders theory contends that, in the absence of an opportunity to hide bad news due to mandatory disclosure requirements, managers have incentive arising from the delay in the release of information and subsequent imputation gradually into financial decisions (watts & Zimmerman, 1990; Aondona, 2016) The stakeholders have legitimate right to reliable information through provision of timely financial reports (Basu, 1997; Givoly & Palmon, 1982; Iyola, 2012). The

growing information needs of stakeholders have operational bearing on financial reports, resulting in the quest for timely and credible financial reports. The relationship of stakeholders trust and timely financial reports is so critical that in the relationship between the public entity and stakeholders, there is a tendency of information asymmetry. Relationships depend on trust in one form or another, and this is defined as belief without full information (Tomkins,2001). The management of subcounties may also be required to increase the the degree of trust in the relationship between the public entity and the stakeholders by providing timely financial reports to avoid loss of relevance.

2.2.2 Agency Theory

The agency theory was advanced by Jensen and Meckling in 1976. Much of the research into governance derives from agency theory, which postulates that accountability is necessary in order to ensure that the principal-agent problem is mitigated (Berle & Means 1932). The theory models the relationship between the principal (government) and the agent (National Sub County Treasury accountants). The principal appoint the agent to manage the entity on its behalf. As part of this arrangement, the owners (Government) delegate decision making authority to the managers (Accountants). The difficulty that may arise from the Principal-Agent relationship is that, it is not possible for principals to contractually define every role the agent does in every conceivable situation. The ideal contrast is impossible due to bounded rationality. The problems arising from the principal-agent relationship may be contributed by three factors; Moral hazard, effort level, Earnings Retention, risk aversion and time horizon.

Jensen and Meckling (1976) argued that the separation of ownership and control has resulted in an agency problem as the managers who act as agents might not always act in the best interest of the principal. This might be due to the interests of both parties which are not aligned. agency costs results in agency costs, which are costs of separation of ownership and

control. Agency costs are the sum of monitoring expenses by the principal, the bonding expenses by the agent and the residual costs. The agency problem comes about as a result of managers not solely acting to maximize the principal's interests but to protect their own interests. Jensen and Meckling, (1976) suggested that inefficiency may be reduced by giving managerial incentives so as to maximize on better decisions arising from timely financial reports. Therefore the government as the principal in this study, has the obligatory role of providing incentives to accountants who are managers of national sub county treasuries so as to improve on financial reporting timeframes.

2.3 Empirical Literature Review

Governments in developing countries are increasingly discovering methods and systems to modernize and improve integrated Financial Management Systems. For example, over the years, there has been an introduction of the Integrated Financial Management Information System (IFMIS) as one of the most common financial management reform practices, aimed at the promotion of efficiency, effectiveness, accountability, transparency, security of data management and comprehensive financial reporting. The scope and functionality of IFMIS varies across countries, but normally it represents an enormous, complex, strategic reform process (Chene, 2009).

A research done on successful implementation of IFMIS in Tanzania is the most successful to date in an Anglophone African country (Diamond & Khemani, 2005). Success was achieved through several approaches. A review of IFMIS was conducted and identified processes that affected budget execution. Expenditure control and the chart of accounts were also improved. The government then crafted enabling legislation, accounting principles, systems, and organizational arrangements. The program obtained solid political backing, which trickled down to management level, and ensured adequate resources from donors. The reform was embedded in the Ministry of Finance, where capacity-building was emphasized.

The IFMIS in Ethiopia has been part of a larger transformation of its PFMR to international standards, because the change aligned with the four known drivers of public sector reform: context, ownership, purpose, and strategy (Peterson, 2011). Peterson, (2011) argues that IFMIS in Ethiopia succeeded because it built a stable and sustainable infrastructure that is appropriate to local context, instead of aiming for a risky and irrelevant summit of international best practice. To support the rapid government decentralization, the reform successfully adopted a strategy of recognizing, improving, and sustaining. *International Journal of Economics, Commerce and Management*, United Kingdom Licensed under Creative Common Vol. IV. Issue 5, May 2016.

Another study was conducted in Ghana on the effect of IFMIS on economic prosperity, (Aminatu, 2012). The researcher found out that Implementation of IFMIS did not succeed in various countries due to lack of training and capacity building. More researches were carried out in other countries like Zambia by (Bwalya and mutual, 2015) on IFMIS implementation, but all was not a success because of non-inclusivity of other factors like: IFMIS Reliability, IFMIS infrastructure and employee training.

