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Johnson Akuamoah Asiedu
Acting Auditor General
Ghana Audit Service
28 September 2020

This report can be found on the Ghana Audit Service website: www.ghaudit.org

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28 September 2020

Right Honourable Speaker

REPORT OF THE AUDITOR-GENERAL ON THE
PUBLIC ACCOUNTS OF GHANA
TECHNICAL UNIVERSITIES AND POLYTECHNICS
FOR THE PERIOD ENDED 31 DECEMBER 2019

I have the honour to present my report on the Public Accounts of Ghana - Technical Universities and Polytechnics to be tabled in the House in accordance with Article 187 (5) of the 1992 Constitution of the Republic of Ghana.

This report, covering the period 1 January to 31 December 2019, is a consolidation of
the significant findings and recommendations emanating from routine audits of the 8 Technical Universities and 2 Polytechnics in the country. It is in three parts:

- Part I provides overall summary of significant findings and recommendations.
- Part II gives a summary of findings and recommendations according to each Technical University or Polytechnic, while
- Part III provides details of my findings.

In line with Section 20 (1) of the Audit Service Act, 2000 (Act 584), irregularities noted during the audit have been highlighted in the report. I have also drawn attention to instances of non-compliance with financial and other regulations, as well as errors that occurred in transactions. These were the results of weaknesses and break down
in internal controls that have persisted over time. I have provided recommendations which, if implemented, can serve to reduce the incidence of the irregularities and correct the causes of the conditions reported on.

Right Honourable Speaker, I assure you of my office’s relentless effort in contributing to improved public financial management in the country.

Acknowledgement

I thank the Vice Chancellors, Rectors, Management and their staff for their cooperation and support during the conduct of the audits; and also their willingness to correct unsatisfactory situations.

I also appreciate Parliament for its noteworthy commitment to reviewing my reports, and thereby, reinforcing my recommendations aimed at ensuring better financial management in public institutions.

Finally, I am grateful to my staff for their invaluable contributions, in producing this report.

Yours faithfully,

JOHNSON AKUAMOAH ASIEDU
ACTING AUDITOR GENERAL

THE RT. HON. SPEAKER
OFFICE OF PARLIAMENT
PARLIAMENT HOUSE, ACCRA
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REPORT OF THE AUDITOR-GENERAL ON PUBLIC ACCOUNTS OF GHANA –TECHNICAL UNIVERSITIES AND POLYTECHNICS FOR THE PERIOD ENDED 31 DECEMBER 2019

Introduction

The accounts of the Technical Universities and Polytechnics for the period 1 January 2019 to 31 December 2019 have been audited in accordance with Article 187 (2) of the 1992 Constitution of the Republic of Ghana. I present herewith the results of the audit.

2. The objective of the audit is to express an opinion on the financial statements submitted to me by each Technical University or Polytechnic for my examination, as well as draw the attention of Management and other relevant stakeholders to exceptions in the management of operations of the Technical Universities and Polytechnics.


4. Matters raised in this report are the significant ones which came to my notice during the audit period. The observations and recommendations arising out of the audits were discussed with management of the affected Institutions, and comments received, where appropriate, have been incorporated in this report. The report is in three parts:

**Part I** provides a summary of the significant audit findings and recommendations

**Part II** provides significant findings and recommendations according to each Technical University or Polytechnic, and

**Part III** deals with the details of findings and recommendations.
PART I

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

6. Presented in Table 1 is the financial impact of various irregularities for the period ended 31 December 2019, with Table 2, showing the irregularities according to each Technical University or Polytechnic.

Table 1: Summary of financial irregularities for the year ended 31 December 2019

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of Irregularity</th>
<th>%</th>
<th>Total Amount (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Outstanding Debtors/Loans/recoverable charges</td>
<td>4.74%</td>
<td>8,094,230.00</td>
</tr>
<tr>
<td>2</td>
<td>Cash</td>
<td>4.65%</td>
<td>7,925,991.13</td>
</tr>
<tr>
<td>3</td>
<td>Payroll</td>
<td>0.15%</td>
<td>262,570.62</td>
</tr>
<tr>
<td>4</td>
<td>Procurement</td>
<td>28.70%</td>
<td>48,960,037.53</td>
</tr>
<tr>
<td>5</td>
<td>Tax</td>
<td>0.01%</td>
<td>23,242.36</td>
</tr>
<tr>
<td>6</td>
<td>Stores</td>
<td>0.00%</td>
<td>3,240.00</td>
</tr>
<tr>
<td>7</td>
<td>Contract</td>
<td>61.74%</td>
<td>105,345,171.00</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td>170,614,483.64</td>
</tr>
</tbody>
</table>

Table 1b: Trend Analysis of Irregularities 2015 to 2019 (figures rounded to whole figures)

