

UNIVERSITY OF EDUCATION, WINNEBA

**INTERNAL FINANCIALMANAGEMENT PRACTICES IN SELECTED SENIOR
HIGH SCHOOLS IN ASHANTI REGION: A COMPARATIVE STUDY OF SOME
SELECTED SCHOOLS IN MAMPONG MUNICIPAL AREA IN GHANA.**



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(MASTER OF BUSINESS ADMINISTRATION)

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requirement of the award of the degree of**

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DECLARATION

STUDENT'S DECLARATION

I Gervase Ner-nye Peng-yir declare that this dissertation, with the exception of quotations and references contained in published works which have all been identified and duly acknowledged, is entirely my own original work, and it has not been submitted, either in part or whole, for another degree elsewhere.

SIGNATURE:

STUDENT'S NAME: **GERVASE NER-NYE PENG-YIR**



SUPERVISOR'S DECLARATION

I hereby declare that the preparation and presentation of this work was supervised in accordance with the guidelines for supervision of dissertation as laid down by the University of Education, Winneba.

SUPERVISOR'S NAME: **MR. OBENG GEORGE**

SIGNATURE.....

DATE:.....

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DEDICATION

This project is being dedicated to my wife Margaret Navem Adjoa Peng-yir, relatives and my children, Clifford Benon-eru, Clayton Erwontaar, Culbert Naamwinyuo and Charlotte Vikpenibe for their love, care and co-operation and spiritual support.



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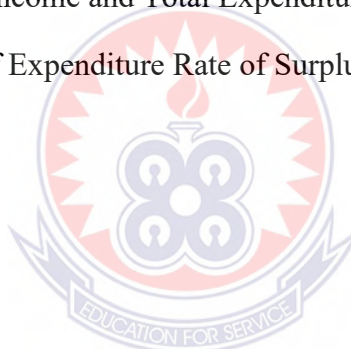
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LIST OF ABBREVIATIONS AND ACRONYMS

A-G	:	Auditor-General
BECE	:	Basic Education Certificate Examination
CIDA	:	Canadian International Development Agency
D/MDE	:	District/Municipal Director of Education
DEPTS	:	Departments
DFID	:	Department of Foreign International Development
EMSP	:	Economic Management Support
ERP	:	Economics Recovery Programme
F/MGT	:	Financial Management
FAR	:	Financial Administration Regulations
GETFUND:		Ghana Education Trust Fund
GOG	:	Government of Ghana
GS	:	Government Subsidy
H/E	:	Home Economics
IFMS	:	Internal Financial Management Support
IGF	:	Internally Generated Fund
IRR	:	Internal Revenue Regulation
IRS	:	Internal Revenue Service
MoE:		Ministry of Education
MoF:		Ministry of Finance
MONISEC:		St. Monica's Senior High School
NCTE	:	National Council for Tertiary Education
NGOs	:	Non-Governmental Organisations
NACASS	:	Nsutaman Catholic Senior High School

PAC	:	Public Accounts Committee
PIGF	:	Percentage of Internally Generated fund
PGoG:		Percentage of Government of Ghana grants
PGETFUND:		Percentage of GET FUND
PPTA	:	Percentage of Parent-Teacher Association
PGS	:	Percentage of Government Subsidy
PFM	;	Public Financial Management
PTAs	:	Parent-Teacher Associations
PUMFMARP	:	Public Financial Management Reform Programme
SAP	:	Structural Adjustment Programme
SCSs	:	Second Cycle Schools
SHSCE	:	Senior High School Certificate Examination
SHSs	:	Senior High Schools
SSF	:	Social Security Fund
UNESCO	:	United Nations Education, Scientific and Cultural Organization
VAT	:	Valued Added Tax

ABSTRACT

The main objective was to look at/examine the part play by internal financial management in the smooth administration of the selected Senior High Schools within suburb of Ashanti Region. Data were mainly Secondary type and have been gathered from the financial report / statement, of the selected Schools in Ashanti Region. These include the income statement, financial position or balance sheets for the period of four years (2012 to 2015), main cash books, journal and students bills. Primary data was used as complementary through discussion with management, senior house masters and some other heads of departments of the various Senior High Schools. Descriptive and quantitative methods of data analysis were both used. The main sources of funds to the targeted Schools were internally and externally generated funds which include Government of Ghana grants (GoG), School Fees (IGF), GET Funds/HIPC, Scholarship and PTA dues. However, the results have indicated that the major sources of income to the Schools are Government of Ghana grant (GoG) and internally generated funds. Despite that, other sources of income to the Schools are Parent-Teacher Association dues, personal emolument and GET Funds. The analysis of forms of expenditure revealed that expenditure of internally generated funds (IGF) is the leading component of total expenditure apart from Government subsidy expenditure at St. Monica's Senior High School and Nsutaman Catholic Senior High School .The findings indication that the major expenditure component of Nsutaman Catholic Senior High School is Government of Ghana grants. The discovering on analysis of total income, total expenditure and surplus /deficit revealed that both the Schools recorded some surplus year by year. The annual surplus, however, of St. Monica's Senior High School was excessive ranging from 1% to 59% of total annual income.

CHAPTER ONE

INTRODUCTION

OVERVIEW

The introduction comprises the background of the study, statement of the problems, the purpose of the study, justification of the study, research questions, and scope of the study, limitation and delimitation of the study as well as the organization of the study.

1.0 Background to the Study

Education plays a significant role in the complexity of society in this modern world.

The outstanding importance of internal control or management in the challengeable economic world of technology in terms of inadequate resources, incompetent accounting staff, lack of control measures, inadequate technological equipment and data cannot be over emphasized. Any economic venture in this modern world has a financial implication for the immediate stakeholder and may be to the general public as a whole. The fact that organizations are complex in this modern world and the use of internal management on the daily activities or lives attest that there is the need to gain knowledge of basic and advance management in the ever increasing technological world of financial implication. The management of a household, public and government assisted schools are undertaken by government through personnel appointed by the Ghana Education Service. Financial management is the most arduous task of school heads. It underlies the success story of every good school; therefore there is a crucial need to manage financial implications in a way to yield the greatest economic benefit to interested parties. In this regards there are a lot of competing activities at rising prices within the term to accomplish with inadequate resources in the present economic

situation in Ghana. Hence a financial management system for any organisation includes both how it is being financed and at the same time how it managed its resources. There is therefore as great concern among heads of Senior High Schools about the smooth running of schools academic terms because of financial constraints. As a result, one often sees a saddening mood among educational workers of the Ghana Education Service, who are also under the arm of the Ministry of Education. This often arises when the government of Ghana presents its annual budget every financial fiscal year.

According to Daniel (2011), the budgets allocated to the Ministry of Education are generally described by its workers as highly inadequate with regards to late payment of School fees by parents, rising cost of commodity pricing, anger (impatient) of School Heads about theft at their stores and others for any effective and efficient realization of the policies for education at the Senior High School level. He further explained that, the above feeling of educational workers under the Ministry of Education, especially those under the Ghana Education Service is often interpreted against the rationale that Education is recognized the world over as the single most important social institution that influences and is influenced by other social institutions.

Education at the Senior High School level for the many private and government assisted Senior High Schools, is also funded by government through the numerous subsidies it pays to institutions at this level. Financial management is the process of economising (compelling the use of) the financial resources to conform to predetermined plan including accounting and financial reporting, budgeting, collecting accounts receivable, risk management and insurance for a business. Hence a financial management system for any organisation includes both how it is being financed and how its resources are being managed. Until about the last two decades or so said by Hagan (2011), financial management focus only on controlling cash outflows or cost and maximising revenue or cash inflows. General management were charged

with the responsibility of how well the broader strategic objectives of an organisation will be met.

In the recent development, there has been a shift to satisfying the needs of customers or clients as a means to achieving organisational goals. That is, there have been increasing demands for increased management effectiveness and efficiency at concurrently achieving customers or stakeholders' satisfaction and organisational objectives. This has led to the trend where financial and general management have become more integrated in the running of private, profit-maximizing firms. By this very nature, the public sector or the Education sectors have now ever been slow in adopting this integrative approach. Based on past expenditure performance, funds have usually been released by the central funding body to various sectors or agencies to carry out their activities as and when cash inflows are received. In support of this, Hagan (2011) argued that financial management was only focus controlling cash outflows or cost and maximising cash inflows.

The Government of Ghana has made a significant progress in strengthening fiscal discipline and improving the efficiency of its public financial management [PFM] system in recent years. Along with achieving macroeconomic stabilization, the Ghana Government has strengthened the legislative base, increased the transparency of budget information, improved control over expenditure and strengthened budget oversight [PFM Report No.36384, GH, 2006]. According to Kelvin (2015), in April 1983, the Government of Ghana initiated the Economic Recovery programmed (ERP) by the Provisional National Defence Council Government (PNDC) which sought to improve its financial management structural adjustment programme (S.A.P) but to no avail. Recognizing deficiencies in the public sector financial management, the government of Ghana with the assistance of the Canadian

Development Agency (CIDA) introduced medium term programme known as Public financial Management reoffer / Reform Programme (PUFMARP).

Furthermore, he said Financial Encumbrance (FE), Expenditure Authorisations, Drawing Limits and many more programmes have also been introduced by the government of Ghana to control financial management in public sector organization. All these aim at improving efficiency, accountability and transparency in the public sector.

In citing Hagan (2011) in relation to SAP and EMSP during the initiation of the Economic Recovery Programme (ERP) in April 1983, the Government of Ghana since sought to improve its financial management, he said all these measures nevertheless were ad hoc in nature and did not meet the requirement of the Integrated Financial Management (IFM) and Department of Foreign International Development (DFID). The Government of Ghana with assistance of the Canadian International Development Agency (CIDA) and the World Bank developed a medium term programme called Public Financial Management Reform Programme (PUFMARP). Public Financial Management Reform Programme is targeted at improving transparency, efficiency and accountability in the public financial management. It also seeks to develop an integrated financial management system in government. The program forms an important part of a wider transformation process in the Ghana public sector which is being implemented by the GoG as part of its National Institutional Renewal Programme. .

Education Sector is one of the areas the Public Financial Management Reform Programme was implemented. The availability of good education is essential to the people. It is apparently true that lack of quality education system is impossible or unfavourable (inimical) to the progress and development of any society. It is against this background that resources are put in place to provide standard education to the people. This objective, however, can be

attained when there is effective financial control or management. The financial resources appropriation through National Budget is the only dependable source for Education Service. Financial management in the GES has been a problem since time immemorial. But instances have proved that funds belonging to public sector institution including the education sector are misappropriated by management-School authorities (Adablah 2001).

1.1 Statement of the Problem

In institutions, various sources of funds are generated and the success in the administering these funds depends on the management. Nevertheless the efficient and effective running of any institution depends largely on the generation and management of funds; Senior High Schools; especially in Ashanti Region are no exceptions. Financial management practices are carried out effectively when due care is taken in generation and payment of funds. There is evidence that internal financial control practices are weak and inefficient among Senior High Schools in Ghana, thereby paving way for misappropriation and misapplication of funds. For example, 2014 Auditor General report indicated that, poor operational results among Senior High Schools in Ashanti created sundry debtors of GHC5,221,091.89, payment without works orders and performance certificates amounted to GHC127,015.20, unsupported payments GHC289,558.39, unearned salaries due to payroll irregularity amounted to GHC30,123.84 etc. (Auditor- General Report, 2014, pg 69-77). Due to the above mentioned, the researcher seeks to examine internal financial control management practices of Senior High Schools in Ashanti Region.

This work further hope to examine the ethical or attitudinal issues associated with management of school funds, the role of financial management in the administration of the Senior High School, the sources of income received by school, some of the challenges in

running the administration, potential areas of fraud or misappropriation, possible intervention to improve upon financial management.

1.2 Objectives of the study

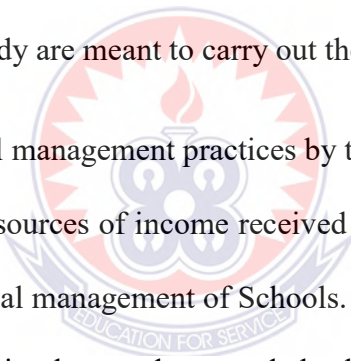
The objectives of this study are to identify general or main objectives and specific objectives.

1.2.1 General objectives

The general objective is to study the role of financial management in the successful administration of the Senior High Schools.

1.2.2 Specific objectives

The specific objectives of the study are meant to carry out the following:

- 
- (i) Find out internal financial management practices by the Schools.
 - ii) Identify and examine all sources of income received by the Schools and causes of the deficiencies in financial management of Schools.
 - iii) Identify the measures put in place to detect and check fraud and malpractices in S.H.S in line with items of expenditure by the Schools.

1.3 Study Justification/Significances

Government funds are channelled to public institutions for disbursements and it is the responsibility of all heads to account fully to the Government for public funds allocated and the purpose for which they were incurred is on objective. It is conceived that the study shall play an important role to promote government agenda on educational finances. This shall be an improvement of planning and budgeting expenditure in the Senior High Schools (SHSs) if

results of the study are implemented. Finally, students who may intend or want to undertake a study about the topic, the study may serve as a source of reference to them.

In spite of that the aim of this study is to contribute to the ability of all heads of Senior High Schools to identify the problems or challenges of financial control/ management they share in common and to manage their financial resources effectively and efficiently. This would be by finding out the level of knowledge and available skills in financial administration of the School heads. This work is also to enable the educational policy maker's grapple with the need to release grants and subsidies due to schools in time for the smooth running of these institutions and for the holistic or integral education of students. The study would also help build knowledge for future research or researchers.

1.4 Research Questions

The study poses some research questions to which the work seeks solutions. They include the following:

1. What are the internal financial management practices in your School with regards to the sources of income?
2. What could be the reason for the deficiencies of financial management practices among Senior High Schools?
3. What measures should be put in place to curb malfeasance of funds in Senior High Schools?
4. What are the items of expenditure of your Schools?

1.5 Scope of the Study

Though there are a lot of or so many Senior High Schools in the country, the researcher has limited himself to only two Senior High Schools due to time constraint, finances and the impossibility of the researcher to reach all Schools in Ashanti Region. The Scope of the study covers St Monica's Senior High School and Nsutaman Catholic Senior High School in the Ashanti Region. Their income, Expenditure statement and Balance sheet (Final accounts) were available for the research work. The analysis covers the period of four years (2012 to 2015) because the author believes that the period was long enough to provide data whose analysis presented or reflected the true picture of the financial control or management of the Senior High Schools.

1.6 Limitations

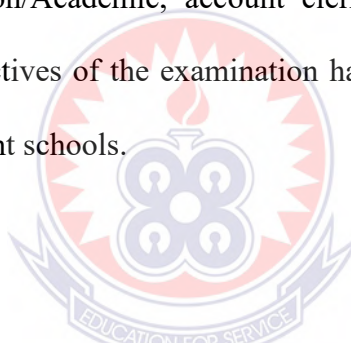
The study involved Senior High Schools, hence certain constraints and weakness might influence the outcome of the study though the researcher might had no or little control over such limitations even though grounds were pre -prepared for a smooth flow of information for this study. In regards to limitation, Schools heads might not have given all relevant data on the challenges or difficulties they encountered in internal financial control for fear of undermining government and suffering victimization. Another is the feeling of anxiety among the School heads to provide relevant answers to the research questions since this might expose their own weakness and mismanagement. This might affect the credibility of the results.

In addition to that most heads and bursars might complain of time factor relating to their official duties for such might find it difficult to take time off to search for data since some of the information will not be within the current years. Besides that change of job

places(transfers) by bursars and heads and improper filling of system may make data collection difficult.