Isidore, (2012), undertook a study that sought to find out how financial decisions can be improved and made better with the use of IFMIS. The study used two cases based on organizations in Tanzania. The researcher adopted a descriptive survey and used 34 respondents out of 204 employees, the study used primary and secondary data through the use of the questionnaire, existing literature and journal articles, and the study used correlation analysis and descriptive statistics to analyze the data. The findings indicated that IFMIS was crucial in generating financial information that is key for the Timely financial reporting.

McGee and Yuan (2008) investigated corporate governance and timeliness of financial reporting in China. The authors have selected 18 Chinese companies which published their

financial reports in English and another 21 companies among non-Chinese companies for a relevant comparison. Further, they calculated the number of days between the end of fiscal year and audit report issuance date. Their research results indicated that Chinese companies issued their financial reports later than non-Chinese companies did.

Conover, Miller, & Szakmary (2008) examined financial reporting lags, the incidence of late filing, and the relationship between reporting lags, entity's performance and the degree of capital market scrutiny. They used a large sample of firms spanning 22 countries over an eleven-year period. A focal point of their analysis is whether the incidence of late filing, and the relations between reporting days and other variables differ systematically between common and code law countries. Relative to U.S. firms, they reported that the time taken and allowed for filing is usually longer in other countries and that the statutory requirement is more frequently violated. Timely filing is found to be less frequent in code law countries. Poor firm performance and longer reporting lags are more strongly linked in common law countries. They also found that whereas greater capital market scrutiny and more timely filing are related, there is less support for a relationship between the level of debt financing and timely filing in code law countries

Mburu and Ngahu (2013) studied the effectiveness of IFMIS in Nakuru County Government, Kenya. The researchers used descriptive research design. They used the Questionnaire in data collection from county staff. It was observed that, IFMIS is a good system, legal and regulatory frameworks were good, and staff were trained and competent. Finally the study found out that IFMIS increases efficiency in financial controls and give reliable, accurate and up to date financial reports.

A study done by Adero, Chumba and Odoyo, (2014) on the impact of IFMIS on the management of cash in Eldoret National Sub County Treasury. The research was done by use

of descriptive survey and it was anchored on contingency theory. The study focused on 70 junior officers and top level managers. They collected primary data through questionnaire. The analysis of data was done using a descriptive research design, regression method and correlation analysis. The study found that the flexibility and reliability of IFMIS affected the timely financial reporting, which led to IFMIS implementation not achieving its main objective.

A study by Kaindi, (2012) found that IFMIS had a huge impact on the internal financial control structure and cash flow management in public organizations. The research findings hinted that IFMIS enhanced credibility, confidence and transparency in all financial information through provision of accurate, relevant and up to date data for the purposes of decision making.

In a study conducted by Mobegi, (2009), on Factors influencing successful Implementation Integrated Financial Management Information Systems in Governments Ministries in Kenya. The study found out that 61% of the ministry staff believed that implementation of IFMIS was way behind schedule while 33% believed that it was on course. 3% believed that IFMIS was successful while 11% believed that it was not successful. 52% believed that transparency had been achieved while 62% believed that IFMIS had improved economic governance. 47% believed that it had reduced corruption while 78% believed that IFMIS provided sufficient information for decision making.

A study by Bichanga and Cherotich, (2016), sought to assess the factors influencing the successful application IFMIS in different County Governments in Kenya. The study aimed at assessing how dynamic management, Information Technology infrastructure, employee development and top level managers' commitment affected the effective implementation of IFMIS in County Governments. It Targeted IFMIS Users in Kisii, Kericho, Narok, Bomet and

Nyamira. The findings indicated that most counties don't manage IFMIS efficiently and effectively.

Karanja & Nganga, (2014) tried to identify the determinants of effective implementation of IFMIS of government agencies in Kenya. The research was done in the national Treasury in Meru County, Kenya. The research employed descriptive research design, and it adopted correlation analysis method for data analysis using SPSS, resulting with a correlation Coefficient of variables. They observed that the technological capital for implementation was a major problem. Even with the above literature, not much research has been done to determine the effect of implementation of IFMIS and timely financial reporting in the National Sun County Treasuries in the former Nyanza Region