<table>
<thead>
<tr>
<th>No.</th>
<th>Type of Irregularity</th>
<th>2015</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Outstanding Debtors/Loans/recoverable charges</td>
<td>179,431</td>
<td>157,833</td>
<td>11,776,885</td>
<td>1,468,196</td>
<td>8,094,230</td>
</tr>
<tr>
<td>2</td>
<td>Cash</td>
<td>13,723,557</td>
<td>38,370,533</td>
<td>25,110,705</td>
<td>13,619,737</td>
<td>7,925,991</td>
</tr>
<tr>
<td>3</td>
<td>Payroll</td>
<td>382,002</td>
<td>21,708</td>
<td>2,405,000</td>
<td>1,707,374</td>
<td>262,571</td>
</tr>
<tr>
<td>4</td>
<td>Procurement</td>
<td>461,002</td>
<td>391,361</td>
<td>3,985,354</td>
<td>438,150</td>
<td>48,960,038</td>
</tr>
<tr>
<td>5</td>
<td>Tax</td>
<td>166,445</td>
<td>236,985</td>
<td>907,199</td>
<td>295,952</td>
<td>23,242</td>
</tr>
</tbody>
</table>
### Trend Analysis of Irregularities 2015 to 2019

<table>
<thead>
<tr>
<th>Year</th>
<th>Stores</th>
<th>Contract</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>82,916</td>
<td>12,424,149</td>
<td>27,419,502</td>
</tr>
<tr>
<td>2016</td>
<td>85,477</td>
<td>18,427,454</td>
<td>57,691,351</td>
</tr>
<tr>
<td>2017</td>
<td>3,040,179</td>
<td>45,510,862</td>
<td>92,736,184</td>
</tr>
<tr>
<td>2018</td>
<td>2,474,954</td>
<td>78,890,103</td>
<td>105,345,171</td>
</tr>
<tr>
<td>2019</td>
<td>3,240</td>
<td>105,345,171</td>
<td>170,614,483</td>
</tr>
</tbody>
</table>

The table above shows the trend analysis of irregularities from 2015 to 2019 for stores, contract, and total irregularities. The graph below illustrates the trend analysis with a visual representation of the data.
TABLE 2: SUMMARY OF FINANCIAL IRREGULARITIES ACCORDING TO EACH TECHNICAL UNIVERSITY AND POLYTECHNIC FOR THE YEAR 2019

<table>
<thead>
<tr>
<th>Technical Universities / Polytechnics</th>
<th>Outstanding Debtors/ Loans / Recoverables Charges</th>
<th>Cash Irregularity</th>
<th>Payroll Irregularity</th>
<th>Procurement Irregularity</th>
<th>Tax Irregularity</th>
<th>Stores Irregularity</th>
<th>Contract Irregularity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tamale</td>
<td>-</td>
<td>144,468.25</td>
<td>-</td>
<td>63,837.62</td>
<td>-</td>
<td>-</td>
<td>4,118,656.88</td>
</tr>
<tr>
<td>Bolgatanga</td>
<td>551,989.95</td>
<td>553,553.30</td>
<td>-</td>
<td>45,360,750.00</td>
<td>-</td>
<td>-</td>
<td>274,223.24</td>
</tr>
<tr>
<td>Cape Coast</td>
<td>1,535,558.95</td>
<td>1,361,414.84</td>
<td>4,754.62</td>
<td>443,516.68</td>
<td>11,799.67</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Ho</td>
<td>16,440.00</td>
<td>19,607.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,706,995.60</td>
</tr>
<tr>
<td>Koforidua</td>
<td>4,998,602.89</td>
<td>1,900,778.64</td>
<td>-</td>
<td>1,392,270.92</td>
<td>-</td>
<td>-</td>
<td>44,222,321.54</td>
</tr>
<tr>
<td>Kumasi</td>
<td>1,225,869.35</td>
<td>4,650.00</td>
<td>2,287,138.95</td>
<td>4,130.01</td>
<td>3,240.00</td>
<td>-</td>
<td>679,679.00</td>
</tr>
<tr>
<td>Wa</td>
<td>161,566.95</td>
<td>49,527.00</td>
<td>-</td>
<td>8,859.38</td>
<td>7,312.68</td>
<td>-</td>
<td>8,487,504.88</td>
</tr>
<tr>
<td>Accra</td>
<td>-</td>
<td>2,573,485.37</td>
<td>-</td>
<td>184,274.72</td>
<td>-</td>
<td>-</td>
<td>4,879,733.34</td>
</tr>
<tr>
<td>Takoradi</td>
<td>201,027.90</td>
<td>206,085.95</td>
<td>188,600.40</td>
<td>32,000.00</td>
<td>-</td>
<td>-</td>
<td>35,900,923.14</td>
</tr>
<tr>
<td>Sunyani</td>
<td>629,043.36</td>
<td>111,000.49</td>
<td>64,565.60</td>
<td>54,622.65</td>
<td>-</td>
<td>-</td>
<td>75,133.56</td>
</tr>
<tr>
<td>Total</td>
<td>8,094,230.00</td>
<td>7,925,991.13</td>
<td>262,570.62</td>
<td>48,960,037.53</td>
<td>23,242.36</td>
<td>3,240.00</td>
<td>105,345,171.18</td>
</tr>
</tbody>
</table>
Outstanding Debtors/Loans/Recoverable Charges - GH¢8,094,230

7. These irregularities related to outstanding loans, and staff debtors. They arose out of management’s inability to furnish the Controller and Accountant General’s Department (C&AGD) with inputs and disregard for Regulations 46 of the PFMR, 2016, LI 2378, by allowing borrowers to make direct payment, or enforcing any other means feasible under the circumstances to commence the recovery process. They were also as a result of lack of supervision and improper record keeping to monitor and recover loans granted.