1.7 Delimitation of the study

Even though the study will be designed to cover most of the aspect of financial control and financial management system in SHS in Ghana, it shall be delimited to the expenditure aspect of funds, will not go into details of the sources of income. It shall also be delimited to School Heads of Missionaries and public (government) assisted SHS of two Mampong Municipal Educational Districts (Mampong and Nsuta) and Bursars for the fact that they are the main managers of every financial resources control in the SHS although other personnel such as assistant head of Administration/Academic, account clerks could have been of help. It important to underline the objectives of the examination has not been to evaluate and score the performance of these different schools.



1.8 Organization of the Study

The research paper is divided into five major chapters for orderly and systematic presentation of issues.

Chapter One, which is the introduction to the entire work outlines the background to the study, the statement of the problem, purpose and significance of the study, delimitations, limitations and the organization of the study.

The second chapter focuses on *–Review of Related Literature.*” It discusses some notions on the existing topic. The chapter which forms the basis of the whole research will discuss the prevailing situation of the Senior High Schools of study and the financial management that confront school heads.

In Chapter Three where the focus is on the methodology of the study, it describes the research design, population for the study, sample and sampling techniques, research instruments, pilot testing of the instruments, data collection procedure and data analysis plan.

Chapter Four deals with results and discussions of the findings, it starts with the responses of respondents for the study and analysis of data.

The fifth and last chapter which culminates in the conclusion of the whole study presents a summary of the findings of the entire study. It also presents recommendations as a result of the major findings from the study. It ends with suggestions for further studies or research.



CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.0 Introduction

This section of the chapter shall look at selected literature pertaining to financial management in the senior high school in particular. The work is to identify the actual financial challenges/problems/difficulties of School heads in Mampong Municipal area in the Ashanti Region of Ghana. It will consider concepts and definitions, importance of financial management, financing Ghana's education development, possible financial misappropriations and fraud in the financial management in Ghana schools.

2.1 Theoretical Review – Concept and Definition

2.1.1 Financial Management

Brigham (1995) and Houston (2002) state that financial management involves the actual management of finances of a firm and its importance to all organization comprises banks and charitable organizations. They stated that financial management is necessary to the hospitals, schools and government as well. Pandey I.M (2004) in Daniel K.L (2011) stated that financial management is that managerial activity which is concerned with the planning and controlling of the firm's financial resources. It is of vital importance to all managers including School heads because it underpins all successful operations in any responsible administration. All practicing managers manage their finances because it's firm the central point among their most crucial decisions on issues related to understanding finance and financial. The latter provides managers with conceptual and analytical insights into how to arrive at skilful and responsible decision in financial administration. In addition Pincher

(1990), Mannes (2002) and Scott Jr et al, (1999) in Hagan (2011) stated that financial management deals with the proper acquisition of cash and the efficient allocation of this cash within the corporation. In similar content, it is concerned with the maintenance and creation of economic value or wealth.

In Bergeron's (2002) book, *Survivor's Guide to Finance*, "Financial Management ensures that company uses its resources in the most efficient and effective way, maximizing the income generated by business, which ultimately increases the value of a business". Furthermore, "it deals with two things, first, raising funds, second, buy and utilizing assets in order to earn the highest possible return". The Definition above ultimately pointed to the fact that in financial administration, the administrator has the duty to raise and manage financial resources. In Fianko's work, *Financial Management* (2009), "Finance is defined as the provision of money at the time when it is needed or required". Every enterprise he admits irrespective of its size needs finance to undertake its operations and to achieve its targets. As a result, finance has become the life blood of many enterprises and institutions. Thus, Fianko pointed out that, "Without adequate finance, no enterprise can possibly accomplish its goals".

In the other way round, financial management is that of entrepreneurs defined in terms of functions they play in the business. The entrepreneurial financial control or management includes setting clear financial goals for the business which are consistent with his or her aspiration such as profit making. Nevertheless they can only be achieved by using reports, statement and forecasting as a guide to help assess the progress of the business.

Furthermore Internal financial management as an administrative tool for successful administration can be planned to allow heads in institution exercises their;

- (i) skills and experience
- (ii) instruct the received of revenue and disbursement of funds

(iii) allocation and controlling of resources

Archer and Adentwi (2006) stated that financial control is used for preventing unauthorized use of financial resources, ensuring fair allocation of scarce financial resources among the various competing authorized purposes, ensuring gradual incremental development and growth of the organization, ensuring maximum utilization of scarce financial resources by buying as cheaply as possible and avoiding unnecessary use of fund and ensuring corporate solvency. It further said to be a process of compelling the use of financial resources to conform to a predetermined plan. It was elaborated by Petty et al (1993), Maness (1988) and Ross et al (1996) that financial management is about decision making relating to capital budgeting, capital structure and working capital management. Capital budgeting was said to be the process of planning and managing a firm's long-term investment which concerns the size, timing and risk of future cash flows. Capital structure was argued to be a mixture of long-term debt and equity that the firm uses to finance its operations for growth based on data from a firm's accounting statements. According to them working capital management is a firm's short-term assets and short-term liability that is inventory and money owed to suppliers. Controlling the firm's working capital is the day-to-day activity that ensures that there is enough or sufficient resource to continue its operations to avoid interruptions. Peterson (1994) said that activities of a firm's financial management are to meet current and future operation needs. Among the expressed view, Pinches (1990) and Scott Jr et al (1999) looks at coherent or better than others, in the sense that financial management is concern with the proper acquisition and efficient allocation of cash; the planning and controlling of the firm's financial resources by means of money, with due regard for prices in external economic markets. Therefore financial management includes raising the needed funds, prioritizing needs and budgeting for the available funds, spending only the limited amount available, and reporting expenditure in detail. Entrepreneurial is another aspect of financial

management which is defined in terms of functions they play in the business. Financial management in entrepreneurial means setting clear financial goals for the business that are consistent with his or her aspiration like profit making. This can be achieved by using statements, reports and forecasting as a guide to help assess the progress of the business. Entrepreneurial financial management was emphasized to include the existence of the business through selling of the business, going public, transitioning to the next generation in a family business Cornwall, et al (2004). Thus, the entrepreneurial financial management is an effective managing of its cash resource, through funds generated internally and from marketing. Sodot, et al (2001) say Financial Management is concerned with ~~the~~ raising and administration of funds when the objective of that management is the maximization of the payoff which may be made available at all times and in sufficient quantities to pay obligation as they come due ~~Financial~~ Management according to Denzil and Antony (2007), concerns the efficient and effective management of the finances of an organization in order to achieve the objective of that organisation. It involves planning, allocating, directing, and controlling of resources. Pandey (2004) stated that financial management is that management activity which is concerned with the planning and controlling of the firm's resources. According to Ezra (2004) financial management is a vital and integral part of overall management .In this broader view. central issues of financial policy is the wise use of funds and the central process involved is a rational matching of advantages of potential uses against the cost of alternative potential source so as to achieve the broad financial goals which an enterprise sets for itself. McKinney (1995) said, ~~Financial~~ management was traditionally associated with the core functions of budgeting, financing and controlling, with little linkage to the general management functions of planning, programming and evaluation. Thus, while financial management concerns itself with managing funds, general management strategically plans for organizational goals.

2.2 Importance of financial management

This is concerned with proper utilization of funds or money received to maximise organisation objectives with regards to development through management's directives. In connection with this Brigham (1995) and Van Horne (1995) argued that financial manager primary task is to account for the way money will be received and used to maximize the value of the firm. He further explained that a financial management should plan, forecast, coordinate and control the alternative decision of sources and uses of funds to achieve the organisational goals. Financial management is to give specific and accurate information on financial performance of the organisation.

With respect to development Petty et al (1993) gave one task of a manager as to bring accounting figures to life. This implies that figuring out the rationale behind the entries on the financial statements. In the past financial management were limited to some book keeping that is acquisition of funds and cash management but now it has a major voice in all aspects of raising and allocation financial capital. It also said by Block and Hirt (1992) that financial manager is responsible for the allocation of funds which includes credit management, the receipt and disbursement of funds and inventory .control. The three views show similar functions of financial management, however, financial manager also have the responsibility for credit terms decision under which customers may buy, collateral security for a loan and the profit to plough back into the business. Any financial organization lending officer would want to judge his customers businesses performance for his or her understanding. Good knowledge on finance will help one make personal decisions, ranging from investment for his or her retirement. Financial controller is anyone in charge of all financial decision of an institution .A company treasure is the financial manager who is responsible for obtaining finance, managing relations with banks and making sure that the company meet its

obligations (Myers 1988). In the same way, the bursar is the financial manager for Senior High Schools.

2.3 Educational Sector

The matter of financial management in Senior High Schools (SHSs) is of utmost (greatest) concern to all well-known Ghanaians. Ideally, financial management's effectiveness is where sound measures are put in place for accelerating cash receipts, controlling disbursement and proper measures being put in place to prevent and detect fraud.

2.3.1 Educational Structure system in Ghana

The educational structure system Education has in Ghana present is generally six (6) years Primary Education, three (3) years Junior High School, four (4) years Senior High School and four (4) University Education (World Bank Working Paper No.125 &128 2008). It should, however, be noted that the four (4) years Secondary has been changed to the three (3) years.

Nevertheless the first nine years of Education constitute Free compulsory Universal Basic Education program (Wright, Hussein, 2007 and Kirschner, 2008). According to Johnson (2002), in the 1990s the World Bank investment to general Secondary education accounted to and \$ 240 Million (Reports of the President's committee on Review of Education October, 2002).

2.3.2 Senior Secondary Technical/ Vocational Education

By general definition, Secondary education lies between basic education and higher education (UNESCO 2006, as cited by World Bank working paper no. 127, 2008). Keteku, (1999) makes the point that the Senior High School year runs for four years, from January to

December. Senior High Certificate Examination is written, while Technical / Vocational area writes the National Vocation Training Institute Examination (Sedgwick, 2008). On successful completion of basic education, products then qualify for admission to Senior High School.

2.3.3 Legal Framework

The educational process in Ghana is based on a number of Acts, Regulations and Legislations. The 1992 constitution of the Republic of Ghana which constitutes the supreme law of the land directs the overall thrust of education policies in Article 25 and 38: and provides the mandate for educational development. Acts and Regulation, promulgated by parliament from time to time, supplement the constitution. All these enactments specify the educational rights of all citizens including children and disable, the educational objectives and the structures for implementing the policies.

Archer and Adentwi (2008) explained that Education Law is the selection and content of subjects taught at each level, minimum qualification of teachers, the age when pupils start formal school, the ownership of Schools, the nature and levels of School funding, and the size of classes.

2.3.4 Governance/management of senior high school in Ghana

All the Senior High Schools and Technical/Vocational Institutions work is directly under the District/Municipal Director of Education (D/MDE). In accordance with the GES Act1995 (Act 506),as stated by Manages (2007).The main agency for implementing approved pre-tertiary education policies and programme are the GES and the National Council for Tertiary Education (NCTE). The Secondary, Technical/Vocational School is headed by Headmaster/Headmistress, and Principals.

2.3.5 Duties and Responsibilities of Headmaster and Bursar

The duties of a head of institution are spelt out in accordance to the financial and accounting instruction (FAT) for Secondary schools, Training colleges and educational units. It is the responsibility of the Head of Secondary Schools to exercise supervision over the work of bursar and other accounting offices. The Head duty is to see to it that proper accounts, books of accounts and records are kept, and authorized vouchers for payment. The Headmaster must have a bursar in financial and accounting matters that will be responsible for a daily reconciliation between the cash on hand and cash balance as reflected in Cash Book in pursuance of the above tasks.

2.4 Education financing

The bases to the provision of quality education are adequate funding. Financing of education may be viewed as the provision of money and physical inputs like school buildings, textbooks, teaching and learning materials and in-service training for education personnel. According to Owusu Ansah (2008) ~~without~~ adequate funding no education system can survive and sources of funding of education in Ghana is predominated by the Central Government”.

2.4.1 Funding Senior High School

2.4.1.1 Sources of Funds

According to Archer F.I and Adentwi K.I (2008) the principal sources of finance for most Senior High School and colleges include the following:

- (i) Government of Ghana (GoG) Grants
- (ii) School Fees from Students (Boarding and Day) –Internally Generated Fund (IGF)

- (iii) GET Fund/HIPC Fund
- (iv) Scholarship Grant.

Other traditional sources of funds include foundations/Endowment Funds, Parent-Teacher Association (PTA) dues, Donor funds (NGOs), and Old Students Associations.

I) Government of Ghana (GOG) Grants

By its name, it suggests that it is the Central Government Grant which at time includes services. The School administration receives this type of grant for running of day-to –day activities of the School. The Government of Ghana (GOG) is made up of three areas. This includes Service, Personal Emolument and Administration. GoG and Service are normally received from the Director- General and Regional Director of Education respectively.

II) School Fees-(IGF)

Fees are the School money or fees paid by students both Boarding and Day. This consists of text book fees, uniform, computer fees, special fees for School project, Senior High School Certificate Examination (SHSCE) and Sports fees. Revenue received from boarding user fees includes Administrative; Investment and Service activities. Internally Generated fees contain miscellaneous income and boarding revenue. Among the Miscellaneous Revenue includes registration, Oral English, library, breakages, P.T.A and computer fees

III Ghana Education Trust Fund (GET Fund) /HIPC Fund

a) **Overview** Ghana Education TRUST (GET) was set up by the first president of Ghana Dr Kwame Nkrumah to accelerate the education of Ghanaians (Quist, 2004). According to the report of the President’s committee (October, 2002), the Ghana Education Trust Fund (GET Fund) was established by an Act of Parliament, (Act 581 CA 2000) which was passed

on 25th August, 2000. Its main objective is to provide supplementary funding to support the provision of education by the government throughout the country.

b) Disbursement

GET Fund monies accrued is expected to be disbursed accordingly as follows:

i) To serve as a financial support to the agencies and institutions under the Ministry of Education (MOE), for development and maintenance of essential academic facilities and infrastructure.

II) To serve as a supplementary funding to the Scholarship secretariat for gifted but needy students in second cycle and accredited tertiary institutions in Ghana.

III) To contribute monies from the fund towards students loan schemes for students in relevance to national development.

C) Sources of funds for the GET Fund

The sources of money for the Fund include the following;

i) An amount of money equivalent to two and half percent Value Added Tax (VAT) to be paid into the Fund by the VAT Service from the Value Added Tax collected at the prevailing rates.

ii) Money that accrues to the Fund from investments made by the Board of Trustees of the Funds and such Monies as may be allocated by parliament for the fund.

iii) Grants, gifts, donations and other voluntary contributions to the fund.

d) Management

The management GET Fund is by a Board of Trustee. The government of Ghana through the Municipal or District Assemblies gives the GET Fund/HIPC Funds. Upon receive of the fund

the School issues a receipt to cover it (Report of the President's Committee on Review of Education Reforms in Ghana, October 2002).

i) Scholarship/Bursary Grants

These are grants granted by either the central government or individual organisations to their brilliant or needy students for the payment of School fees and other facilities such as boarding, text books and examination fees. These include Scholarship, District/ Municipal Assembly Bursary, Cocoa Marketing Board (CBM), Industry and Commercial Scholarship for children of their employees, Northern children Scholarship, Scholarship by Religious Bodies and Old Students Associations. Government Scholarship from Secretariat is awarded on merit and paid yearly basis but these days, the grants are not worth paid.

ii) Parent-Teacher –Association (PTA)

The PTA is a voluntary association of parents (whose children/wards are in a School), and teachers of the School. Its purpose is to establish good relationship between parent and teachers. The PTAs are recognized even in Sub-Saharan as entities that supply funds but are not given the voice they need to make a difference in the academic side of education (World Bank Working Paper No. 127, 2008). The PTA fees are normally used by the PTA chairman for the purchase of vehicles. Part of it at times is given as honorarium /best teacher awards for the teacher during speech and Prize Giving Days. The Extra classes' fees are given to the teacher to boost off their morale as a motivation.

iii) Foundation/Endowment Funds

These are funds received from chiefs, churches, individuals and businesses in support of education in the country such as Otumfuo Education Fund, Northern Ghana Education Trust Fund and Valco Trust Fund.

iv) Donor Funding (NGOs)

The Donor funding are Non-Government Organization providing support for education. Some of these organizations are Action Aid, Care International, Catholic Centre (ISODEC) and their contribution is in the form of School-building renovations and construction work such as accommodation for teachers. Additionally, they provide educational materials and School uniforms to School children (meeting the challenges of Education in the twenty first century, October 2002)

2.4.2 Mode of Spending

The financial budget which breaks down expenditures according to the purpose for which the money is to be spent is the base of mode of spending. This mainly includes administration service and investments. The payment of salaries of administrators, teachers, principals and other workers might be settled from the Funds administration account.