2.4. Summary of the Literature Review

A research done on successful implementation of IFMIS in Tanzania is the most successful to date in an Anglophone African country (Diamond & Khemani, 2005). Success was achieved through several approaches. According to Peterson, (2011) The implementation of IFMIS in Ethiopia has been part of a larger transformation of its Public Finance management Reform to international standards, because the change aligned with the four known drivers of public sector reform: context, ownership, purpose, and strategy. Another study was conducted in Ghana on the effect of IFMIS on economic prosperity (Aminatu, 2012). The researcher found out that Implementation of IFMIS did not succeed in various countries due to lack of training and capacity building. Isidore, (2012) under took a study that sought to find out how financial decisions can be improved and made better with the use of IFMIS. The study used two cases based on organizations in Tanzania. The findings indicated that IFMIS was crucial in generating financial information that is key for the Timely financial reporting. McGee and Yuan, (2008) investigated corporate governance and timeliness of financial reporting in China. The authors have selected 18 Chinese companies which published their financial reports in

English and another 21 companies among non-Chinese companies for a relevant comparison. Their research results indicated that Chinese companies issued their financial reports later than non-Chinese companies did. Conover, Miller, & Szakmary (2008) examined financial reporting lags, the incidence of late filing, and the relationship between reporting lags, entity's performance and the degree of capital market scrutiny. Poor firm performance and longer reporting lags are more strongly linked in common law countries. They also found that whereas greater capital market scrutiny and more timely filing are related, there is less support for a relationship between the level of debt financing and timely filing in code law countries. Mburu and Ngahu (2013) studied the effectiveness of IFMIS in Nakuru County Government, Kenya. Finally the study found out that IFMIS increases efficiency in financial controls and give reliable, accurate and up to date financial reports. A study done by Adero, Chumba and Odoyo, (2014) on the impact of IFMIS on the management of cash in Eldoret National Treasury Sub County. The study found that the flexibility and reliability of IFMIS affected the timely financial reporting, which led to IFMIS implementation not achieving its main objective (Kaindi, 2012) observed that IFMIS has a consequential impact on the internal control systems and financial performance of Public entities. A study by Kaindi, (2012) found that IFMIS had a huge impact on the internal financial control structure and cash flow management in public organizations. The research findings hinted that IFMIS enhanced credibility, confidence and transparency in all financial information through provision of accurate, relevant and up to date data for the purposes of decision making. In a study conducted by Mobegi (2009), on Factors influencing successful Implementation Integrated Financial Management Information Systems in Governments Ministries in Kenya. while 78% believed that IFMIS provided sufficient information for decision making. A study by Bichanga and Cherotich, (2016), sought to assess the factors influencing the successful application IFMIS in different County Governments in Kenya. The findings indicated that most counties

don't manage IFMIS efficiently and effectively. Karanja & Nganga, (2014) tried to identify the determinants of effective implementation of IFMIS of government agencies in Kenya. They observed that the technological capital for implementation was a major problem. Based on the above literatures indeed not much research has been done to determine effect of IFMIS on Timely Financial Reporting in National Treasury Sub Counties in former Nyanza province

2.5 The Research gap

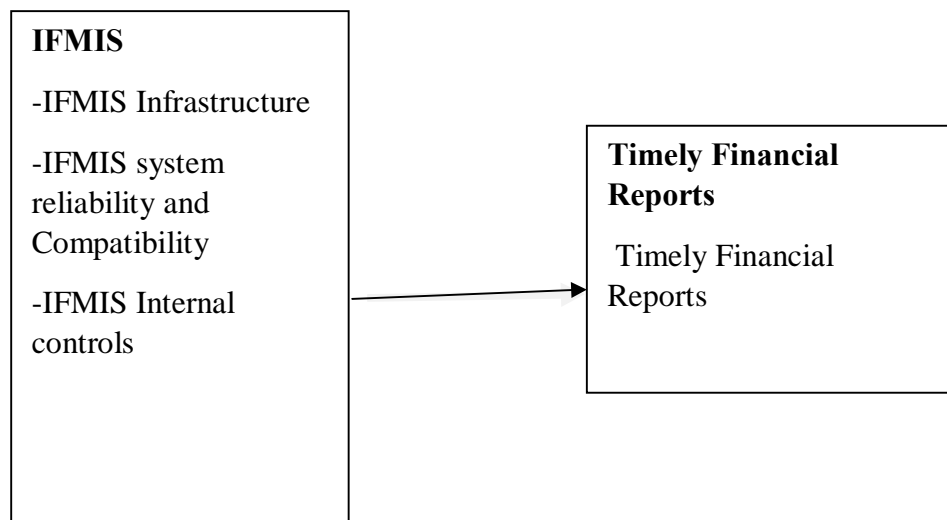
Currently quite a number of researches have been done on the IFMIS and other dependent variables like cash management, financial performance. While minimal research has been done on the influence of IFMIS on timely financial reporting thus bringing forth the gap between the influence of IFMIS on timely financial reporting. The International Public Sector Accounting Standards provisions requires that we report quarterly, 45 days after the end of quarter and annually 90 days after the closure of the financial year. But due failure in the implementation of all-inclusive system.. According to the report of Auditor General 2013-2014 a number of adverse and disclaimer of opinions were expressed. Despite the successful existence of IFMIS, quite a number of challenges are arising like delay in submission of financial reports since there is capacity gaps production of timely and quality reports, poor network connectivity and several Government ICT systems were not interfaced or integrated a number of PFM processes were still being done manually, thus impacting negatively on the Timely financial Reporting (Kenya Government Support Programme, 2017). There is a wide gap on the influence of IFMIS on timely financial reporting, Which has been identified with adverse audit reports being issued by auditor General. (Office of Auditor General, 2017). Finally, despite the existence of IFMIS at the National Sub County Treasuries, still there are challenges on meeting the set timeframes for financial reporting. Thus need to determine the influence of IFMIS on Timely Financial Reporting in National Sub County Treasuries in Nyanza Region.