8. I recommended that management of the Technical Universities and Polytechnics should vigorously pursue recovery of the loans granted and resort to legal action where necessary. They should also improve on supervision and ensure that schedule officers update all advances in the records.

Cash Irregularities - GH¢7,925,991.13

9. Cash Irregularities comprised misapplication of funds, non-retirement of imprest, unapproved expenditures and non-payment of Internally Generated Funds into the Consolidated Fund. These occurred as a result of laxity in expenditure control, flagrant disregard for financial regulations pertaining to disbursement of funds in the Public Sector, and failure of Heads of Finance to control disbursement of funds and ensure that transactions were properly authenticated.

10. I advised management of the institutions to improve the control environment including the establishment and effective operations of Internal Audit Units; enhancing supervision over accounting staff to minimize these irregularities. I also recommended authentication of all payment vouchers; review of approved budgets, strict adherence to the provision of the Public Financial Management Regulations 2019(L.I. 2378) the efficient management of IGFs, and prompt retirement of imprest.
Payroll irregularities - GH¢262,571
11. These irregularities mostly included payment of unearned salaries, non-deletion of separated staff after termination dates and payment of allowances without approval.

12. I recommended effective coordination between the administration heads and accounts units in order to provide timely information concerning separated staff for prompt deletion of the names from the payroll. I also recommended that bankers of separated staff should be promptly notified to withhold salaries paid into their bank accounts for early recovery. Management should also ensure prompt recovery and payments to chest of the amounts held by the banks.

Procurement irregularities - GH¢48,960,038
13. These irregularities emanated from intentional disregard for the Procurement Act, management’s inability to comply fully with the procurement law, improper procurement planning and a breakdown of the procurement process: These included excessive variation order, absence of system to monitor works being executed, restricted tendering, procurement order divided into lots and lack of supervision.

14. I once again, urged management of the respective institutions to adhere strictly to the provisions of the Public Procurement Act, 2003 (as amended).

Tax irregularities - GH¢23,242
15. Tax irregularities were also caused by Finance Officers not diligently acting in accordance with the statutory tax laws, resulting in non-deduction of withholding tax, delay in payment of withholding tax to the Ghana Revenue Authority (Domestic Tax Division). It also relates to purchases from non-VAT registered sources and failure to obtain VAT invoices/receipts from suppliers.
16. I recommended that Finance Officers should strictly adhere to tax laws to ensure that all tax revenues are promptly collected and paid to responsible revenue agencies.

**Stores Irregularities - GH¢3,240**

17. These lapses were caused by the absence of effective stock control system in place, inappropriate procedures in disposing of stores as well as poor supervision over stores management.

18. I recommended improved supervision over stores items, adequate stock control systems to be put in place, and strict adherence to provisions in the Public Procurement Act, 2003 (as amended) in disposing of stores.

**Contract irregularities - GH¢105,345,171**

19. These related to unjustified review of contract process, excessive payment of mobilization fee, and Management’s inability to exercise due diligence in the award of contracts for project work. They were caused by management’s inability to adhere to provisions in contract documents, improper contract budgeting and commencing many projects at the same time.

20. I advised that due diligence should be exercised in the award of contracts. Management should strengthen controls over contracts and comply with tendering procedures.

21. Officers responsible for the over-payment of contract sums may be surcharged appropriately.

**Audit Opinion**

22. The eight Technical Universities and two Polytechnics audited, submitted their accounts for validation. My office was satisfied, in all material respects, that the audited financial statements presented fairly financial information in accordance with the applicable statutory provisions,
stated accounting policies of the Government and are in accordance with generally accepted accounting standards and essentially consistent with that of the preceding year; and in my opinion they presented a true and fair view of the financial position, and the financial performance of the Institutions for the year ended 31 December 2019.
PART II

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

23. Payments amounting to GH¢61,506 on seven vouchers were not supported with the relevant and appropriate documents like receipts, invoices, claim sheets and reports to authenticate the transactions. We recommended to the Ag. Director of Finance and the cashier to make available the relevant and appropriate supporting documents for our review, failure of which the amounts should be refunded by the authorizing and paying officers.

24. Management paid a total amount of GH¢82,962.25 as Book and Research allowances for eleven (11) officers who are on study leave abroad in contravention with the Section 82 (2) of the Public Financial Management Act, 2016 (Act 921). We recommended that in the absence of a satisfactory justification for the payment, the allowances paid should be refunded by the beneficiaries or the Vice Chancellor and the Acting Director of Finance should be held accountable.

25. An amount of GH¢46,537.62 was paid from 11 vouchers for works and services carried out without any certification or justification to show that the works had been properly carried out. We recommended to management to recover the total amount of GH¢46,537.62 from authorizing and approving officers in the absence of proper certification and same paid to chest. Furthermore, management should ensure that all works done and all services rendered were properly certified before payments are made.

26. Management obtained three invoices from different suppliers to support the procurement of furniture worth GH¢17,300.00 which was
ultimately procured from ZIFA Enterprise, however, two of the pro-forma invoices had the same telephone numbers suggesting they were obtained from the same supplier. We recommended to management to ensure effective monitoring and supervision of procurement activities to ensure transparency and fair competition in procurement processes to guarantee value for money.