I) Government of Ghana (GOG) Grants

The GOG and service grants expenditure has been itemized into three parts. Personal enrolments are the first committed of Funds which includes the following; Service, Social security Fund (SSF) Salaries of Established Post. Another type of GOG expenditure is Administration. Among the expenses include refund of medical, minor repairs on residential building, stationery and transfer grant. The other instance is where an official of the institution travels on an official assignment, thus the travelling and transport expenses and other allowances are paid by the institution. Include the GOG –service grant expenditure are feeding cost, sport/cultural materials, School laboratory/chemicals and teaching learning materials (The Final Accounts).

II) GET Fund/HIPC Fund

The commitment of this fund is of three ways. Firstly is where expenditure is made on service such as tuition fees, purchase of publications, feeding costs and others. Secondly is the case where routine (administration) utility bills are paid such as telephone, water, bank charges and electricity. Finally but not the least, investment is made on new buildings, purchase of plant and equipment, furniture (The financial Statements).

III) Internally Generated Fund (IGF)

Internally Generated Fund (IGF) expenditure is made up of miscellaneous expenses, boarding user and day fees. Expenditure on the School fees includes day and boarding expenses in the form of postal charges, admission fees and bed user fees. Under Miscellaneous Revenue expenditures incurred are photocopy and bank charges are indicated the Financial Statements.

IV) Scholarship/Bursary Grant

Scholarship/Bursary expenses usually covers expenditure on boarding user or day fees such as tuition, examination fees, feeding and any other relevant costs, however funds are normally delayed.

V) Micro Financing Ghana's Education Development

–Microfinance is used to develop the School system in Ghana” said by Ocloo (2008). The cost of education is being transferred to the poor families as part of a creeping privatization of education financing in the absence of sufficient public finance. As an educational development strategy, Microfinance is used through the Susu Society to give out loans reduce the possibility or probability of children being withdrawn from School.

2.5 Fraud

2.5.1 Definition

Fraud in South Africa is defined as “the unlawful and intentional making of a misrepresentation which causes actual and/or potential unreasonable or unfair to another”. The use of the term is intended to include all aspects of economic crime and acts of dishonesty by a public servant or other person or entity.

(<http://www.gpg.gov.za/publication/anticorruption.html>).

Fraud is defined as a deliberate misrepresentation which causes another person to suffer damages, usually monetary losses according to Pollick (2008), Whittington and Pany (2004). There must be a deliberate misrepresentation of the product's condition and actual monetary damage must occur for fraud to occur. Fraud for practical purposes may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation or causing loss to another party said by Okai (1996). Statement of Auditing Standard (SAS) 99 relates fraud to be “consideration of fraud in a financial statement audit” as intentional act that causes a misstatement of the financial statement which may occur due to fraudulent financial reporting Whittington and Pany (2004).

In Divorce, Meyer(2008), Whittington and Pany (2004) further defined fraud as making a material misrepresentation or failing to disclose a material fact known by that person to be untrue or with intention to deceive another party in order to induce him her to give up something of value. Most fraud claims in divorce relate to fraud in the inducement to marry and separation agreements. The victim of the fraud must prove that he or she suffered substantial harm as a result and she or he could not have detected the fraud at the time it occurred by using reasonable care. According to Thomson S.W (2005); Fraud is defined as

The deliberate misrepresentation of the financial condition and results of operations of an enterprise accomplished through the intentional misstatement or omission of amounts or disclosures in the financial statement to deceive financial statement users (Association of certified fraud Examiners, Fraud Examiners Manual, Mason, O.H: Thomson South-Western,2005).

2.5.2 Types of fraud

Include fraudulent actions are; theft of funds and supplies, purchases, payments to ex-employees and use of information technology equipment to manipulate data or programs dishonestly by altering, substituting or destroying records, or creating spurious records(Commercial Angles‘ Newsletter‘2001). Financial management is effectively carried out where measures are put in place to prevent and detect fraud and misapplication.

2.5.2.1a Misappropriation of funds GES Staff blow GHC7,751andGH\$68,700—In Brong-Ahafo

According to the Auditor’s General report (2014pp.25 para123) two Schools in the Brong-Ahafo has misappropriated an amount of totalling to the tone of GHC7,751 of School fund. The amount involved was withdrawal without supporting documents of how the money was used and cash received or collected as fees but failed to lodge amount into the School’s bank account.

Recommendation was made to management to ensure recover of the amount and payment made to chest and the officials sanctioned for breach of financial discipline. Similarly, some Staff of second cycle Schools in the Brong-Ahafo Region have misappropriated about GHC68,700 of State funds according to Boakye (2008). This amount was involved spending on unsupported payments, payment without receipts, outstanding salary advances, purchases

not routed through stores records, non-deduction of tax for Internal Revenue Service among other financial malfeasance.

To ensure compliance with Section 35(2a) of Financial Administration Act, 2003 Act 654 and store Regulation 70 on accountability and monitoring of the receipts, issuance, and usage of store items recommendation is made to management. —Accountability is discharged when government stores have been consumed in the course of public business and records are available to show that government stores have been consumed.”

2.5.2.1b Uncompleted projects in use—GHC1,202,331.12----Brong-Ahafo

Two GET Fund projects, a kitchen & Dining hall block and a Dormitory block cost about GHC1,202,331.12 of total payment made in the Brong-Ahafo region was in use according to the Auditor’s General report (2014 pp28 para136).

Management was advised to liaise with the Ministry of Education to secure additional funding from GET Fund Secretariat to complete the projects to avoid variations in the contract sum.

2.5.2.2 Kintampo Senior High School-GHC 1500

The then Ministry of Education, Youth and Sport was paid one thousand five hundred Ghana cedis (GH\$1500) by Kintampo Senior High School for fifteen computers but a temporary receipt was issued to the School by the Chief Accountant of the Ministry, in contravention of Section17, Part VI of the Financial Administration Instrument. The possible effect of this anomaly may be the inability of the School to obtain an official receipt from the Ministry if not the chief accountant should be held liable and made to refund the money.

2.5.2.3 Jacob Amoako Abakasi James-GHC 420

In another incident, two teachers namely Jacob Amoako and Abakasi James who were on study leave without pay but their names were not deleted from the payroll in a timely manner the School was reported to have paid an amount totalling four hundred and twenty Ghana cedis (GHC420) . The two teachers, who received unearned salaries of four hundred and twenty Ghana Cedis (GHC420), should refund the money and their names deleted from the pay roll. Financial; Administration Regulations 204, L.I 1802, Section 304 (1) C and Section 2 emphasize that –A head of department or a head of management unit shall examine and certify the personal emolument payment vouchers to ensure that in the case of termination, and vacation of post, regulation 298 is strictly complied with. That is failure to affect the stoppage of their names within the time required is a breach of financial discipline under Regulation 8 (1) of FAR, 2004.

In the same way, an amount of GHC230, being School fees collected by the Assistant Headmaster to buy foodstuffs in the absence of the Headmaster could not be substantiated with receipts, compelling the Auditor-General (A-G) to recommend a refund, GHC50 of which has been paid. The Public Accounts Committee (PAC) therefore directed the School to inform the Accountant General so that the Assistant Headmaster, who is now on retirement, is made to pay when he accesses his pension benefits.

2.5.2.4 Non Deduction of Tax

There was payment made by T.I Ahmadiya School to some suppliers and contractors without effecting the 7.5% withholding tax as required by section 84 (2) of Internal Revenue Service Act, 2000 (Act 592) and Section 39 of Internal Revenue Regulation 2001, L.I 1675 which enjoins heads of Government Department, Organizations and Institutions to deduct 7.5%

withholding tax on all payments for constructs supplies made to third parties for onward transmitting to Internal Revenue Services.

Management failure to deduct the withholding tax valued GHC320.96 have denied state financial resources for its development agenda. In a related development, Sunyani, Berekrum, Koraman and Koase Secondary School were all reported to have defaulted by not deducting withholding tax amounting to GHC4400. Management should recover the amount of GHC4720.96 from the supplier in order to avoid loss of revenue to the State and pay to chest (Audit report on T.I Ahmadiya School, December 2005).

2.5.2.5 Dormaa Senior High School GHC15,400

Besides Dormaa Senior High School having a string of unsupported payments adding up to GHC15,400 which did not have valid receipts backing them, they also failed to deduct withholding tax of GHC2,600. Berekrum, Sunyani, Koraman and Koase Senior High School are also accused of committing other offenses such as payments without receipts, purchases not routed through stores, unauthorized payment vouchers and undeserved salaries. The Auditor General recommends that management should obtain official receipts or statement of claims to acquit the payment or to refund the amount involved to chest.

In addition to payment without receipts, section 16 of Financial and Accounting Instructions for Senior High Schools, Training Colleges and Education Units should be recommended to ensure that ~~where~~ an official receipt is not supplied, all payment vouchers should be receipted by written acknowledgement in ink on the payment voucher by the payee, or by the attachment to the payment voucher of the payee's official receipt". Failure of this section will lead to fraud and should be refunded to the Treasury and receipts quoted for verification.

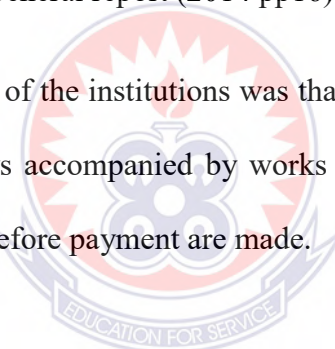
The Public Accounts Committee (PAC) ordered all the Schools involved to appear before the committee though some of the amounts involved in the region were relatively insignificant, all of them had failed to respond appropriately to the queries raised by the A-G and the PAC.

2.5.2.6 Payment without works-orders and performance certificates GHC 127,015.20—

Ashanti Region

Notwithstanding section 16 of Financial Administration Act, 2003 (Act654) and stores Regulation 1522 which requires the use of works orders and performance certificate before payment, six Schools paid a total amount of GHC127,015.20 for maintenance and repairs of their vehicles and equipment without works orders and certificate of satisfactory completion of works according to Auditor's General report (2014 pp16).

Recommendation to management of the institutions was that they should ensure that requests for works and repairs are always accompanied by works order and a certificate issued on satisfactory completion of work before payment are made.



2.5.2.7 Unsupported payments –GHC289,558.39

Aside the above, section 17, Part vi of the Financial and Accounting Instruction (FAI) for Schools and educational units directs that, invoices, receipts and other relevant supporting documents should be attached to payment vouchers but on the contrary, 10 Schools paid a total amount of GHC289,558.39 to suppliers and Service providers but failed to attach the relevant expenditure supporting documents to authenticate the payments according to Auditor's General report (2014pp 16).

Though the propriety of the payments was unable to ascertain, the amounts was recommended to recover by the Heads and Accountants of the Institutions to chest.

2.5.2.8 Unearned Salaries---GHC 30,123.84

According to Auditor's General report (2014pp 16) in contrary to Regulation 297(1) of FAR,2004 requisition, five separated staff of Mampong Technical College of Education (GHC 11,139.78) and Antoa Senior High School (GHC18,984.06) were paid unearned salaries of GHC30,123.84.

The Auditor General recommended to Heads of the Schools and Accountants to recover the unearned amount from the separated staff and take steps to delete their names from the Government payroll.

2.5.3 Embezzlement of fees GHC56,155.23 -----Eastern Region

According to Auditor's General report (2014 pp49) a former National Service Personnel of Presby Senior High School, Kraboa-Coaltar, Mr Andrews LarbiAmoah, embezzled GHC56,155.23 OF WASSCE Exam and School fees collected through concealment of official receipts books and the use of fictitious receipts books and have absconded. It all happened because the Personnel were assigned to a very sensitive role which facilitated completed fraud though he was not a permanent work. This compelled the Auditor General to recommend reporting of the crime to the police for investigation and possible prosecution of Mr Larbi, but if fails the Accountant should be held liable to refund the amount for poor supervision and delegation of sensitive duties to a temporary staff.

2.5.3.1 Unsubstantiated Payment –GHC 838,586.07

In another accident 23 institutions go contrary to part iv, section16 of the Financial and Accounting instructions and passed payment vouchers for payment amounting to GHC838,586.07 which was not properly acquitted according to Auditor's General report (2014 pp49). Management of the institution could not produced purchase orders, invoices and

receipts to support the payment. The recovery of the amount from the Heads and Accountants of the institutions to chest was recommended.

2.5.3.2 Unearned Salaries-----GHC12,251.33

In addition, management of SDA Senior High School at Asokore in the Eastern Region reneged on their responsibility to delete the name of a deceased staff from the Government payroll which resulted in the payment of GHC12,257.33 unearned salaries. This contravened Financial Administration Regulation 297 which requires Heads of institutions to cause the immediate stoppage of salaries to separated staff according to Auditor's General report (2014 pp52).

The Auditor General recommended that management should request the deceased employee's banker to transfer the earned amounts into the Controller and Accountant General's salary Suspense Account and delete his name from the payroll.

2.5.3.3 Unaccounted Stores ----GHC168,565.73

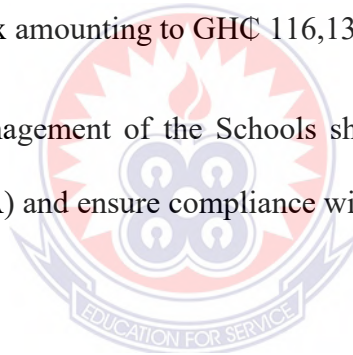
Furthermore the Audit revealed that Stores worth GHC168,565.73 purchased by nine institutions were not receipted into stores and appropriately issued for utilization even though part ix, sections 16 and 26 of the Financial Accounting Instructions requires Heads of Schools to acknowledge receipt of stores by use of a store receipt voucher before payment are made. Evidence to confirm receipt of the items could not be provided according to Auditor's General report (2014 pp53). Recommendation was made to management of the institutions to hold the authorizing and paying officials liable to refund the amount paid.

2.5.3.4 Taxes not withheld /remitted---GHC116,131.37

According to the Auditor's General report (2014 pp54) 21 institutions in the Eastern Region violated sections 84 and 87 of the Internal Revenue Act, 2000 (Act592) and section 39 of Internal Revenue Regulation 2001, LI 1675 which enjoin Heads of Government Departments, Organisations and Institutions to deduct 7.5% withholding tax on all payments for constructs Supplies made to third parties for onward transmitting to Internal Revenue Services.

Management failure to deduct the withholding tax value GHC116,131.37 has denied state financial resources for development agenda. In a related development; Presby SHS, Kraboa-Coaltar, Abuakwa State College, Kibi, Presby SHS New Nsutam, St Roses SHS, Akwatia, AkimOda SHS, St Dominic SHS, Repease and the others were all reported to have defaulted by not deducting withholding tax amounting to GHC 116,131.37.

Recommendation was that Management of the Schools should remit all taxed withheld to Ghana Revenue Authority (GRA) and ensure compliance with the tax laws at all times.



CHAPTER THREE

METHODOLOGY

The methodology of the research is to present all relevant issues, being employed in the work. It considers sources of data, the population, data collection methods, instruments or tools of the research and sampling techniques. An organisational profile of the selected Senior High Schools (SHSs) is also presented.