2.6 Conceptual Framework

The literature focuses on the variables in the research. Reinchel and Ramey, (1987) define a conceptual framework as a portfolio of concepts, proposition and precepts drawn from relevant fields of research and utilize to construct a succeeding researches. The independent variables under this research are: Employee training and capacity building, IFMIS infrastructure and IFMIS reliability. The problem under study is conceptualized as per the diagram below:

Figure2. 1. Conceptual framework

Independent Variables **Dependent Variable**



Source: Author, 2019

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section highlights on the methodology that will be employed to achieve the objectives. The chapter involves analysis of the rule procedures and techniques used in any research. The variables used are explained together with their relevant sources. The entire topic includes; research design, population, data collection and data analysis.

3.2 Research Design

The study applied descriptive survey design to obtain data from National Sub County Treasuries under Nyanza region. Descriptive survey design is concerned how accurately and systematically can describe the population (Mugenda and Mugenda, 2003). According to William, (2010) is a study designed to obtain pertinent information concerning the current state of affairs. It is appropriate in this study because it provides accurate data from the entire population under study. According to Mugenda and Mugenda, (2003) when the population is small then descriptive survey is the preferred research design.

3.3 Population

This research study targeted population of 45 National Sub County Treasuries under the Nyanza Region, Kenya, that use IFMIS in financial reporting. (See appendix I). Population is the specific group relevant to a particular study which the researcher is interested in generalizing observable characteristics (Mugenda and Mugenda, 2003). The study was conducted by use of census survey, which involved the entire target population under study. The study targeted the Principal accountants, chief accountants, accountant I, accountant

and clerical officers in the National Sub County Treasuries because of their key role in the financial reporting function.

3.4 Data Collection

This study drew its data from both primary and secondary sources. The primary data was collected from the principal accountants, chief accountants, accountant I, accountant II and Clerical officers, through the use of questionnaire (See Appendix II). The primary data collected related to; IFMIS Reliability and compatibility, IFMIS reliability, and IFMIS Internal Controls. It is divided into sections, where section A addresses demographic information and the rest addressed independent variables. The respondents majorly being all accountants and clerical officers. The secondary data was collected through data capture form (see Appendix III). The secondary sources will be from financial reporting reports at the respective government entities. The secondary covered the dependent variable (timely financial reporting). This study collected data with reference to a period of one year 2018/2019

3.5 Data Analysis.

The analysis of data collected was done by multiple regression model to find the solutions to the problems. Multiple Regression analysis was used to indicate the change in timely financial reporting as a resulting change in the frequent use of IFMIS. This study used the Anova (Analysis of Variance) to analyze data. Tests will be done at 95% confidence level.

Table 3.1 Variables Operationalization and Measurement

Independent Variable- IFMIS				
Variables	Indicator	Operational Definition	Measurement Scales	Data capture form
IFMIS Compatibility and Reliability	-few system breakdowns. -system compatibility with existing processes	-The degree of compatibility of IFMIS to existing Processes. -the degree of IFMIS allowing sharing of information - The degree of IFMIS breakdowns	5 statements on a scale of 1-5 point used to reflect the agreement of IFMIS Compatibility and reliability	Section B
IFMIS Infrastructure	- Adequate Composition of Hardware and Software,server and Network	-degree to which the hardware, software,Server and Network are adequately maintained	- 5 statements on a I-5 Point scale will beutilized to establish whether use of IFMIS led to Timely financial reports	Section C