27. The University paid GH¢4,118,656.88 for the construction of five (5) GETFund projects, however, work on these projects which were at various stages of completion have been stalled. We recommended management liaise with the GETFund Secretariat to ensure funds are made available to complete the projects on time to serve their intended purposes.

28. The University failed to bond three temporary revenue collectors at the Clinic to ensure financial security and guarantee. We recommended to the management of the University to ensure that the temporary revenue collectors are bonded as soon as possible whiles steps are taken to engage permanent revenue collectors at the clinic to forestall any incidence of financial irregularities.

29. Management and other eligible staff of the Polytechnic are yet to declare their Assets and Liabilities as required. We recommended to management to ensure all eligible officers of the Polytechnic do so without fail.

30. A review of the thirty-four (34) tertiary programmes run by the University revealed that, only three (3) of the programmes representing 9% had valid accreditation. We recommended to management to expedite action on getting accreditation for all programmes without further delay to ensure students are not denied of their certificates after completing their courses of study.
31. The University failed to approve its draft policies and procedure documents regarding the general administration and management of its operations. We recommended to management to expedite the approval of these draft policies and procedure documents to make them operational to guide the general management and administration of the University.

32. The absence of internet connectivity to the University’s E-Library project has rendered it non-functional and currently being used as an office for the Librarian.—We recommended to management to ensure internet connectivity to the E-Library facility to make it functional in order to achieve the objectives for which it was established.

33. A Business Development Unit established by the University to serve as a lead department for promoting revenue generation has not been effective in producing the needed results. We recommended to management of the University to institute an investigation into why the BDU is unable to win contract bids which is core to the unit. We also urged management to ensure comprehensive policies and implementation guidelines are developed for the BDU’s operations.

34. Stockpiles of expired drugs dating as far back as 2018 are still stored on the shelves of the Pharmacy store of the University Clinic. We recommended to management to expeditiously constitute a Board of Survey to facilitate the disposal of the expired drugs. Furthermore, management should put in place proper store management controls to rid the shelves of all expired drugs and to detect those that are nearing the end of their shelf lives or drugs to prevent them from being served out to patients. They are also to train the pharmacy attendants to build their capacity in order to ensure proper storage of drugs to enhance their potency.

35. The backup data of the University’s accounting software transactions have not been consolidated and tested to ensure continuity in the University’s business in the event of a disaster. We recommended to
management to develop a comprehensive Business Continuity Plan to ensure non-interruption of the University’s business activities in times of a disaster.

36. The University procured a MAK-EDU Accounting software through sole sourcing with approval from the Public Procurement Authority, however, management could not produce any documentations on the Business Case and User Requirements of the software. We recommended to management to make available documents on the software for our review. Furthermore, management should ensure before investing in an ICT infrastructure project, Business Case and Standard User Requirements are developed and documented.

37. The University did not have a documented ICT Strategy and well-structured ICT governance framework to ensure alignment of ICT with the University’s business needs. We recommended to Management to establish an ICT committee to develop ICT governance framework and strategy which would ensure the alignment of ICT with the University’s business needs.

38. The University lacked adequate control system for the custody and management of its assets. We recommended to management to ensure that the Ag. Director of Finance completes the asset register with all the required details and update same for our verification and review.

BOLGATANGA POLYTECHNIC

39. The Polytechnic issued unapproved receipts to collect total revenue of GH¢553,553.30. We recommended to management to ensure that they used only receipt books issued or approved by CAGD to avoid sanctions for non-compliance.
40. Unrecovered staff advances stood at GH¢16,620.00 at the end of 2019. We recommended prompt recovery of advances to avoid lock-up funds with individuals.

41. Management failed to collect 84 months’ rent amounting to GH¢12,600.00 from a separated staff. We recommended that management should repossess the premise and also ensure full recovery of the unpaid rent.

42. We noted that 750 students were indebted to the Polytechnic to a total of GH¢502,747.25 as at the end of the financial year. We recommended immediate recovery of the outstanding fees.

43. We found that 10% Scholarship fund of GH¢20,022.70 due from MAK-Edu Consult was outstanding. We recommended that the Rector and Acting Director of Finance should ensure immediate recovery of the fund without fail.

44. Total procurement for goods and services valued at GH¢45,355,000 was supervised by a one-man procurement unit. We recommended that management should augment the staff strength to avoid a risk of possible manipulation.

45. The Polytechnic failed to obtain approval from the Auditor-General for the procurement and use of an ERP 9 Accounting Tally Software at a cost of GH¢5,750.00 from M/S Forster Dankyi IT Services. We recommended to management to seek approval from the Auditor-General to regularize the use of the application.

46. Eight supply contracts awarded to eight (8) suppliers to the tune of GH¢89,523.76 were not supported with acceptance letters and contract agreements. We recommended to Management to ensure that all future
contracts are duly accepted in written form and agreement signed before execution to avoid possible legal complications and sanctions

47. An Internal Audit software procured at a cost of GH¢24,699.48 from M/S Akanfaba Enterprise and supplied in January 2019 was yet to be put to use. We recommended that management should ensure the required benefits are derived from the software failing which persons responsible for acquiring a non-relevant software be held liable.

48. The Polytechnic’s IT Assets with estimated value of GH¢160,000.00 were not adequately safeguarded as required. We recommended that adequate measures are put in place by management to address the situation.

