

ANALYSIS OF THE EFFECT OF INTEGRATED FINANCIAL MANAGEMENT SYSTEM (IFMS) ON BUDGETARY CONTROL IN MASAKA DISTRICT

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ABSTRACT

This study analyzed the effect of Integrated Financial Management System (IFMS) on budgetary control in Masaka district. The study specifically looked at effectiveness of IFMS in fulfilling budgetary control requirements, the impact of IFMS on budgetary control and the challenges facing Masaka District in ensuring budgetary control using IFMS. The study used a cross section survey design where both qualitative and quantitative approaches were used. The study sample comprised of finance personnel, council members, Personnel in production, health, bank staff administrators general officers. Data was analyzed to obtain descriptive statistics and expressions which helped to answer the objectives of the study. From the findings, it was revealed that IFMS has demonstrated effectiveness since it has the ability to load the approved budgets, facilitates the re allocations, the preparation of financial reports, including budget vis-à-vis actual expenditure reviews as well as well as ensuring that actual budget is controlled. It was also revealed that with IFMS budgets are easily prepared, easy regular review of budgets, facilitates expenditure, control and proper management of public funds. It was finally revealed that major challenges that affect the IFMS in ensuring budget controls include; bad weather that interrupts system functionality, lack of skilled man power, lack of super server to ease the process of data processing and dissemination and high costs in training of system users. It was generally concluded that basing on the above findings IFMS has had a significant effect on budget control although there are several challenges that face the system. It was therefore recommended that; there is need to ensure that all stakeholders in the system are brought on board; the budget should be produced by the system itself as opposed to uploading the data onto the system extracted from the manually produced and approved budget; improve/upgrade the system to counter bad weather effects and increase skilled man power remunerations to ensure continued effective and efficient running of the system in case the few who are trained leave service or otherwise.