IFMIS Internal Controls	-Password expiration dates, User and data Auditing, segregation of duty conflicts, users with access to critical general ledger chart of accounts setup and accounting Data Access set security	-degree to which the listed controls are practiced and implemented	-5 statements on a 1-5 point scale will be used to establish how controls influence timely financial reporting	Section D
Dependent Variable				
Timely Financial Reporting	-Accurate, reliable and Timeliness submission of financial Reports	-the degree to which IFMIS has improved the reliability, accuracy and timeliness in submission of financial reports	The number of days taken to report	-Appendix III

Source: Martyn, (2008)

3.5.1. Analytical model

This study will use Multiple Regressions analysis model to compute on the variables so as to establish the relationship between IFMIS and timely financial reports. The multiple regression formula is indicated as below:

$$\gamma = \beta_0 + \beta_1\chi_1 + \beta_2\chi_2 + \beta_3\chi_3 + \varepsilon$$

Where;

γ = Timely financial reports,

χ_1 = IFMIS Reliability and compatibility

χ_2 = IFMIS Infrastructure

χ_3 = IFMIS Internal controls

β_0 = Constant

β_1, β_2 and β_3 are Coefficients

ε = Error term

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This section evaluates the results of the research finding. The primary data was exclusively obtained through the questionnaire. The statistical package for social sciences assisted in the analysis. The findings are presented in tables figures,, means and standard deviations

4.1.1 Staff Position in National Sub County Treasury

The majority of the staff interviewed were accountant IIø who represent 28.1% of staff at the sub county treasury offices and chief accountant at 24.4%. of the entire staff at the 45 National sub County Treasuries, in Nyanza Region, Kenya.

Table 4.1.1 The staff position at the National sub county treasury

Staff ranks	Frequency	Percent (%)
Principal accountant	6	3.8
Chief accountant	39	24.4
Accountant	35	21.9
Accountant II	45	28.1
Clerical officer	35	21.9
Total	160	100.0

4.1.2. Experience worked at National sub county treasury

The staff at the sub county who had more than 10 years were the majority with 54.4% of the general staff at the national sub county treasury

Table 4.1.2 Staff experience in years at the National sub county treasury

Experience	Frequency	Percent(%)
4-6Years	7	4.4
7-10Years	66	41.3
More than 10Years	87	54.4
Total	160	100.0

4.1.3 Experience of staff working with IFMIS

The table below indicate the mean working experience among staff with IFMIS System is 10.5± 0.162 Years while the maximum are 12 years and minimum is 3years. The standard deviation of 2.053 show how spread are the data sets around its mean of 10.50.

Table 4.1.3: Experince of Staff working with IFMIS System

Variable	N	Min	Max	Mean		Std. Deviation	Skewness	
				Statistic	Std. Error		Statistic	Std. Error
No. of years using IFMIS	160	3	12	10.50	.162	2.053	-1.672	.192

4.2 Regression Analysis on timely financial reporting and the Predictor Variables of IFMIS Internal Control, IFMIS Infrastructure, Reliability and compatibility of IFMIS

The study employed multiple regression modeling of predictor variables using SPSS. The results of multiple regression between independent variables and timely financial reporting are indicated in table 4.2.1.

Table 4.2.1: Multiple Regression Analysis between timely financial reporting and independent variables

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.390 ^a	0.152	0.136	31.48479

a. Predictors: (Constant), IFMIS Internal Control, IFMIS Infrastructure, Reliability and compatibility of IFMIS

The *R* value represents the simple correlation and is 0.390, which indicates a weakly positive correlation. Multiple R squared is the proportion of dependent variance that can be explained by the linear model using independent variables in the sample data. In this case, 15.2% can be explained, which is indicative since timely financial reporting are determined by other factors not included here in the model. The adjusted R^2 is the coefficient of multiple determination and is the percent of variance in the dependent explained solely or jointly by the independent variables 13.6% of the timely financial reporting.

Table 4.2.2: ANOVA Results of Regression Analysis between timely financial reporting and Predictor Variables.

ANOVA ^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	27697.700	3	9232.567	9.314	0.001 ^b
	Residual	154641.544	156	991.292		
	Total	182339.244	159			

a. Dependent Variable: Timely Financial Reports

b. Predictors: (Constant), IFMIS Internal Control, IFMIS Infrastructure, Reliability and compatibility of IFMIS

The results indicate a significant value ($p=0.001$) that implies the model is significant in predicting the dependent variable, the timely financial reporting. The F critical at 5% level of precision was at 9.314 and since F calculated was greater than F critical (table value = 5.63), this shows that the overall model was significant.