49. We noted that the Internal Auditor Unit did not audit the revenue and other relevant modules on the Polytechnic’s accounting software in use. We recommended to management to immediately provide the necessary inputs to enable the Internal Audit Unit effectively appraise all modules to improve efficiency and reliability.

50. Management and other eligible staff of the Polytechnic are yet to declare their Assets and Liabilities as required. We recommended to management to ensure that all eligible officers of the Polytechnic immediately do so without fail.

51. The Polytechnic’s Council failed to approve 10 Policy Documents needed to provide guidance and to improve efficiency. We urged management to ensure that the Council approved the documents to guide management in its operations.

52. Our audit revealed that the Polytechnic did not have a Business Continuity and Disaster Recovery plans to rely on in case of any disaster. We recommended to management to develop Business Continuity and
Disaster Recovery Plans to ensure timely restoration of operations in case of systems failure and/or disaster.

53. The Polytechnic did not have an IT Steering Committee to provide guidance and efficiency in IT management. We recommended that management should immediately constitute one to improve efficiency in IT activities.

CAPE COAST TECHNICAL UNIVERSITY

54. Management failed to ensure that nine officers have retired their accountable imprests of GH¢10,898.90. We urged management to convert the outstanding imprest to advances in names of the officers and ensure the recovery of the amount before new ones are granted to them.

55. We noted that salary advances amounting to GH¢71,524.65 were overdue and remained unpaid. We urged the Director of Finance to retrieve the advances from the officers without further delay to avoid sanctions.

56. Two Contractors were paid Value Added Tax (VAT) and contingencies without providing VAT invoices and justification for the utilization of the contingencies. We recommended that the Director of finance (DOF) and Director of Works and Physical Development DWPD should ensure that the contractors refund the total amounts of GH¢9,670.63, failing which the DOF and DWPD shall be surcharged with the amount of GH¢9,670.63.

57. 57. We noted that management failed to collect fees totalling GH¢1,398,869.02 from students. We urged the Director of Finance to recover them.

58. We noted that management owed utility bills from 2017 to 2019 to the tune of GH¢1,340,845.31. We recommended that management should
pursue government through NCTE to release funds for the settlement of the bills to forestall disconnections.

59. Management procured goods amounting to GH₵443,516.68 from suppliers whose registration particulars were either expired or non-existent to qualify them to participate in public procurements. We recommended to the Vice Chancellor to desist from such practices and ensure that all suppliers are qualified before allowing them to participate in the procurement processes.

60. Six suppliers charged VAT totalling GH₵4,468.39 without issuing VAT invoices. We recommended that the Director of Finance should ensure that the suppliers provide the VAT invoices or refund the VAT amount of GH₵4,468.39, failing which the DFO should be made to refund the VAT amount.

61. Management paid an amount of GH₵36,656.40 to staff as PASS Project Coordinator’s Allowances without withholding tax of GH₵7,331.28. We recommended that the Vice Chancellor and Director of finance should pay the GH₵7,331.28 to GRA and pursue for the recovery from the beneficiary staff.

62. Two officers who died in April and September 2019 were paid unearned salary totalling GH₵4,754.00. We recommended that the amount of GH₵4,754.62 should be retrieved from the beneficiaries and paid back to the consolidated fund.

63. Six staff who were granted study leave with pay between 2018 and 2019 failed to sign bonds. We recommended that management should ensure that all the beneficiary officers are bonded before continuing their studies.
64. We observed that the University does not have IT Organogram, IT Strategic and Work Plans, and IT security Policies. We recommended that Management should as a matter of urgency develop and approve IT Organogram, IT Strategic and Work Plans, and IT security Policies to guide ICT operations and safeguard ICT assets of the University.

65. Management did not provide documented business requirements to the developers of the Students Information Management System (SIMS) to ensure that the applications are in line with the University’s strategic requirements. We recommended that Management should identify and approve the needs of the stakeholders and any other business requirements of the University, and present to the Application developers to ensure effective management systems of the University’s operations.

66. We noted that receipt numbers from the banks are not linked to the admission forms portal that generates pin codes for applicants. We recommended that Management should ensure that the developers make provision for the bank receipt numbers to automatically upload on the interface of the system to ensure effective reconciliations and proper accountability of all pin codes sold.

**HO TECHNICAL UNIVERSITY**

67. We noted that Management failed to collect the due salary advance granted to four officers of the University leading to an outstanding debt of GH¢9,190.00. We recommended that Management should recover the GH¢9,190.00 from the beneficiaries as early as possible to avoid sanctions.

68. We noted that there was an outstanding amount of GH¢7,250.00 due from two officers for whom the University paid rent advance of GH¢21,600.00 to be refunded in 24 months. We recommended to the Director of finance to recover the rent advance on time and should also
establish mechanisms that would ensure that rent fees are promptly paid by the rent debtors.

69. Our review of records revealed that the University paid GH¢19,607.00 as judgement debts on cases filed by staff against the University. We recommended that the Legal Officer should devise mechanisms which would ensure internal resolution of staff grievances without the involvements of the Legal system.

70. We observed during a physical inspection of the ongoing projects on campus that, four GETFund projects valued at GH¢6,706,995.60 have either been delayed or abandoned for a period between four and nine years. We recommended that Management should pursue GETFund Secretariat to complete the projects for the University to derive the intended benefits.