The study is, however, intended to cover a specific area schools – Mampong municipal area and a particular years period of accounts information coverage. Headmaster/ headmistress, accountants, of the chosen schools shall be selected to respond to the questionnaires. Similar but unstructured questionnaires shall be designed to the headmaster/ headmistress and the accountant. These respondents shall be interviewed to find out their sources of income or revenue to the school and fraud. The accountant shall be interviewed of total sum and how much income was disbursed and surplus in specific years. Apart from the questionnaires for all the respondents of each of the schools, interviews shall be employed to know the causes of fraud or deficits. Description statistic using simple sampling techniques methods of absolute response arising to each of the items in the questionnaires shall be taken and converted in simple percentages for analysis.

3.1 Sources of data

With a critical consideration of the topic of the research-Internal Financial Control (Management) practices in Senior High Schools, in the Mampong Municipal area (Sekyere West and Sekyere Central Districts), the research design employed or used both Primary and Secondary sources of data as a means of achieving the purpose of the study. In this regards Secondary data collected was accumulated from available audited Financial Statements and

other records consisting of cash books, journals and ledgers of the Schools. The Primary data which is also a supportive source of information have been gathered from administering of questionnaires, interviews and personal observation.

3.2 Population and Sampling size

The Data is being collected from a two selected Senior High Schools (St Monica and Nsutaman Catholic) in Mampong Metropolitan Municipal District area. Its population coverage was limited to all headmasters and headmistress, Accountants and Assistant headmaster/headmistress of the School Management totalling one hundred and eighty (180). In short, all School Heads and Accountant or bursars, account clerks and most Heads of Department (HOD) are all part of the population of the study in regards to the limitedness in population size. The sample size taken from the population was one hundred, however; only ninety respondents returned the questionnaires.

3.3 Samples and sampling techniques

A purposive sampling technique is being used to select respondents who have the knowledge or idea of the research which is relevant to the topic - Internal Financial Control Practices in Senior High Schools as case study in Ghana which allows the researcher to observe and identify the reasons why they (Heads) allow and employ certain measures as a means of or in an attempt of solving Financial control problem. The study employ quantitative data through other structured or formal methods may be used.

Respondents are being expected to answer questionnaires based on the following options such as;

- (i) What is the total students' population?
- (a) How many are boarders?
- (b) How many are day?
- (ii) What are the major sources of income to your School?
- (iii) Are these funds received in time?
- (iv) How much go into expenditure?

The items in the questionnaire shall include management skills and experience and attitude towards administration funds' accountability.

3.4 Data collection procedures/Research instrument

The researcher used primary data source through the questionnaires administered.

The purpose of selecting purposive sampling is one in which the researcher makes judgments about typicality or interest according to Ofori R and Dampson D.G (2011). The chosen of School heads was also because of their deep knowledge and experience in the administration of Senior High Schools. The chosen heads is not only on the fact that GES appoints only qualified and deserving personnel among its membership to head Schools, but also the heads being studied are up to the task. With the exception of being School heads were managing School for some years now each School head was involved in study and practicing member in Ghana Education service (GES) many years before headship. These School heads undoubtedly represent the many School heads of the region because all School heads in the region cannot be studied as well as the whole Country. With reference to Kerline (1973) questionnaires also is often used for gathering data in educational research. This is because, it is effective for securing factual information about practical and conditions for enquiring into opinion and attitude of the subject. Questionnaires generally aid researchers in collecting valid and reliable data quickly. Nevertheless the method of collecting data or data collection

procedures includes interview by observation, unstructured interview and questionnaires personally distributed to management of the various Schools. Among the questionnaires is the total students' population with indication of boarding and day, Students fees, Student debtors and information on sources of income and expenditure for some years (2011 to 2014). The data was obtained from the main cash book, students' ledgers, student bills, and General ledger, Fees collecting books, the Journal, Financial statement and Files which contain circulars from GES interview by observation was conducted on the environment.

3.5 Data source and analysis

The main sources of data included the questionnaires administered, budget and economic policy by the ministry of finance, cash books and records of the School .etc.

The data collected was first of all sorted out for meaningful analysis. Presentation of analysis was made by graphs using histograms, charts, tables and figures. Quantitative/computation and description method of analysing the data was employed to explain the results and trend in which trend on sources of finance of Senior High Schools was made through comparative analysis.

3.6 Validity of instruments

My supervisor an expert censors each item in the questionnaires. Items in the questionnaires were made clear and concise in all situations. However, where problems came about, especially with financial questionnaires items were explained to them. Different questionnaires were administered to the two categories (head and accountant) of respondents to cater for the need concern of each group of the respondents though similar items may run through for both group of respondents to provide coherency and linkage of respondents opinion. This gave room for recommendation that addresses the concern of all the

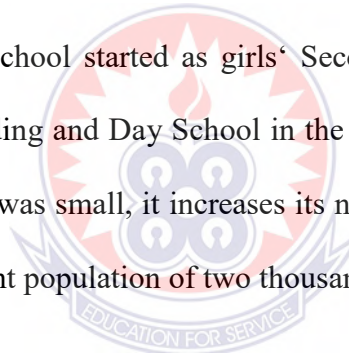
respondents. A statistical analysis of respondents in percentages gives a detailed picture of the level of internal financial control in institutions by heads than comparing raw data in absolute.

3.7 Organisational Profile

The Organisational Profiles of the selected Schools used for the study are stated as below.

3.7.1 St Monica's Senior High School

St Monica's Senior High School was established by the Anglican Church when they saw the need for education in Mampong catchment area to train girls in the Northern part of Ashanti Region. The School is located along the Mampong Kumasi road but sharing a bordering with the government hospital. The School started as girls' Secondary School with the name St. Monica's Anglican Girls' Boarding and Day School in the year 1946 and up to date. Though initially the number of students was small, it increases its numerical strength very fast due to good result and now has a student population of two thousand one hundred currently (2100).



3.7.2 Nsutaman Catholic Senior High School

The Nsuta State Secondary School what is now called Nsutaman Catholic Senior High School (Great NACASS) was established in September 1973 by the Nsuta State Community. The School with starting intake of forty (40) students was housed in a private building at the heart of Nsuta town. But one thing that encumbered the smooth takes off the School at its teething stage was lack of effective administration and management. Faced with this and determined to make the School see the light of the day, the Nsuta State looked for a co-partner to run the School. The Church mission was the preference. In this regard, several consultations were made with Church missions and in one of such consultations, the Catholic Church accepted to partner the Nsuta State in the in the administration and management of

the School after the Presbyterian Church had declined to partner the Nsuta State. This was made possible when a delegation from Nsuta State met His Grace Archbishop, Peter Akwasi Sarpong (Emeritus), the then Catholic Bishop of Kumasi Diocese. Honouring his promise, Archbishop Sarpong sent Rev. Fr. James Tim Morrow who had then arrived in Ghana from Nigeria where he headed a similar School to head the School. The Catholic Church and the Nsuta State both provided seventy thousand cedis (C70,000.00) each to up classroom blocks for the School. To reflect the merger and the shared responsibility between the Nsuta State and the Catholic Church toward the School, the name “Nsuta State Secondary School” was changed to Nsutaman Catholic Secondary School upon mutual agreement between the two parties.

In response to appeals made by the Catholic Church for funds to finance the School while it still remained private, some International Organisations donated various sums of money amounting to thirty thousand cedis (C30,000.00) for the building of the Home Science Block, a Science Laboratory, the purchase of Science Laboratory equipment and the development of Agricultural Science in the School. The donors were the Swiss Catholic Appeal Fund and Catholic Aid for Overseas Development London (CAPFOD). It is also worth mentioning here that the Nsutaman KroyeKuo also contributed forty-one thousand cedis (C41,000.00) through fund raising rallies held at Nsuta.

Fulfilling the conditionality such as building a Science block and another classroom block for the School by the Commissioner for Education and Culture to merit government takeover, the School was absorbed by GES in the 1976/77 academic year. The boarding system was introduced in the School in 2004 by the then Headmaster, Mr. J. K. Onyianah with fifty (50) students. In the same year, he had to take a new appointment as the District Director of Education and posted to New Edubiase

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

4.0 Introduction

The chapter takes into consideration of the presentation, analysis and discussion of study result. Its dealing involves the analysis of the research data regarding the sources of income and expenditure of the two selected schools under study in the Mampong Municipal Metropolitan area namely St Monica's Senior High School, and Nsutaman Catholic Senior High School.

4.1 Sources of funds for the senior high schools

4.1.0 Introduction: Revenues of the school

The revenue from the various schools has been categorized into years and sources of the income under the respective schools to give clear picture for comparison. Figures have been converted into percentage for critical analysis with regards to chosen years or specific years. The information is then later represented in graphs.

Initially, the possible revenue sources were identified from each school. The common sources of revenue taken into consideration include internally generated funds (IGF) which is the School fees, Ghana Education Trust Fund (G.E.T Fund), Government of Ghana grants, Government Subsidy/ Bursary grants from the central government or individual organisations and P.T.A dues. The funds to the Senior High Schools are categorised into three main areas including administration, service and investments in capital projects that are building and others. The table 4.1 shows revenues of various types received by the two institutions in the four years.

4.1 Revenue from the Various Sources

YEAR	SCHOOL	IGF	PIGF	GETFUND	PGF	GOG	PGOG	PTA	PPTA	GS	PGS	TOTAL INCOME
2012	MONISEC	1117692.01	42.46	17857.40	0.68	1028788.45	39.08	411464.80	15.63	56404.92	2.14	2632207.58
	NACASS	453448.00	30.21	96244.71	6.41	819515	54.61	125120.90	8.34	6432.55	0.43	1500761.16
2013	MONISEC	1411663.00	67.17	23967.90	1.14	573788.80	27.30	13600	0.65	78560.09	3.74	2101579.79
	NACASS	700973.10	36.09	108054.35	5.56	1011838.37	52.09	96417.10	4.96	25000.00	1.29	1942282.92
2014	MONISEC	1603046.50	51.29	29871.20	0.95	1147576.66	36.27	184266.52	5.89	222267.95	7.11	3125232.79
	NACASS	647112.21	21.23	158969.80	5.22	2162465.28	70.95	73304.30	2.41	6000.00	0.19	3047851.59
2015	MONISEC	2449610.0	34.79	20252.80	0.29	2018258.66	28.67	2449610.00	34.79	102308.55	1.45	7040040.01
	NACASS	722587.05	23.09	75386.91	2.41	2249165.05	71.88	75325.20	2.41	67000.00	0.21	3129164.21

(Source: main cash book of the Schools from 2012 - 2015). The abbreviated words on the table are explained in the list of

abbreviation and acronyms page xi

Looking at Table 4.1 of the above, internally generated funds constituted 30% of the total revenue Nsutaman Catholic Senior High received for the year 2012. In that same year GETFUND contributed 6%, Government of Ghana grants contributed 54%, parent-teacher association contributed 8% and Government subsidy contributed 0.43% to the total amount of income received. Internally generated fund in 2013 contributed 36% to the total revenue of Nsutaman Senior High School. GETFUND contributed 5% to the total revenue received that year, however, Government of Ghana grant contributed 52%, PTA 4% and Government subsidy 1% of the total revenue received in 2013. In 2014, internally generated funds contributed 21% to the total revenue received by Nsutaman Catholic Senior High School, whilst GETFUND, Government of Ghana grant, PTA and Government subsidy constituted 5%, 70%, 2% and 0.19% to all receipts for the year. Government subsidy accounted for 0.21% of the total income received for the year 2015, while internally generated fund, GETFUND, Government of Ghana grant and PTA contributed 23%, 2%, 71% and 2% to the total amount received during the year.

With regards to St. Monica's Senior High School, the results of the below percentages are revealed by Table 4.1. The contributions of the revenue sources to the total revenue in the year 2012 were: internally generated fund (IGF) 42%, GETFUND 0.68%, Government of Ghana grant 39%, PTA 15% and Government subsidy 2%. In 2013 Government subsidy, PTA, GoG, GETFUND, and internally generated funds contributed 3%, 0.65%, 27%, 1% and 67% respectively. Similarly, in 2014 GETFUND contributed 0.95%, Government of Ghana grant contributed 36%, PTA 5%, Government subsidy contributed 7%, and internally generated funds contributed 51%. Also in 2015 internally generated funds accounted for 34%, of the total revenue for the year. GETFUND accounted for 0.29%. Government of Ghana grant accounted for 28%. PTA accounted for 2% whilst Government subsidy accounted for 1%.

With all indication from Table 4.1, both Schools received revenue from five main sources which include internally generated funds (IGF) that comprises School fees and grants. Other sources of the revenue to the Schools include Government of Ghana (GoG) grants, PTA, GETFUND and Government subsidy. The Government of Ghana grants comprises of administrative grants for the daily running of the institution.

Table 4.1 confirmed that St. Monica's Senior High School has been receiving high revenue from internal generated fund (IGF) over the period under study. Throughout the period of study IGF contributed about 34.79% to 67.17% of the total annual income of the School. The major source of income Nsutaman Catholic High School is Government of Ghana grant. It constituted the highest proportion of total revenue to the School over the study period. In general GoG to the Schools over the period of study has been increasing, though the figures are not so significant or big enough. The government gives GoG according to the cost of living, prices and inflation to help institutions to run their daily activities. Figure 4.1a, 4.1b and 4.1c present the charts of sources of revenue to the Schools.

Table 4.2 Total Revenues and Expenditures of the Schools

YEAR	SCHOOLS	TOTAL REVENUE	TOTAL EXPENDITURE
2012	MONISEC	2632207.58	1083721.24
	NACASS	1500761.16	1334390.9
2013	MONISEC	2101579.79	1643726.59
	NACASS	1942282.92	1919104.34
2014	MONISEC	3125232.79	3125232.79
	NACASS	3047851.59	2208633..44
2015	MONISEC	7040040.01	7024089.81
	NACASS	31929164.21	2241020.84

(Source: Main Cash Books of the Schools from 2012-2015)

Table 4.2 indicates that St. Monica's Senior High School recorded the highest revenue, though the other School had ascendancy in the mobilisation of revenue over the period of study. This trend is an attribute to the increased students' population over the period. Figure 4.1d and 4.1e show the charts of total revenue to the Schools.