Table 4.2.3: Regression Coefficients of the Relationships between timely financial reporting and the predictive independent Variables

Coefficients ^a

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1 (Constant)	71.228	20.685		3.444	.001
Reliability and compatibility of IFMIS	28.527	10.003	.217	2.852	.005
IFMIS Infrastructure	10.165	4.209	.183	2.415	.017
IFMIS Internal Control	-20.132	5.435	-.276	-3.704	.000

a. Dependent Variable: Timely Financial Reports

The final model as generated by SPSS from table 4.2.3

The equation ($Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon$) Becomes;

$$Y = 71.228 + 28.527X_1 + 10.165 X_2 - 20.132X_3$$

The regression equation as presented in table 4.2.3 established that with all 3 independent variables taken into consideration and constant at Zero, timely financial reporting performance will be at 71.228. The findings further show that taking all the other independent variables at zero, Reliability and compatibility of IFMIS would be the highest strategy at

28.527 to positively influence the Timely financial reporting while the lowest independent variable to influence timely financial reporting would be IFMIS Infrastructure at 10.165.

The findings also imply that a unit increase in IFMIS Infrastructure would lead to 10.165 increase in timely financial reporting. A unit decrease in IFMIS Internal Control would lead to -20.132 decrease in timely financial reporting.

The P-Values were all found to be significant with IFMIS Internal Control ($p=0.001$), IFMIS Infrastructure ($p=0.017$), Reliability and compatibility of IFMIS ($p=0.005$) at ($P<0.05$) precision level.

4.3 Correlation analysis

This section determines the degree of relationship between timely financial reporting and other independent variables as observed in the subsections below;

4.3.1 Correlation Analysis on Relationships between timely financial reporting and reliability and compatibility of IFMIS

Bivariate correlation analysis between timely financial reporting and reliability and compatibility of IFMIS was done using SPSS. The Pearson's correlation analysis was used to determine the degree of relationships between timely financial reporting and reliability and compatibility of IFMIS. The results are presented in Table 4.3.1

Table 4.3.1: Correlation Analysis of timely financial reporting and reliability and compatibility of IFMIS

Correlations

		Timely Reports	Financial Reports	Reliability and compatibility of IFMIS
Timely	Pearson	1		.223**
Financial	Correlation			
Reports	Sig. (2-tailed)			.005
	N	160		160
Reliability and	Pearson	.223**		1
compatibility	Correlation			
of IFMIS	Sig. (2-tailed)	.005		
	N	160		160

** . Correlation is significant at the 0.01 level (2-tailed).

The results of the correlation analysis as presented in Table 4.3.1 ($r = 0.223$; $p < 0.005$) shows that there is a significant weak positive correlation between Timely Financial Reports and Reliability and compatibility of IFMIS.

4.3.2 Correlation Analysis on Relationships between timely financial reporting and IFMIS infrastructure

Bivariate correlation analysis between timely financial reporting and IFMIS infrastructure was done using SPSS. The Pearson's correlation analysis was used to determine the degree of relationships between timely financial reporting and IFMIS infrastructure. The results are presented in Table 4.3.2.

Table 4.3.2: Correlation Analysis of timely financial reporting and IFMIS infrastructure.

Correlations

		Timely Financial Reports	IFMIS Infrastructure
Timely	Pearson Correlation	1	.212**
Financial	Sig. (2-tailed)		.007
Reports	N	160	160
IFMIS	Pearson Correlation	.212**	1
Infrastruc	Sig. (2-tailed)	.007	
ture	N	160	160

** . Correlation is significant at the 0.01 level (2-tailed).

The results of the correlation analysis as presented in Table 4.3.2 ($r = 0.212$; $p < 0.007$) shows that there is a significant weak positive correlation between Timely Financial Reports and IFMIS Infrastructure.

4.3.3 Correlation Analysis on Relationships between timely financial reporting and IFMIS internal control

Pearson's correlation analysis was used to determine the degree of relationships between Timely financial reporting and IFMIS internal control. The results are presented in Table 4.3.3 below;

Table 4.3.3: Correlation Analysis of Timely financial reporting and IFMIS internal control

Correlations

			Timely Financial Reports	IFMIS Internal Control
Timely Financial Reports	Pearson		1	-.235**
	Correlation			
	Sig. (2-tailed)			.003
	N		160	160
IFMIS Internal Control	Pearson		-.235**	1
	Correlation			
	Sig. (2-tailed)		.003	
	N		160	160

** . Correlation is significant at the 0.01 level (2-tailed).

The results of the correlation analysis as presented in Table 4.3.2 ($r = -0.235$; $p < 0.003$) shows that there is a significant weak negative correlation between Timely Financial Reports and IFMIS Internal Control.