71. In contravention of Article 286 of the 1992 Constitution of Ghana, eight qualified officers of the University failed to declare their assets and liabilities. We recommended to the affected public officers to ensure the declaration of their assets and liabilities without any further delay failure of which their names would be referred to the Commissioner for Human Right and Administrative Justice.

72. Contrary to Section 11 of the Audit Service Act 2000 (Act 584), Management of the University contracted ROPAT Systems Limited on 8 April 2019 for the supply and development of ERP and Online Application software without prior approval by the Auditor-General. We urged Management to seek retrospective approval from the Auditor-General immediately.

73. We noted that 12 out of 15 officers who were granted study leave with pay by the Technical University to pursue further studies failed to complete the required bond forms. We recommended to Management to ensure that the affected officers are duly bonded without further delay.
74. Review of the University policy documents revealed that the University did not have approved policy documents in place as a road map for its operation. We urged Management to ensure that the University develops and approves these policy documents, to ensure efficiency in its operations.

75. Our request for a Disaster Recovery Plan from the registrar of the University revealed that Management had not put one in place to guide the activities of the University. We recommended that Management develop a Business Continuity and Disaster Recovery Plans to ensure timely restoration of operational support in case of systems failure and disaster.

76. We performed a security assessment of the University’s Online Enterprise Resource Planning (ERP) system and discovered that the site was not appropriately redirected, and the security policies are not being enforced, making the school’s application vulnerable to external attacks. We recommended that Management should immediately redirect the site appropriately and ensure that the security policies are in operation to safeguard the University’s application system.

77. We observed that the main store of the University has been located within the same building of Welding Engineering Section where welding and other mechanical activities associated with fire are operated. We urged management as matter of urgency to relocate the stores to a more safe area to avoid any future disaster.

KOFORIDUA TECHNICAL UNIVERSITY

78. We noted that the University operated 26 bank accounts with 16 of them being used for all collections and every payment instead of separate dedicated accounts for specific collections and designated payments. We advised that for the purpose of effecting the transition to the Treasury Single Account Management and effective reconciliations, the University should consider closing 10 of the Accounts.
79. Management did not seek prior approval from the Auditor-General before implementing the TOPAZ Financial System and Online Student Information System (OSIS) softwares. We also noted that the contract for OSIS was entered in 2011 and had since not been reviewed and renewed. We urged Management to Contact the Auditor-General and the Controller and Accountant General for the approvals and also review the performance of the OSIS and request the IT Consortium to upgrade the OSIS with adequate control features failure of which Management should look for another software.

80. We noted that Mr. Frederick Nii Mensah Obeney and Mr. Alexander Twum Barimah could not account for a total of GH¢620,457.32 of fees collected from 2016 to 2019. Management should report the matter to the police, indict the affected persons and subject to the advice of the Minister for Justice and Attorney General prosecute all members of the syndicate.

81. We noted that a total of GH¢846,298.76 was paid to staff and principal officers as honorarium without recourse to appropriate Over Time and Call In rates. We recommended that the appropriate Over Time and Call in rates should be used to remunerate Junior and senior staff in this regard.

82. We noted Management paid GHC 25,000.00 to the University’s Solicitor in respect of filing fees without a Judicial Service receipt. We recommended the appropriate receipts from the Judicial Service be recovered from the Solicitor, in default, Management should refund the amount involved.

83. We noted that the Internally Generated Unit (IGU) of the University was advanced GH¢21,104.76 to commercialise a Water Sachet business but the Project was not successful and the IGU could not recoup the investment of GH¢21, 104.76. We also noted that as at February 2019, Management invested GH¢48,969.12 in a Recycling Plant started in 2015, but has since
not completed the Project. We advised Management to conduct proper Market Survey before committing funds to projects and also resolve the issues with the Developer to pave way for the completion of the Recycling Plant.

84. We noted that an amount of GH¢338,948.68 was paid to Fliposis Company Limited following an interlocutory judgment of GH¢251,073.17 and accrued interest of GH¢106,706 due to the SRC’s failure to pay GH¢251,073.17 for Pre Contract Consultancy Services rendered in respect of the design of a proposed 1,000 bed hostel building in 2016. We recommended that Management should streamline the activities of the SRC in matters relating to procurements to avoid such occurrences.

85. We noted an outstanding salary advance granted eight staff amounting to GH¢18,551.00. We recommended that Management should intensify their effort to recover the advances.

86. The Financial Statements showed that students owe GH¢4,980,051.89 as fees as at 31 December 2019 and some of the indebtedness related to 2017/2018 and 2018/2019 academic years. We recommended that Management should implement more stringent measures in the collection of fees including insisting on students paying the remainder of fees at the start of the second semester before allowed to register courses.

87. We noted during review of Stock Register that the University has over 80 official receipt booklets not in use for the past year. We recommended that the Receipt Booklets are immediately destroyed.

88. We noted that GH¢672,373.10 was paid to Linklaters Company Limited for supply of fuel to the University without a formal contract between the two parties. We recommended that Management should discontinue the arrangement with Linklaters and the Chit system for fuel collection and introduce the GOIL Fuel Coupons and GOILGO Cards for
vehicles in the pool and Principal Officers respectively capping fuel for Principal Officers.