Figure 4.1a Bar chart of Sources of the Revenue of the Schools by Years

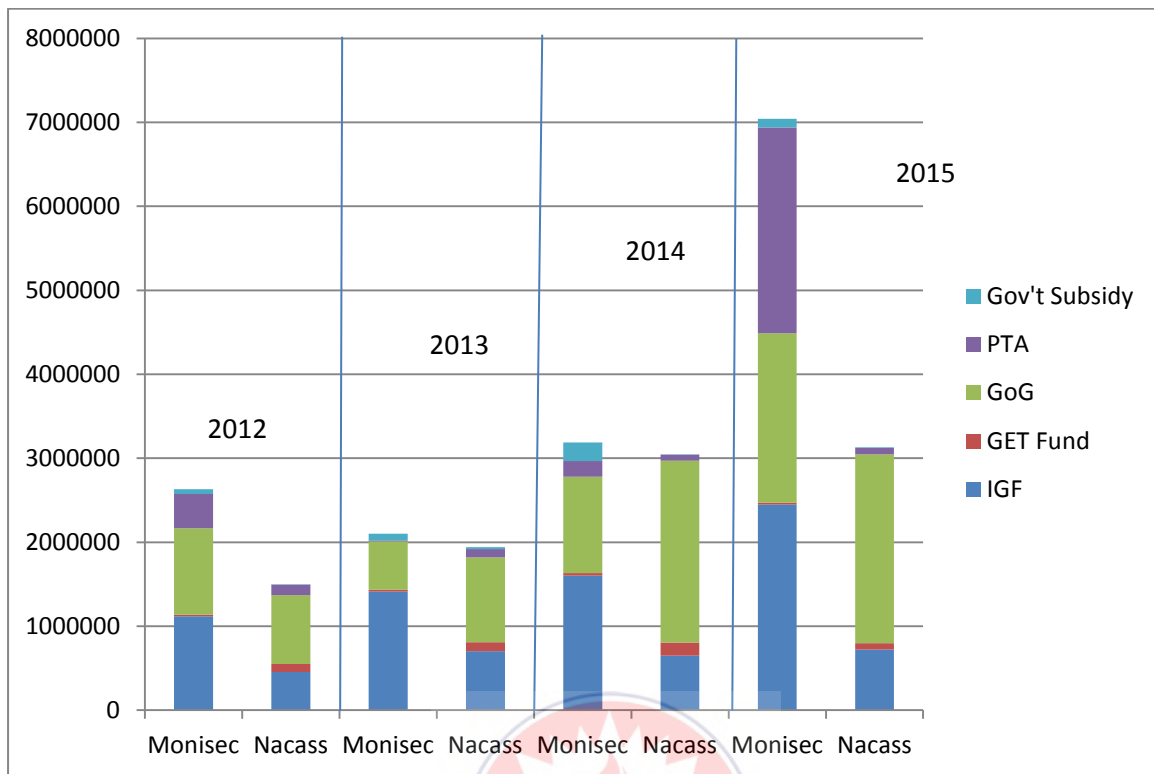


Figure 4.1b Bar Chart of Total Revenue per Source Revenues of the Schools

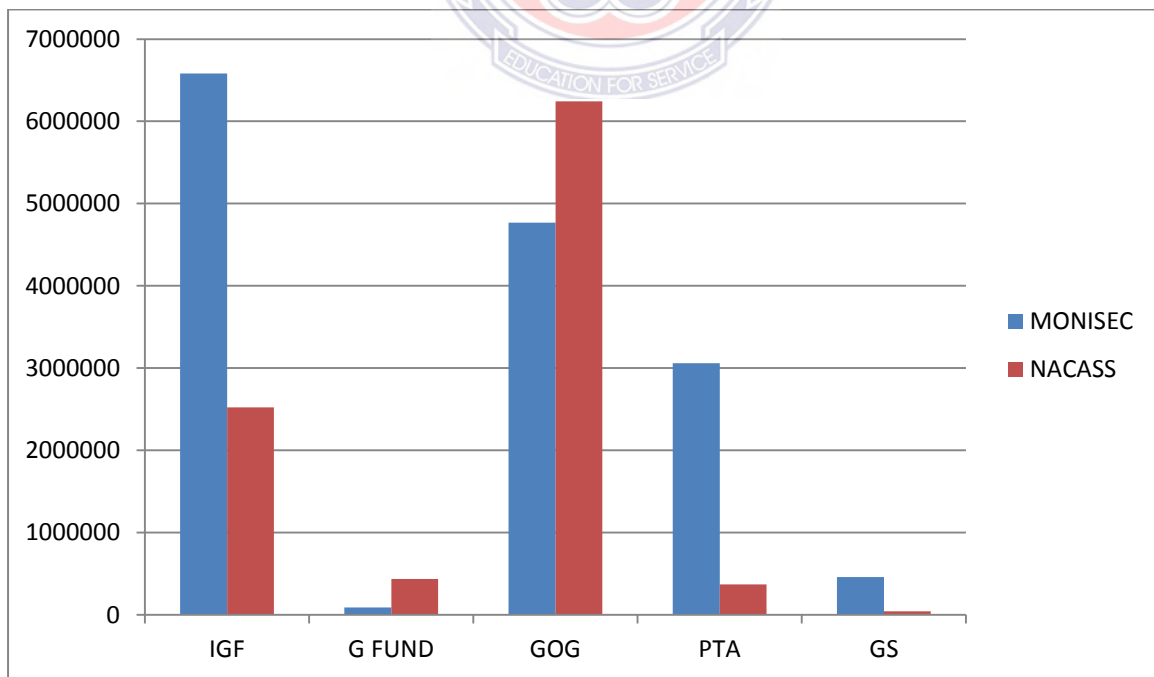
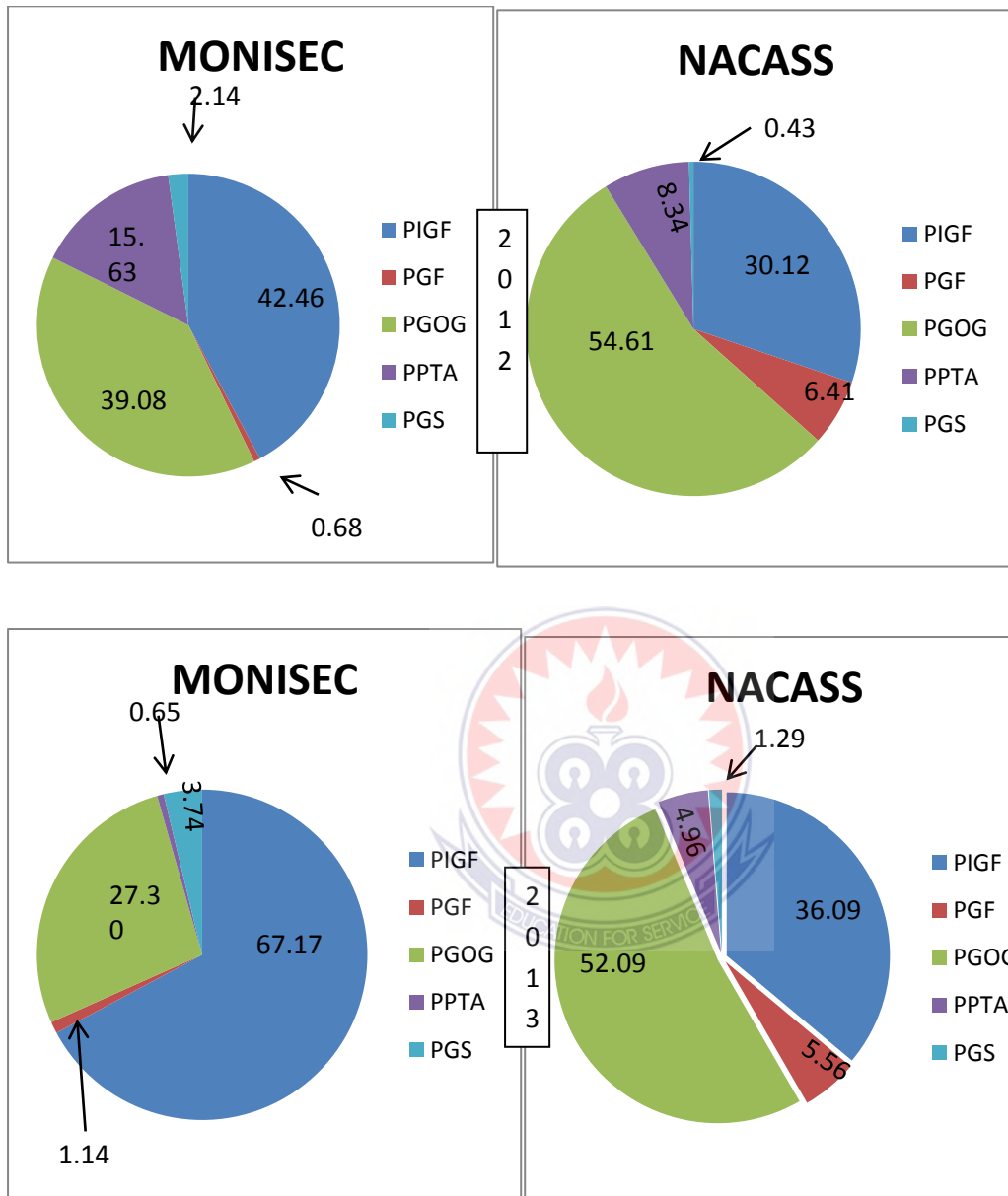


Figure 4.1c Pie Chart of Proportions Source of Revenues Per Total Revenue of the Schools by Year



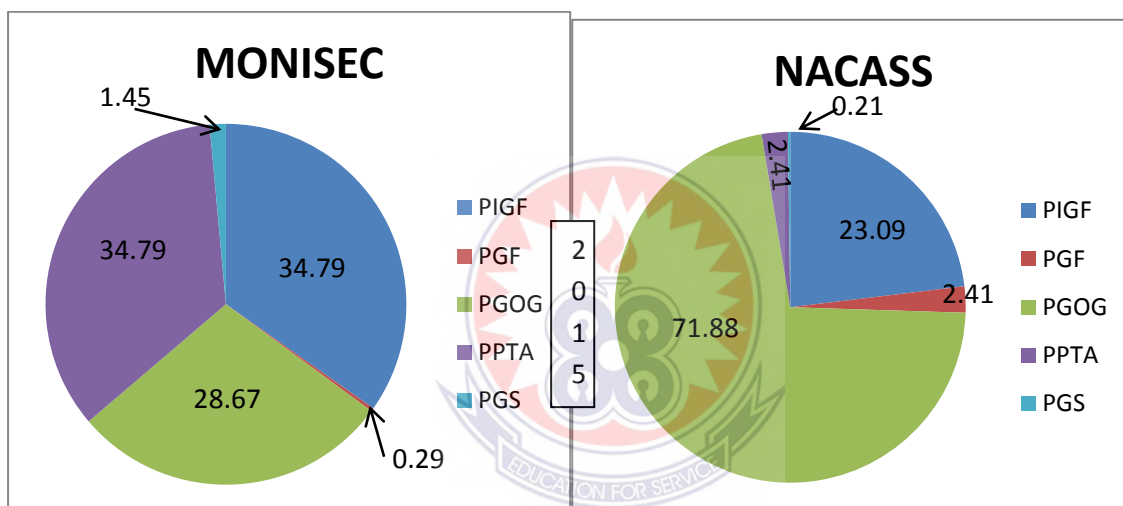
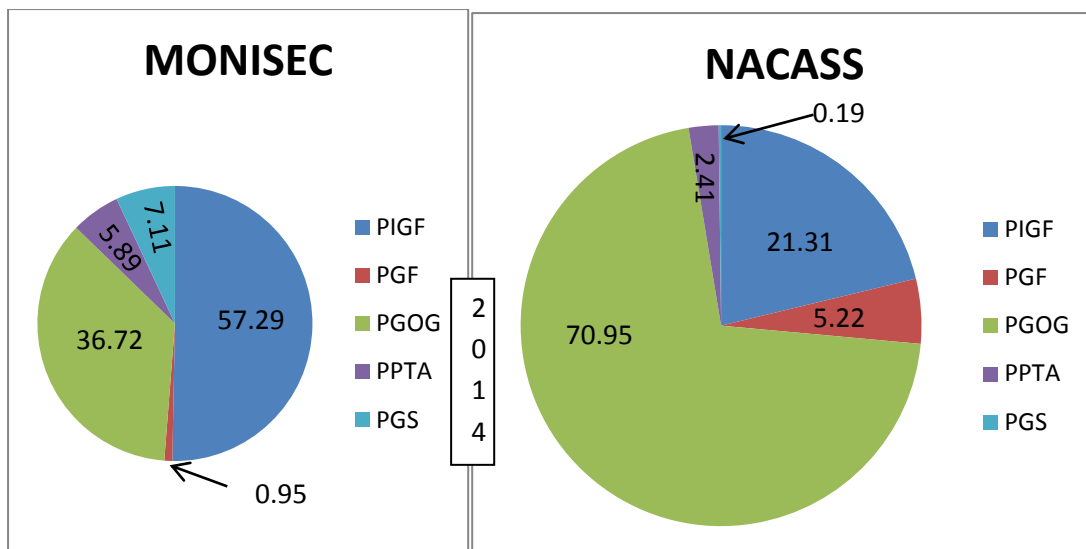


Figure 4.1d Bar Chart of total Revenue of the Schools per Year

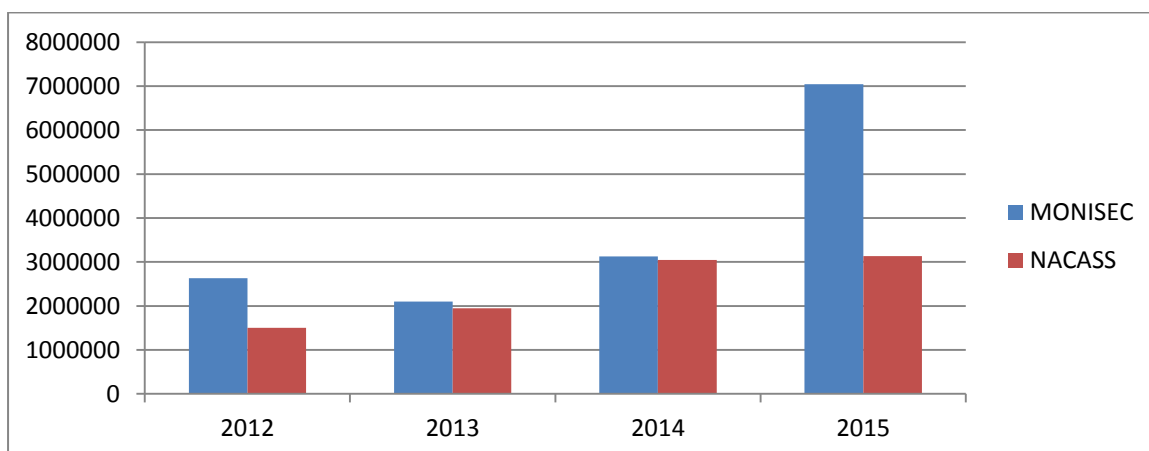
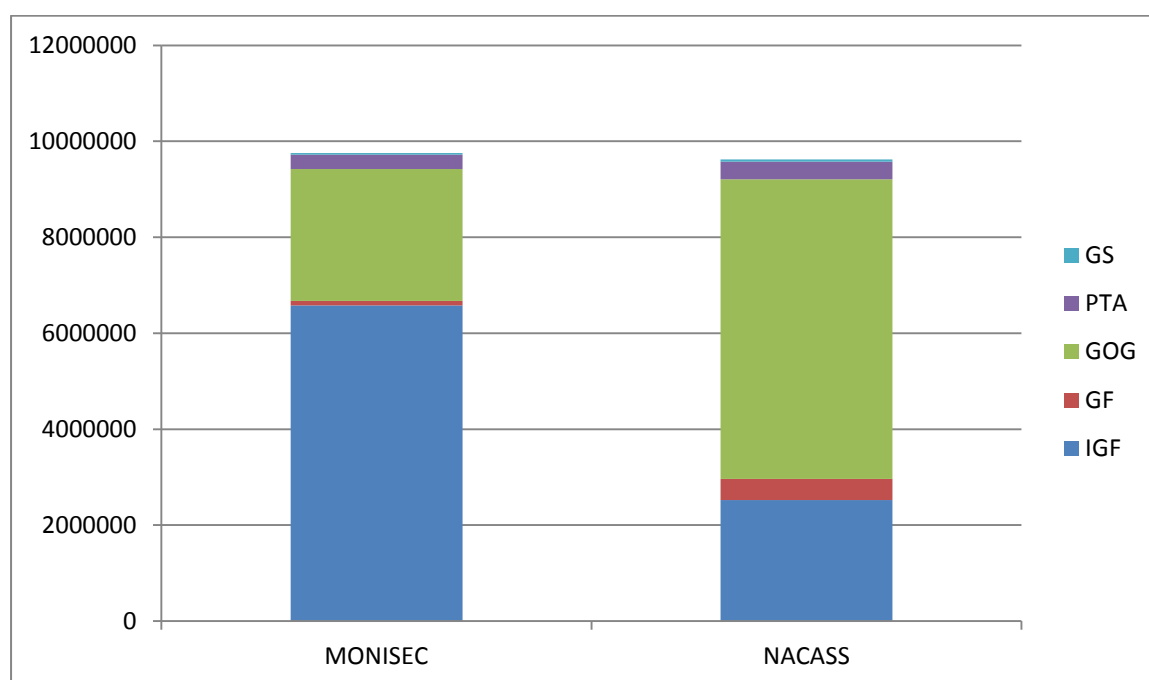


Figure 4.1 Bar Chart of Sources of Revenue and Total Revenue of the Schools

From figure 4.1d it is observed that total revenue to the Schools has an increasing trend and this is in line of expectations. A serious observation of the charts indicates that the most visible and important sources of revenue to the Schools are internally generated funds, Government of Ghana grant and PTA. It is important to note that PTA is a negotiable income meant for most capital investment and certain incentive to staff. The two major sources of revenue to the Schools are internally generated fund (IGF) and GoG, if PTA dues are held constant. Figure 4.1b revealed that St. Monica's Senior High School received the highest amount of IGF than Nsutaman Catholic Senior High School but in term of Government of Ghana grant Nsutaman Catholic Senior High School received the largest amount. However, St. Monica's Senior High School stand a better chance for PTA dues than Nsutaman Catholic Senior High as indicated in figure 4.1b.