4.4 Discussion

The study established that IFMIS is not reliable and compatible with other operating systems used in National Sub County Treasuries, IFMIS does not allow sharing of Information within employees and finally IFMIS does not have rights limitations for each accountant depending on the Job Descriptions. All these observations are contrary to the findings of Odoyo, Adero, and Chumba (2014) which found that a reliable system is the system that is relevant to the job description, a system that provides accurate, timely and reliable information. Therefore the

study found that the IFMIS reliability affects timely financial reporting at the national Sub County treasuries in Nyanza Region, Kenya

The study established that National Sub county Treasuries don't have adequate number of Hardware and software to support IFMIS, the Hardware and software are not adequately maintained within the IFMIS Infrastructure at the National Sub County Treasuries, there is no existence of latest ICT technology within the IFMIS infrastructure and finally there is no service quality management System established within the IFMIS infrastructure within the National Sub County Treasuries in Nyanza Region, Kenya. The study findings showed that the IFMIS infrastructure affects timely financial reporting at the National sub County Treasuries, in Nyanza Region, Kenya.

The study established that IFMIS does not have the password expiration date, IFMIS does not contain both user and data audit trail within the system, IFMIS does not allow users with access to General ledger chart of accounts set up. Thus the findings are that the lack of proper IFMIS controls impact negatively on the timely financial reporting at the National Sub county Treasuries in Nyanza Region, Kenya. The above findings are not consistent with the research by Mburu and Ngahu (2013) which found that IFMIS was meant to increase the efficiency and effectiveness of the financial processes leading to timely financial reporting.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the study's key findings, the study's discussions, conclusion made from the findings, recommendations as per the findings, the study's contribution to body of knowledge and suggestions for further research.

5.2 Summary of Findings

This section offers a summary of the study findings presented, based on each and every variable under study; the study established that reliability and compatibility of IFMIS based on the (p-value of 0.005) it therefore implies that the P values of 0.005 is statistically significant in the model and weakly significantly positively correlated to timely financial reporting at ($r= 0.223$; $p < 0.005$). The IFMIS infrastructure had (p-value of 0.017) this implies that it is statistically significant in the model and weakly significantly positively correlated to timely financial reporting at ($r= 0.212$; $p < 0.007$). The IFMIS internal control had (p-value of 0.001), this implies that it is statistically significant in the model and weakly significantly negatively correlated to timely financial reporting at ($r= -0.235$; $p < 0.003$).

5.3 Conclusion

The study concludes that IFMIS is not reliable and compatible with other operating systems used in National Sub County Treasuries,

The study Concludes that National Sub county Treasuries don't have adequate number of Hardware and software to support IFMIS, the Hardware and software are not adequately maintained within the IFMIS Infrastructure at the National Sub County Treasuries, there is no existence of latest ICT technology within the IFMIS infrastructure.

The study concludes that the lack of proper IFMIS controls impact negatively on the timely financial reporting at the National Sub county Treasuries in Nyanza Region, Kenya.

5.4 Recommendation based on the findings

This study recommends that the Kenyan Government which is the Principal in the agency theory, to further invest in Best Financial Management systems that are compatible with every financial process that are run by the government institutions like the National Sub County Treasuries, in Nyanza Region, Kenya. The better investments in best systems would promise best returns in both short run and long run.

The government of Kenya to invest in latest ICT hardware and Softwares so as to avoid unnecessary breakdowns, unnecessary hacking of systems. To significantly improve on efficiency and effective timely financial reporting.

The System developers should be advised to provide the best IFMIS with best inbuilt controls so as to secure the financial information from unauthorized users, hence safe, accurate, reliable and relevant Financial Information. The Managers at Sub County levels should ensure that their systems have right controls for accountants depending on their job descriptions.

5.5 Limitations

The study was carried out successfully but with some few challenges. Some of the respondents were reluctant to give information and would take long to return the questionnaires. Others declined to return the questionnaires.

The researcher covered only one region out of eight regions in the entire Kenya, this was necessitated by time and cost constraints, thus limiting the researcher from covering more regions based on the identified Variables.

It was observed by the researcher that not much empirical studies have been done on determining the influence of IFMIS on timely financial reporting in Nyanza Region, Kenya and other regions of Kenya, thus a big challenge in this research.

5.6 Areas for further studies

This study was to determine the influence of IFMIS on timely financial reporting in the National Sub County Treasuries in the Nyanza Region, Kenya. This study used both primary and secondary data, which covered three variables under independent variable (IFMIS Infrastructure, IFMIS reliability and Compatibility and IFMIS Controls) while Dependent had Timely financial reporting, the variables covered herein are few, therefore there is need for further research so as to include other more factors not included in this study.