89. Infrastructural projects initiated by the University and GETFund were not appropriately managed to secure early completion and notwithstanding the financial challenges in completing the Projects, we noted with much concern, the commencement of another contract for the Design and Construction of Lecture Halls and Office Complex valued at GH₵18,049,330.24. We recommended that Management should complete one project before undertaking new ones in order to pool resources towards projects that can be conveniently financed.

90. The Entity Tender Committee (ETC) awarded the contract for the rehabilitation of staff bungalow at a contract sum of GH₵250,600. However, additional works of GH₵42,000 which constituted 16.75% of the original contract sum was not referred to the ETC and without formal contract amendments or addenda. We urged the Head of Entity to liaise with ETC, the Procurement and Estate Units to ratify the additional works.

91. We reviewed procurement activities for the financial year for compliance with the Public Procurement Act and noted irregularities and lapses totalling GH₵825,924.17. For economy, efficiency and effectiveness in public procurements we recommended that the Procurement Unit should coordinate with User Departments for input into the Annual Procurement Plan and the ETC should ensure that subsequently, all aspects of the Procurement Act are complied with.

92. We noted that the University did not comply with the advice of the PPA and awarded the contract for the construction and completion of classrooms and office complex to King Dwosco Enterprises Limited for GH₵17,234,977.55. We urged the Entity Tender Committee to adhere to advices and directives from the PPA. We also entreated the Project’s Consultants and Estate Unit to closely monitor the performance of the Contractor in order to identify and address any challenges on time.
93. Review of the personal files of the Council Members showed that six Council Members do not have Appointment Letters. We entreated Management to follow up on the matter with reminder letters.

94. We noted that the recommendations of an Investigative Committee that the Procurement office/HoD of Fashion and Textiles Department should liaise with the supplier of an industrial iron to determine the appropriate specifications and replace the industrial iron have not been implemented. We recommended to Management to implement the recommendation of the Committees.

95. The University has not registered with the Data Protection Commission as a Data controller and also not appointed a Data Supervisor who will be responsible for the monitoring of KTU’s compliance with the provisions of the Act. We urged Management to take the necessary steps to register with the Data Protection Commission and also appoint a Data Supervisor to ensure data is protected from unauthorized use.

96. Our review of the Change Management Process for the Topaz Accounting System, OSIS and the network system of KTU disclosed that changes made to these information systems do not follow proper Change Management methodology. Management should put in place a Change Management Process that ensures that changes to IT infrastructures and Application Systems are implemented in a planned and authorized manner and should include the development, approval and enforcement of an IT Change Management Policy.

97. We noted that the University’s Council has not established Information, Communication and Technology (ICT) Committee to oversee the alignment of Information Technology (IT) Strategy with the overall Corporate Strategy of the University and ensuring that Information systems deliver the business requirements. We recommended the University Council liaise with the Academic Board for the formation and approval of the ICT Committee to provide policy directions.
98. We noted that Management has not carried out a Risk Assessment of the entire ICT infrastructure to identify, analyze and evaluate the potential threats that the University is exposed to, and devise strategies to manage these threats. We recommended that Management should quickened efforts to establish the ICT Committee and task it with the responsibility to carry out extensive IT Infrastructure Risk Assessment to identify potential threats and devise effective and efficient strategies to manage these risks.

99. We noted that though access to the TOPAZ accounting and OSIS applications soft wares were restricted by User ID and password, we identified significant control weaknesses in the Logical Access Controls. We recommended that Management should develop and implement effective Logical Access Control policy to prevent unauthorized access to critical operating, application and network systems and strengthening current password control arrangement to maintain confidentiality.

100. Results from examination of persons with access to the OSIS revealed that 35 Lecturers on study leave still have access to the OSIS. Additionally, User Accounts of five Lecturers who have separated from the University are active in the OSIS. We recommended that the Registry and HR reconcile their records on the status of the affected staff and furnish same to the IT department to promptly delete or deactivate their User Accounts to forestall any incidence of unauthorized access that might compromise data integrity.

101. Management failed to seek approval for the establishment of a Revolving Fund amounting to GH₵502,198.00. We recommended that approval should be sought from the Minister of Finance for the operation of the Revolving Fund.

102. We noted unsupported payments amounting to GH₵177,745.27 for various transactions on thirteen (13) payment vouchers. We requested the
acting Director of Finance to provide appropriate supporting documents to authenticate the payments.

103. Management paid GH₵111,458.00 as stipend to three lecturers, even though they breached the condition for enjoying the support. We recommended to management to justify the payment or in default, convert the grant to loan to the lecturers involved.

104. Imprest of GH₵285,784.52 was not acquitted at the end of 2019. We recommended that the amount be immediately accounted for by the officers concerned.

105. The acting Director of Finance failed to withhold tax of GH₵4,130.01 from five (5) suppliers. We recommended that the acting Director of Finance should personally pay the amount to GRA.

106. Management carried out two procurements valued at GH₵417,733.77 using the Single-source procurement method without obtaining prior approvals from the Public Procurement Authority. We requested management to justify their actions to avoid sanctions in accordance with section 92 of Act 663 as amended.

107. Contrary to section 42 of the Public Procurement Act (Act 663) as amended, we noted that management in four (4) instances procured goods worth GH₵79,636.46 through the price quotation method without requesting for alternative price quotations as required. We recommended that sanctions should be meted to the acting Finance Director and Procurement Officer for failing to adhere to the stipulations of the PPA.