4.3 Expenditures

Table 4.3 shows the various types of expenditures incurred by the two institutions in the four years.

TABLE 4.3: FORMS OF EXPENDITURES FROM THE VARIOUS SOURCES INCURRED BY THE SCHOOLS PER YEAR

YEAR	SCHOOL	Internal generated fund (IGF)	PIGF	GET Fund	PGF	Government of Ghana grant	PGOG	PTA	PPTA	GS	PGS	TOTAL EXPENDITURE
2012	MONISEC	573788.80	52.95	17420.50	1.61	404586.46	37.33	13600	1.25	74325.48	6.86	1083721.24
	NACASS	313943.87	23.53	96244.71	7.21	819515.00	61.41	100746.30	7.55	3941.02	0.29	1334390.9
2013	MONISEC	1294686.40	78.76	15560.30	0.95	165318.45	10.06	13600	0.83	154561.44	9.40	1643726.59
	NACASS	655949.76	34.18	115722.77	6.03	1011838.37	52.72	110593.44	5.76	25000	1.30	1919104.34
2014	MONISEC	1727509.22	55.28	7780.15	0.25	1134796.51	36.31	165686.95	5.30	89459.96	2.86	3125232.79
	NACASS	609198.19	27.58	205067.08	9.28	1297479.17	58.75	91136.23	4.13	5730	0.26	2208633.44
2015	MONISEC	2374399.88	33.80	15894.72	0.23	2031258.16	28.92	2449610.00	34.87	152927.05	2.18	7024089.81
	NACASS	704756.05	31.45	79640.18	3.55	1349499.03	60.22	100919.58	4.50	6206	0.28	2241020.84

(Source: Main Cash Book off the Schools from 2012-2015)

4.3 Expenditures by the schools

Expenditure by the schools was cross examined in relating to students feeding, accommodation, teaching and learning and others with a direct relationship to students' population of each school respectively. Computed figures were transformed into percentages as well as graphically.

Expenditure of GoG is made up of administration and management expenses which include office expenses, maintenance of School cars and all other administrative charges. Generally expenditure of GoG may be influenced by students' population and inflation. Expenditure of GETFUND consists of expenditure on construction and maintenance of classrooms, dormitories and other School facilities. Expenditure of GETFUND may be influenced by factors such as students' population and natural disasters. Expenditure of PTA are basically construction of buildings, purchases of assets and staff incentive.

According to Table 4.3, internally generated funds (IGF) expenditure contributed 52.95% of the total expenditure incurred by St. Monica's Senior High School in the year 2012. GETFUND expenditure in the same year contributed 1.61%, GoG 37.33%, PTA expenditure 1.25% and Government subsidy 6.86% to the total expenditure incurred. In 2013, expenditure of IGF constituted 78.76% to the total expenditure of St. Monica's Senior High School. That of GETFUND contributed 0.95%, GoG 10.06%, PTA 0.83% and Government subsidy 9.40% to the total expenditure incurred. Furthermore in 2014, Government subsidy, PTA, GoG, and GETFUND contributed 2.86%, 5.30%, 36.31%, and 0.25% of the total expenditure respectively. Internally generated fund contributed 55.28% to the total expenditure incurred.

In 2015 out of the total expenditure incurred, internally generated fund constituted 33.80%, GETFUND 0.23%, GoG 28.92%, PTA 34.87% and Government subsidy 2.18% of total expenditure respectively.

In connection with Nsutaman Catholic Senior High School, internally generated fund contributed 23.53% of the total expenditure, GETFUND constituted 7.21%, GoG 61.41% PTA 7.55%, and Government subsidy 0.29% of the total expenditure incurred respectively in the year 2012. In 2013 GoG contributed 52.72% of the total expenditure incurred. Also GETFUND confirmed a proportion of 6.03% of the total expenditure incurred. PTA contributed 5.76%, Government subsidy 1.30% of the total expenditure incurred. Internally generated funds contributed 34.18% of the total expenditure spent. In 2014 expenditure of internally generated funds contributed 27.58% to the total expenditure incurred by Nsutaman Catholic Senior School. In the same year expenditure of GETFUND contributed 9.28 to the expenditure incurred, whilst GoG, PTA and Government subsidy accounted for 58.75%, 4.13% and 0.26% respectively to all expenditure for the year. In the same way Government subsidy accounted for 0.28 % of the total expenditure incurred in the year 2015, whilst expenditure of PTA, expenditure of GoG, expenditure GETFUND and expenditure of internally generated funds contributed 4.50%, 60.22%, 3.55% and 31.45% respectively to the total expenditure incurred during the year.

It can be inferred from Table 4.1 that St. Monica's Senior High School has been spending the greater proportion of its revenue on expenditure of internally generated fund and Government subsidy over the period of study. This is justifiable because IGF and government subsidy bring the greater proportion of revenue to the School. The major forms of expenditure of Nsutaman Catholic Senior High School are expenditure of GoG and GETFUND over the period understudy. In the case of St. Monica's Senior High School IGF which was found to be the major source of income to Schools is also the major expenditure component of the

total expenditure of the School. Figures 4.3a, 4.3b and 4.3c, show the charts of sources of expenditure to the Schools.

Figure 4.2a: Bar Chart of Sources of Expenditure of the Schools by Years

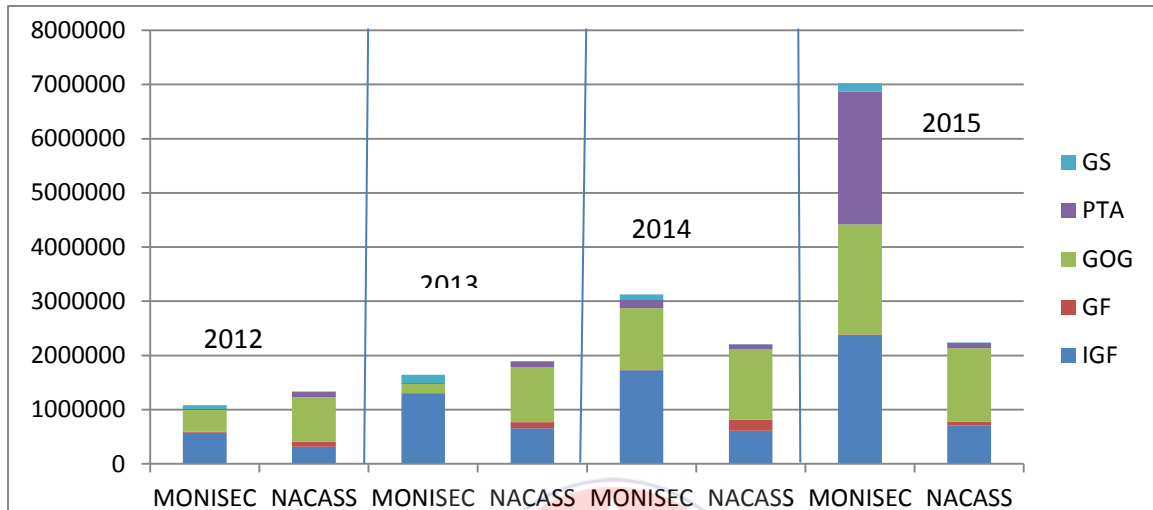


Figure 4.2b: Bar Chart of Total Expenditure of Schools Per Year

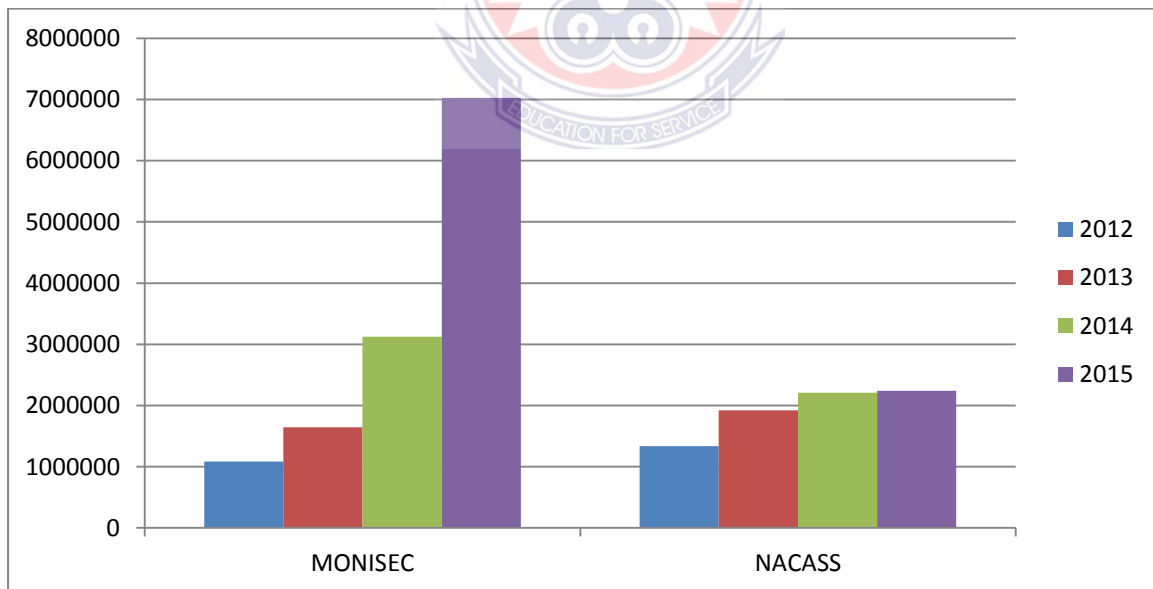
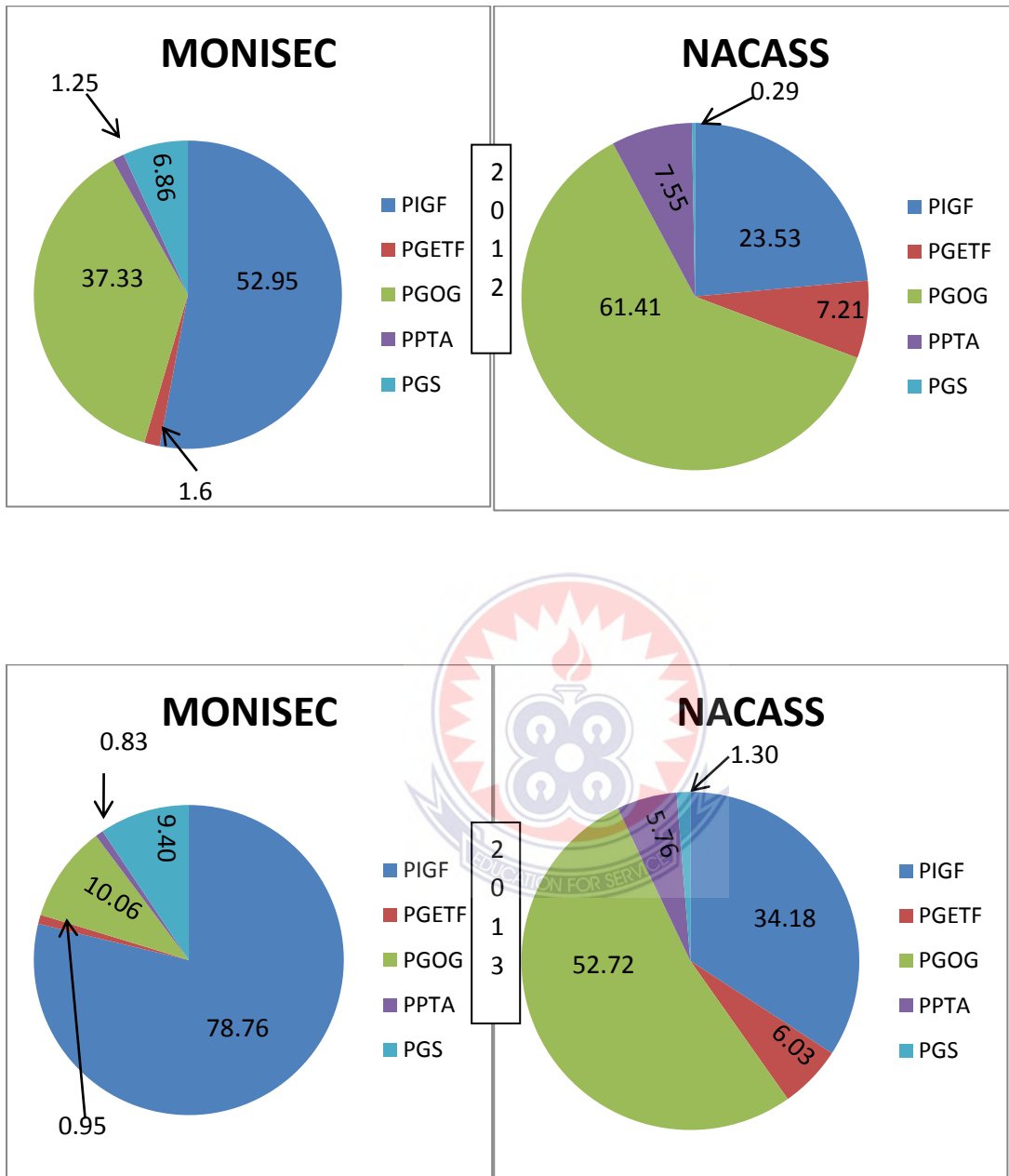
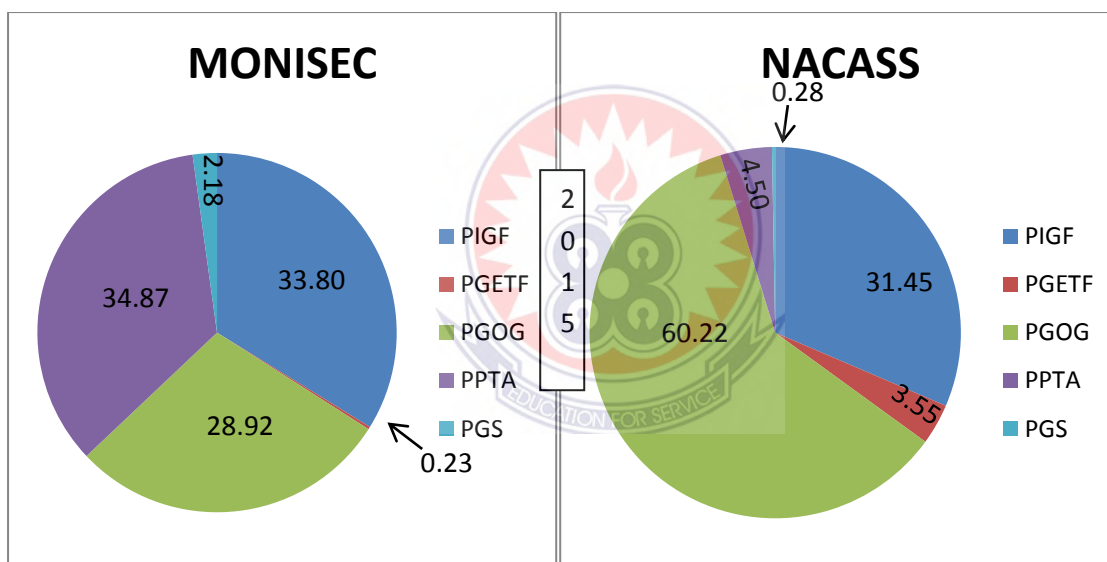
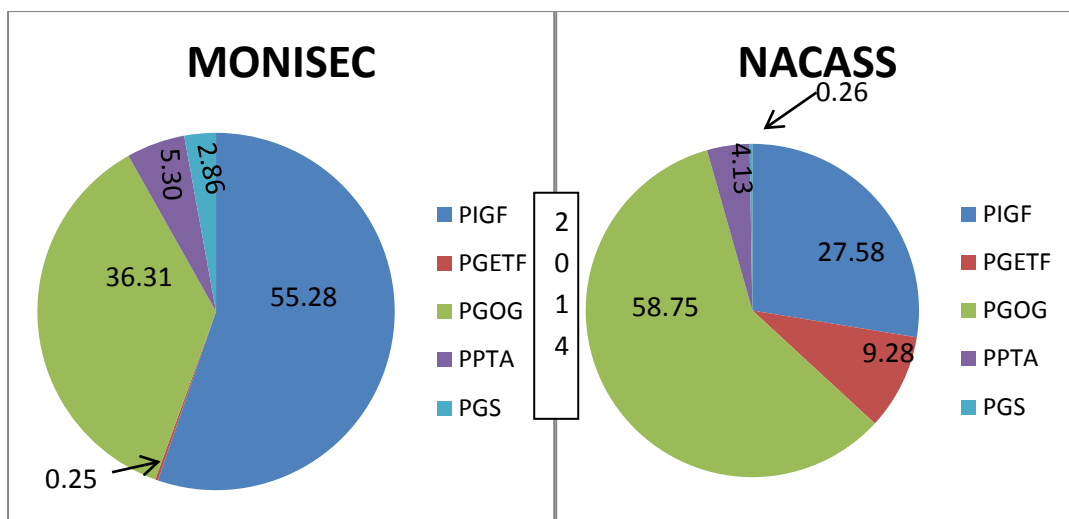