The study was limited to only forty five National Sub County Treasuries in Nyanza Region, Kenya, there is need for further studies under this topic to cover the entire National Sub County Treasuries in Kenya and including other Kenyan Government Institutions

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APPENDICES

Appendix I

NATIONAL SUB COUNTY TREASURIES IN NYANZA REGION (45 No.)

SIAYA COUNTY (41) - 6	KISUMU COUNTY (42) - 7	HOMABAY COUNTY (43) - 6	KISII COUNTY (45) - 11	NYAMIRA COUNTY (46) - 6	MIGORI COUNTY (47) - 9
Gem	Kisumu Central	Homabay	Kisii Central	Borabu	Awendo
Ugunja	Kisumu East	Rachuonyo North	South Gucha	Nyamira South	Uriri
Bondo	Muhoroni	Suba	Kenyenyia	Nyamira North	Rongo
Rarieda	Nyakachi	Rachuonyo South	Marani	Masaba South	Nyatike
Siaya	Nyando	Ndhiwa	Manga	Masaba North	Kuria East
Ugenya	Seme	Mbita	Kisii South	Nyamira Central	Kuria West
	Kisumu West		Nyaribari Masaba		Migori
			Gucha		Suna East
			Nyamache/Bobasi		Suna West
			Kitutu chache		
			Kitutu Central		
6 No.	7 No.	6 No.	11 No.	6 No.	9 No.

Source; National Treasury Headquarter, 2019

Appendix II

QUESTIONNAIRE

PART A: GENERAL INFORMATION (kindly tick the correct answer appropriately)

1. Name of National Sub County Treasury
 (Optionalí í í í í í í í í í í í í í ..

2. Your position in the National sub County Treasury

Principal Accountant () Chief Accountant () Accountant I () Accountant II ()
 Clerical Officer ()

3. Number of years you have worked in the National Sub County Treasury

Below 3 Years () 4-6 Years ()
 7- 10 Years () More than 10 Years ()

4. How many years have you been using IFMIS? í í í í í í í í í í í í í í í .

The respondents will mark or Tick the appropriate answer according to the degree of agreement to each statement in part B,C.D.E and F in order to determine the influence of IFMIS and timely Financial Reporting in National Sub County Treasury(s). In a scale of 1-5, Where;

- 1 = Strongly disagree
- 2 = Disagree
- 3 = Neither Agree or Disagree
- 4 = Agree
- 5 = Strongly Agree

PART B: IFMIS RELIABILITY/COMPATIBILITY

5. Below are various statements on IFMIS reliability and on how they influence on Timely financial Reporting in National Sub County Treasuries.

STATEMENT/ YEAR UNDER STUDY 2018/2019	1 Strongly Disagree	2 Disagree	3 Neither Agree nor Disagree	4 Agree	5 Strongly Agree

Is IFMIS highly Compatible with other operating systems used in NSCT					
Does IFMIS has minimal breakdowns					
Are there system restoration measures put in place to eliminate system breakdowns					
Does IFMIS allow sharing of Information within employees					
Does IFMIS Has rights limitations for each staff depending on the job Descriptions					

PART C: IFMIS INFRASTRUCTURE

6. Below are various statements on IFMIS infrastructure and on how they influence timely financial reporting in National Sub County Treasuries

STATEMENT/ YEAR OF STUDY 2018/2019	1 Strongly Disagree	2 Disagree	3 Neither Agree nor Disagree	4 Agree	5 Strongly Agree
Existence of adequate number of Hardware and software to support IFMIS					
Existence of well maintained Hardware within the IFMIS infrastructure					
Existence of IFMIS Hardware that uses latest ICT Technology within the infrastructure.					
Existence of well maintained network to ensure that there is					

financial processes continuity					
Is there suitable IFMIS service Quality Management System established					

PART D: IFMIS INTERNAL CONTROLS

7. Below are various statements on internal controls practices within IFMIS influence timely financial reporting in the National Sub-County Treasuries

STATEMENTS/ YEAR OF STUDY 2018/2019	1 Strongly Disagree	2 Disagree	3 Neither Agree nor Disagree	4 Agree	5 Strongly Agree
Does IFMIS has the password expiration date					
Does IFMIS contain both user and data audit trail					
Is there segregation of duty conflicts within IFMIS					
Are default privileged user IDS been disabled from IFMIS					
Do we have users with access to critical General ledger Chart of accounts set up					

END

Thank you for your responses. Be blessed.