Figure 4.2c Pie Chart of Proportions of Source of Expenditure Per Total Revenue of the Schools by Years





4.4 Analysis of Total income and Total Expenditure

One of the objectives of the study was to determine the nature of surplus/deficits of the income and expenditure of the Schools. For the objectives to achieve it becomes necessary to analyse total income and total expenditure of the Schools. Table 4.4 shows the summary of the analysis of the total income and total expenditure of the Schools under study over the period of study.

From Table 4.4, it could be observed that St. Monica's Senior High School total revenue and total expenditure have been on ascendance. This may be explained, however, with factors such as increase in students and staff population, expansion of the School facilities and programmes and time value of money. Table 4.4 also indicate that the total income and expenditure of Nsutaman Catholic Senior High School have increased throughout the period of study despite some fluctuations. The reasons for the general increase in total income and total expenditure may be the same as those attributed to St. Monica's Senior High School.

Table 4.4: Summary of the Analysis of Total Income and Total Expenditure

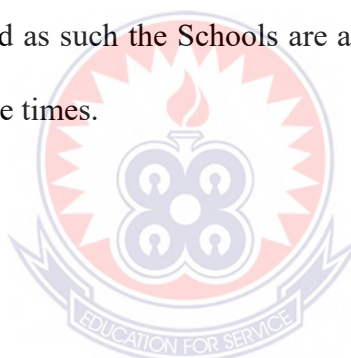
YEAR	SCHOOL	TOTAL INCOME	TOTAL EXP'T	RATE OF EXP'T	SURPLUS	RATE OF SURPLUS
2012	MONISEC	2632207.58	1083721.24	41.17	1566406.9	59.51
	NACASS	1500761.16	1334390.9	88.91	166370.26	11.09
2013	MONISEC	2101579.79	1643726.59	78.21	457853.2	22
	NACASS	1942282.92	1919104.34	98.80	45023.34	2.32
2014	MONISEC	3125232.79	3125232.79	100	0	0
	NACASS	3047851.59	2208633.44	72.46	839218.15	27.53
2015	MONISEC	7040040.01	7024089.81	99.77	79568.2	1.13
	NACASS	3129164.21	2241020.84	71.61	917991.02	29.34

Source: (Main Cash Books of the Schools)

4.5 Measures/ Controls in fee collection

The research findings show that the various Schools have to put in place some measures or controls to enable them collect their fees easily. Management of the Schools have taken a policy in such a way that no money due to the School are collected in cash. All payment to the School is made by bank draft or cheque or even direct to the School's account and hand over the slip to the School for issue of receipt. However, other monies collected are accounted for on daily basis to the chief accountant who reports this to the head. The Schools used cheques for any form of payment which are signed by both the head and the bursar.

In addition the Schools procure goods and services through the engagement of the procurement committee. In this regards that Schools monies are far from fraud or any serious fraud if even it were existing and as such the Schools are able to come with some surplus at the end of the financial year some times.



4.6 Surpluses and Deficits

This is where income received is greater than expenditure incurred, the excess of income after expenditures have been deducted is referred to as surplus. Where expenditures exceed income received, the excess of expenditure after incomes are exhausted is referred to as deficit. Table 4.4 indicate that both Schools recorded income surplus in each year of the study. This may mean prudent application of funds. Comparatively, St. Monica's Senior High School recorded very high rate of surplus ranging between 1.13% and 59.51% per annum. This may be attributed to over changing students for expenditure of IGF, over allocation of GoG to the School or funds are not used for the purposes or activities they are earmarked for.

Investigation revealed that these surpluses over years were due to the suspension of certain projects such as construction of classroom blocks, staff bungalows and assembly Halls in the School concerned. Data, however, showed that these surpluses were transferred into the School's General reserve accounts as depicted in their balance sheets. Figures 4.4a and 4.4b show the charts of the income, total expenditure and surplus.

Figure 4.3a: Bar Chart of Total income and Total Expenditure

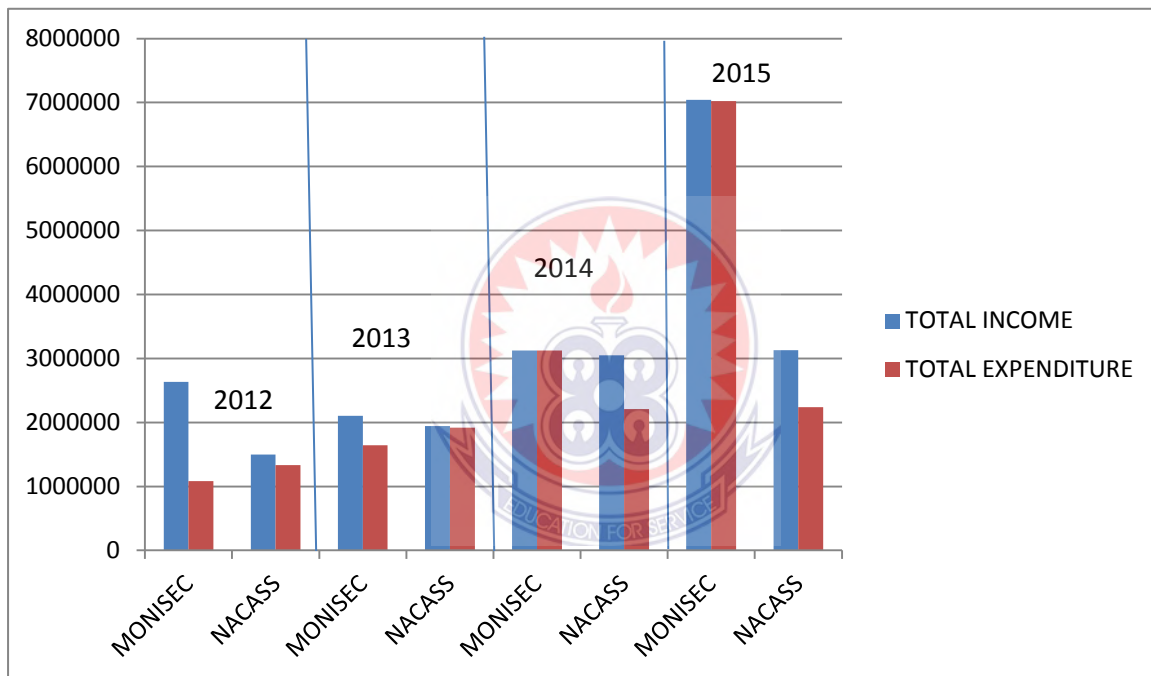
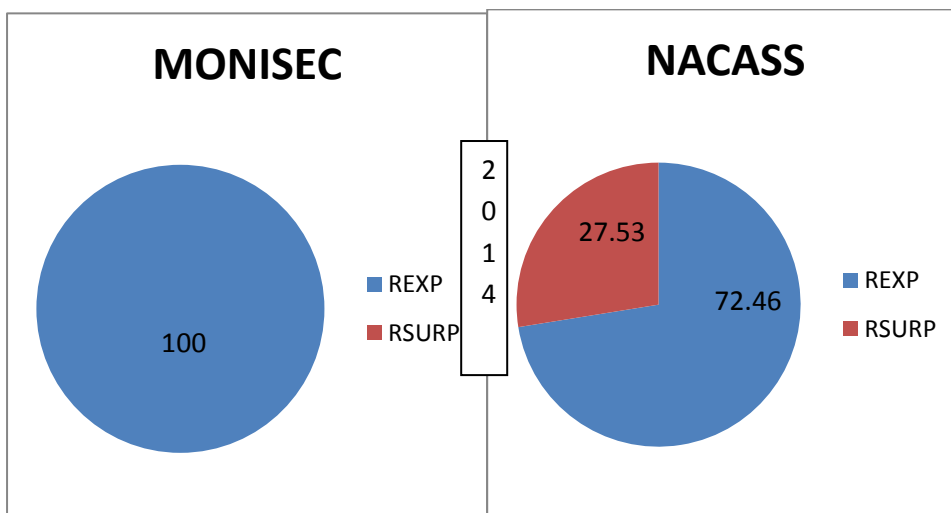
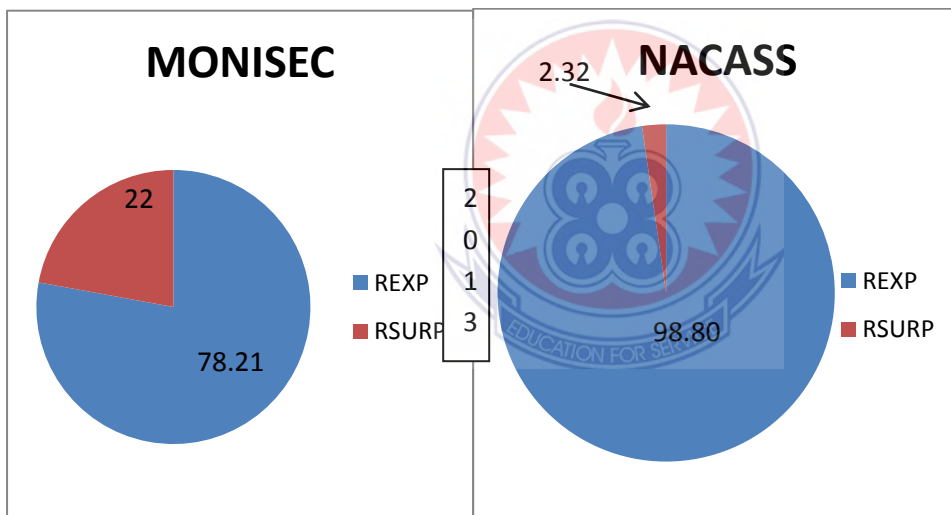
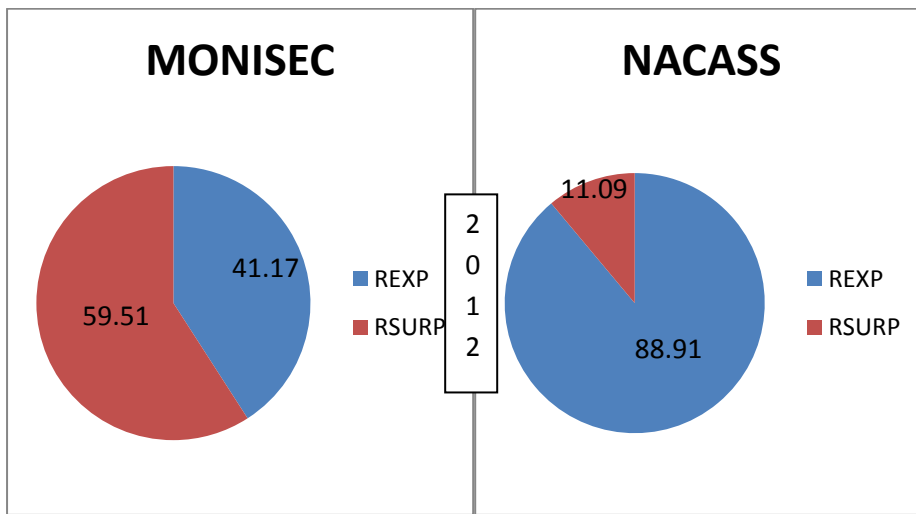
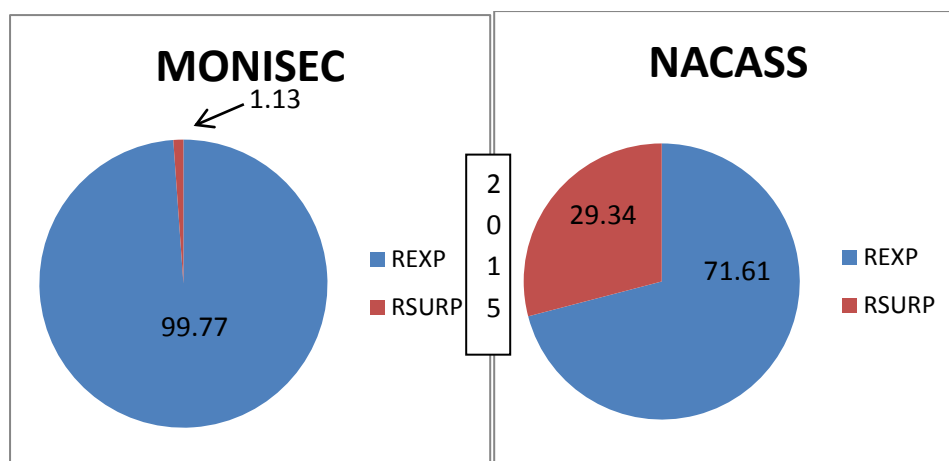


Figure 4.3b: Pie Chart of Rate of Expenditure Rate of Surplus on Total Income





4.7 Possibility of Fraud and Misappropriation of funds

The analysis of the total income and expenditure of the Schools revealed that each School recorded some level of surplus. The availability of income surplus may in the narrow sense be considered as a merit because it serves as a backup for future projects. Surplus income may also be interpreted to be an indicator of prudent application of funds. However, a surplus of income may rather be a demerit since it indicates underutilisation of funds and exposes productive fund to theft and misappropriation. It could therefore be inferred that since St Monica's Senior High recorded excessive level of surplus it stands the possibility of fraud and misappropriation of funds.

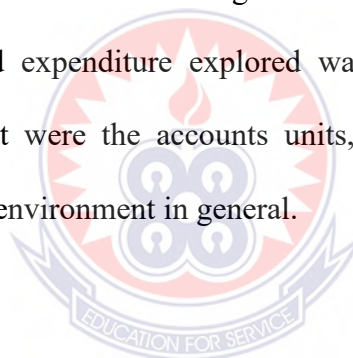
It shall observe both total income and total expenditure of the selected schools. Here consideration or a critical look will be focused on increase in students and staff population, value of money with time and expansion of the school facilities and programme. This nevertheless shall come out with surpluses and deficits as to whether income received is greater than expenditure incurred. And by so doing determine the possibility of fraud and misappropriation of funds in the various schools in the respective selected years.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This final chapter presents a descriptive summary of the finances of the Senior High Schools with an outline challenges they face. In addition, it provides conclusion and recommendations that may help to improve the management of the flow of funds into and out of the institutions. The main objective of the study was to examine the nature of financial management in the smooth administration of some selected Senior High Schools in the Ashanti region, with particular references to St Monica's Senior High and Nsutaman Catholic Senior High Schools. Sources of funds and expenditure explored was general and among the areas considered in making judgment were the accounts units, science laboratories and Home Economics department and the environment in general.



5.1 Summary of the findings

The Ghana Education Service was discovered to rely on Government of Ghana grants, internally generated funds, Scholarships and bursaries, Government subsidy, GETFUND, PTA dues and personal emoluments for their funding. The expenditures incurred are generally in three forms; in administration, investments and services. In the case of Senior High Schools, control or management of funds as a duty falls on the hands or laps of two main authorities namely the headmaster/headmistress and the accountant or bursar.

It became obvious that government, corporate bodies and patrons and philanthropists from whom funds are expected for the issuance of scholarships, service grants and bursaries to students could not always make funds available in time. As a matter of this, it poses schools

involved a setback since students are housed/hosted and fed by the schools before grants are released to the schools. The outcome or results indicated that the Schools major sources of income are government of Ghana grant and internally generated funds (IGF). Besides the internally generated funds and grants, GET Fund and personal emolument are also sources of income to Schools. It was discovered that the leading contributor to the total income of St. Monica's Senior High is IGF while the major contributor to total income of Nsutaman Catholic Senior High is GoG. However, it was also discovered that the trend of income from the various sources is an increasing trend.

The analysis with regards expenditure forms revealed or shown that expenditure of internally generated fund (IGF) is the leading component of total expenditure apart from Government of Ghana grants expenditure at Nsutaman Catholic Senior High. The major expenditure component of Nsutaman Catholic Senior High from the findings indicated to be GoG. The other form of expenditure incurred by the Schools is GETFUND expenditure.

The findings on analysis of total expenditure, total income and surplus/deficit revealed that both Schools recorded surplus year by year. The annual surplus of St. Monica's Senior High, however, was excessive ranging from 1% to 59%. Investigation revealed that these surpluses over the years were due to the suspension of certain projects such as construction of classroom blocks, staff bungalows and assembly halls in the School concerned. However, data indicated or showed that these surpluses were transferred into the Schools General reserve accounts as depicted in their balance sheet (statement of financial position). Figure 4.3a and 4.3b show the charts of the total income, total expenditure and surplus.

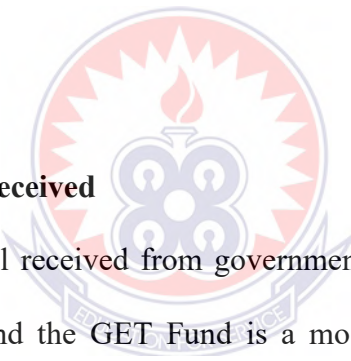
5.2.0 Conclusion

The areas examined throughout the research include the sources of funds to the Senior High Schools, the general income and expenditure pattern of Schools as well as the students' total.

Base on the findings of the research as previously referred areas, the conclusion is that there is a great remarkable progress in Senior High Schools in their fees though not thoroughly adequate attempts at the collection of and allocation of funds for use within the learning environment. However, there is more room for improvement by the School authorities and government.

5.2.1 Challenges

5.2.1.1 Inconsistency of funds received



Inconsistency of amounts School received from government sources of income such as the Government of Ghana grants and the GET Fund is a most notable challenge to Schools. There are too many variances in the amounts received from the government by institutions, not to mention how inadequate these amounts proved to be alleviating the lacks of the Schools. Government of Ghana grants mostly delay as a result of government dependence on taxes collected before they are shared to the various sector of the economy which educational sector is no exceptional.

5.2.1.2 Infrastructure

According to the authorities of St Monica's Senior High School over the past ten (10) years since establishment of the Science resource centre laboratory which was meant to serve other surrounding Sister Senior High Schools, no equipment or fund has been received by the

School from government. And this is a School which is supposed to be a Science Resource Centre of the surrounding Schools (Amaniapong SHS, Nsutaman Catholic S.HS, St Joseph SHS and others) taking their Senior High School practical examinations. The surrounding Schools subsequently stop sharing the laboratory with them and established or developed their own. The School is however, lucky to have variable PTA which is funding most of the projects. The School has an extension of second floor storey building completed in the year 2011. An old assembly Hall is under extension in the form of storey building which is almost completed and when completed will cater for the two assistance headmasters and the account unit offices. The School shall soon boost of sickbays as a benefit from GET Fund. Additionally both the Senior High Schools under review expressed a need for new computers, and an internet cafe and probably an expansion of the computer laboratory to a modern type.

5.2.1.3 The Water Crisis

Though School like St Monica's Senior High School has been connected to Water and Sanitation Development Board, the supply and the consistency of the supply of water is far from adequate. There has never been flow of water when Schools are in session and the School uses its water tankers throughout the period without a problem. According to the School authority, it is a share wackiness of the Water Company to make School pays more revenues to them. However, the School is now lucky to have variable borehole since 2015 which supplement water to the School and reduces water expenditure drastically. In Nsutaman Catholic Senior High School was initially with a serious water crisis for some time now but the intervention by benevolent person with a small water project to the School pump in water to reduce the water crisis of the School. The School is currently connected to Water and Sanitation Development Board and is now servicing the entire School environment.

5.3 Recommendations

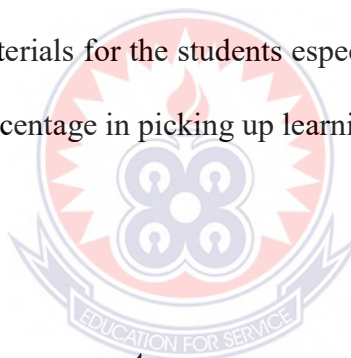
The researcher, with regard to the above stated issues or problems therefore make the following the recommendations to the School authorities and the government.

5.3.1 Recommendation for Parents

It shall serve the School much better if parents do well to pay their wards boarding fees on time or before the beginning of each School term and most probably at the end of the term to avoid huge student debtors which normally lock up the monies for feeding.

Secondly, there should be guideline of program for the PTA so as not to exploit parents.

And thirdly special problems students' will get assistance easily and early. Besides there should be sufficient learning materials for the students especially, the Home Economic (H/E) Department which has larger percentage in picking up learning fast.



5.3.2 Recommendation for Government

The obvious reasons for the inconsistency in the funds received from the government by the Senior High Schools suggests that the rules regarding the sharing of the GET Funds are not being observed. Measures should be put in place to enhance a fairer distribution of government grants to Schools as some Schools are being favoured at the expense of others. The Scholarship Secretarial and others Scholarship donors should make it a point to release the Scholarship grants before each School term begins and conduct follow ups to ensure that School authorities have issued out Scholarship funds accordingly.

Besides that Senior High Schools, by government procurement policy are insisted to make purchases from VAT registered traders only and that impedes the process of activity within

the Senior High Schools. This is because the approved School fees for example and approved School uniforms and house dresses do not include any VAT.

Additionally, it appears little consideration is given in the education budgets drawing for hikes in food and fuel prices. Provision should also be made to make increases in the students' feeding to enable students live comfortably.

5.3.3 Recommendation for Infrastructural Development

In connection with renovation of infrastructure with Schools, special provision should be made by government to that effect. In order to provide quality education for students and check congestions within the classrooms, more furniture and better classrooms will be needed to take into consideration of the growing numbers of students in the Senior High Schools. In the information age, provision of computers and modern science equipment would also have to be put in place to enhance the learning environment for students.

5.3.4 Recommendation for Financial Department of Schools

It would help if facilities are put in place to enable Schools fees to be paid by bankers draft and more other effective means of payment of fees in order to prevent the squandering of monies meant for the payment of School fees by students as practice in other Schools. Parents should be allowed to pay their wards fees on instalment bases through special provision arrangement within the School.

Accounting and financial records should be properly maintained and controlled after they have been entered in the appropriate books in order to ensure safety of records and ensure that rules and regulations regarding the safe-keeping of records are adhered to.

Better still, access to assets, records and documents of the finance department within the Senior High Schools should be limited to authorized persons and restrictions should be made or forced in order to avoid having records being tampered with.



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APPENDIX

NAME OF SCHOOL.....

TOTAL STUDENTS POPULATION FOR 2012-2015

Academic Year	Boarding students	Day students	Total Students
2011/2012			
2012/2013			
2013/2014			
2014/2015			
2015/2016			
Total			

STUDENT DEBTORS

Academic Year	Amount (GHC)
2011/2012	
2012/2013	
2013/2014	
2014/2015	
Total	

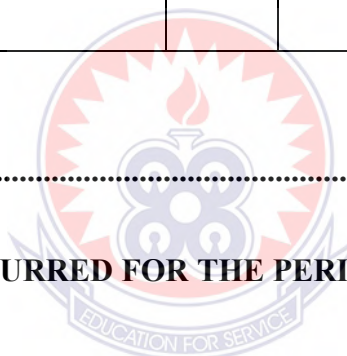
NAME OF SCHOOL.....

TOTAL INCOME RECEIVED WITH EQUIVALENT PERCENTAGES FOR THE PERIOD 2012- 2015

SOURCES	IGF	%	GETFUND	%	GOG	%	GS	%
Academic year	GHC		GHC		GHC		GHC	

NAME OF SCHOOL.....

TOTAL EXPENDITURE INCURRED FOR THE PERIOD 2012-2015



EXPENDITURE SOURCE	IGF	%	GETFUND	%	GOG	%	GS	%
Academic Year	GHC		GHC		GHC		GHC	
2012								
2013								
2014								
2015								
Total								

COMPARISON OF SOURCES INCOME AMONG THE SELECTED SCHOOLS FOR THE PERIOD 2012-2015

	SCHOOL	SCHOOL
SOURCES		
IGF		
GETFUND		
GOG		
PTA		
GS		
TOTAL		

COMPARISON OF SOURCES OF EXPENDITURE AMONG THE SELECTED SCHOOLS FOR THE PERIOD 2012-2015

	SCHOOL	SCHOOL
SOURCES		
IGF		
GETFUND		
GOG		
PTA		
GS		
TOTAL		

DERIVED STATISTICS FROM

SURPLUSES/DEFICIT

INSTITUTION	SURPLUS – AMOUNT(GHC)	DEFICIT-AMOUNT (GHC)
MONISEC		
NACASS		
TOTAL		

NAME OF SCHOOL.....

TOTAL NUMBER OF BOARDING /DAY STUDENTS FOR EACH YEAR

DEPT	Boarding	students		Day	students	s
Acad.	1 st term	2 nd term	3 rd	1 st term	2 nd term	3 rd
Year			term			term
2012						
2013						
2014						
2015						

NAME OF SSCHOOL: NSUTAMAN CATHOLIC SENIOR HIGH SCHOOL

TOTAL STUDENTS POPULATION FROM 2012-2015

ACADEMIC YEAR	BOARDING STUDENTS	DAY STUDENTS	TOTAL
2012	976	1149	2125
2013	1083	1285	2368
2014	623	386	1009
2015	413	501	914

SOURCES:STUDENT LEDGERS, STUDENT JOURNAL AND FILES

STUDENT DEBTORS

ACADEMIC YEAR	AMOUNT (GHC)
2012	18817.29
2013	157851.85
2014	76283.55
2015	26954.99
TOTAL	

SOURCES:STUDENT LEDGERS AND FINAL ACCOUNTS

NAME OF SCHOOL : NSUTAMAN CATHOLIC SENIOR HIGH SCHOOL

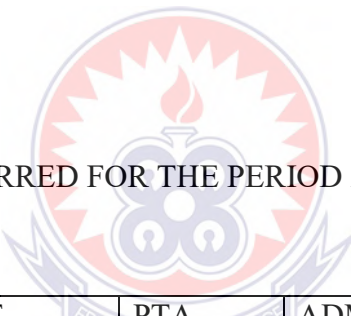
TOTAL INCOME RECEIVED WITH THE EQUIVALENT PERCENTAGES FOR THE PERIOD 2012-2015

SOURCE S	IGF	%	GETFUN D	%	GOG	%	PTA	%	GS	%
Academic	GHC		GHC		GHC		125120.9		GHC	
2012	453448.00		96244.71		819515.0				6432.55	
2013	700973.10		108054.35		10811838.37		96417.10		25000.00	
2014	647112.21		158969.80		2162465.28		73304.30		6000.00	
2015	722587.05		75386.91		2249165.05		75325.20		67000.00	

SOURCE : MAIN CASH BOOK.

NAME OF SCHOOL: NACASS

TOTAL EXPENDITURE INCURRED FOR THE PERIOD 2012- 2015



EXPENDITURE SOURCE	IGF	PTA	ADMINISTRATION
Academic year	GHC	GHC	GHC
2012	313943.87	100746.30	819515.00
2013	655949.76	110593.44	1011838.37
2014	609198.19	91136.23	1297479.17
2015	704756.05	100919.58	1349499.03
TOTAL	2283847.87	403385.55	4578331.51

SOURCE : MAIN CASH

NAME OF SCHOOL: ST. MONICA'S SENIOR HIGH SCHOOL

TOTAL STUDENTS POPULATION FOR 2012-2015

ACADEMIC YEAR	BOARDING STUDENTS	DAY STUDENTS	TOTAL STUDENTS
2012	1946		1946
2013	2666	20	2686
2014	2747	15	2762
2015	1884		1884
TOTAL	9270	8	9278

SOURCES: STUDENT LEDGERS, STUDENTS JOURNAL AND FILES

STUDENT DEBTORS

ACADEMIC YEAR	AAMOUNT (GH¢)
2012	64432.86
2013	68214.70
2014	79112.57
2015	80285.69
TOTAL	

SOURCES : STUDENT LEDGER AND FINAL ACCOUNTS

NAME OF SCHOOL : ST. MONICA'S SENIOR HIGH SCHOOL

TOTAL INCOME RECEIVED WITH EQUIVALENT PERCENTAGES FOR THE PERIOD 2012-2015

SOURCES	IGF	%	GETFUND	%	GOG	%	GS	%
Academic year	GH¢		GH¢		GH¢		GH¢	
2012	1117692.01		17857.40		1028788.45		56404.92	
2013	1411663.00		23967.90		573788.80		78560.09	
2014	1603046.50		29871.20		1147576.66		222267.95	
2015	2449610.0		20252.80		2018258.66		102308.55	
TOTAL	6582011.51		91949.30		4768412.57		459541.51	

SOURCE : MAIN CASH BOOK/INCOME AND EXPENDITURE ACCOUNTS
BALANCE SHEET (FINAL ACCOUNT)

NAME OF SCHOOL : ST.MONICA'S SENIOR HIGH SCHOOL

TOTAL EXPENDITURE INCURRED FOR THE PERIOD 2012-2015

EXPENDITURE SOURCE	IGF	GETFUND	GOG	Government Subsidy	
Academic year	GHC	GHC	GHC	GHC	
2012	573788.80	17420.50	404586.46	74325..48	
2013	1294686.40	15560.30	165318.45	154561.44	
2014	1727509.22	7780.15	1134796.51	89459.96	
2015	2374399.88	15894.72	2031258.16	152927.05	
TOTAL					

SOURCE :MAIN CASH BOOK

SENIOR HIGH SCHOOL SET UP OF FINANCIAL ADMINISTRATIONS