108. Total payments of GH₵6,748.32 for repairs of two of the University’s vehicles were not supported with Works Order. We recommended that all repairs should have Works Order detailing the work required to be done on the vehicles to avoid fictitious bills and shoddy works.
109. Contingency payments amounting to GH¢47,915.80 was not supported with approved justification. We recommended to management to provide justification for the utilisation of the contingency provisions, failing which the amount should be recovered from the contractor and the project manager.

110. Contrary to the Second Schedule of the Public Procurement Act 2003 (Act 663), management awarded two different contracts amounting to GH¢1,380,058.40 without approval from the Entity Tender Committee. We asked management’s justification for the non-compliance of the requirement of the PPA failing which they should be sanctioned in accordance with Act 663 as amended.

111. Contrary to Regulation 78 (1) of the Public Financial Management Regulations L.I. 2378, we noted from our review of the Bills of Quantities and our subsequent inspection of the project that management paid for items and Quantities amounting to GH¢101,336.00 which were not delivered. We recommended to management to recover the amount from the contractor and the project manager and audit notified.

112. Contrary to Regulation 78 (1) of the Public Financial Management Regulations L.I. 2378, we observed from our review of the payment certificates for the construction of the four storey building at Adako Jachie phase I, that the Contractor was paid for Additional bills amounting to GH¢402,962.00 which were not contained in the original bills of Quantities approved by the Entity Tender Committee. We recommended to management to provide evidence of the Invoices submitted by the contractor with respect to the additional bills and the approval of the Entity Tender Committee before the payment was made failure of which the transactions would be disallowed and surcharged on the officers who authorized the payments.

113. Contrary to Regulation 78 (1) of the Public Financial Management Regulations, we observed from our review of the Bills of Quantities and
payment certificates on the construction of the four storey building at Adako Jachie phase I, that management paid for net variations and additional bills amounting to GH¢578,343. We further noted that most of the bills were varied between 50% and 300% which in our opinion was excessive as there was no substantial change to the structure of the project. We recommended to management to provide justifications for the excessive variations in the Bills of Quantities and evidence of approval by the Entity Tender Committee for the payments.

114. We noted contrary to section 52 (1) of the Public Financial Management Act, Act 2016, (Act 921) that management failed to ensure that fuel purchased worth GH¢100,767.76 was logged in the Vehicle log books. We recommended that management should ensure that the fuel was accounted for in the various logbooks or in default the acting Finance Director and the Head of Transport unit should refund the amount to the University’s account.

115. Contrary to section 92 (1) of the Public Financial Management Act, management paid unearned salaries amounting to GH¢4,650.00 to a deceased staff. We recommended that management write to the bankers of the deceased to transfer to unearned salary to the suspense account of the Controller and Accountant General.

116. The University operated without approved policies. We recommended to management to ensure that the policies were approved by the council to legitimise them.

117. We noted system lapses on the software used to manage admissions and fee collections. We recommended to management to ensure that all weakness identified were resolved to enhance their applications.

118. Four lecturers on scholarship failed to properly complete their bond forms. We recommended that the Vice Chancellor should ensure that the bonds were properly completed to guarantee their enforcement.
119. Contrary to Regulation 78 (1) of the Public Financial Management Regulations, management failed to invoke sanctions against Mr. Bernard Adjei Frimpong for failing to adhere to the stipulations of the award of scholarship. We recommended to management to provide us with the academic progress reports of Mr. Bernard Adjei Frimpong failure of which his scholarship should be annulled and salaries drawn converted into loan against him.

120. Contrary to Section 51(1) of the Public Financial Management Act 2016 (Act 921) management opened thirty-two (32) different accounts with various banks without evidence of approval from the Controller & Accountant General. We recommended that management should provide evidence of a written authority for all the accounts from the Controller & Accountant General for audit scrutiny.

121. Contrary to Regulation 208 of the Public Financial Management Regulations 2019, L.I.2378, the acting Finance Director failed to prepare their Financial Statements on accrual basis. We recommended that the Council should direct the acting Director of Finance to prepare the financial records on accrual basis to avoid qualification of the University’s Financial Statements in future.

122. Contrary to Article 286(1) Clause 5 of the 1992 Constitution we noted that staff of the Kumasi Technical University affected by the requirement of the above Article failed to declare their Assets and Liabilities. We recommended to management to comply with the above quoted laws to avoid sanctions.
122. Management failed to recover total advances of GH¢139,462.89 from five officers. We recommended timely recovery of all advances to avoid sanctions.

123. Twelve officers occupying the Polytechnic’s bungalows underpaid rent by GH¢22,104.06. We recommended that management should recover the arrears and ensure appropriate rent charges were charged for accommodation.

124. The Polytechnic has not benefitted from a total expenditure of GH¢49,527.00 on a tripartite partnership agreement involving University of Kara in Togo and SE– International, a US registered NGO. We recommended that management should ensure the Polytechnic accrues the projected benefits or be held accountable for causing financial loss.

125. The Polytechnic procured 500 self carbonated receipt booklets at a cost of GH¢8,859.38 without approval from the Controller and Accountant’s General Department (CAGD). We recommended to management to either procure receipts from CAGD or seek approval for the printing of receipt books from an alternative source.

126. We found that twenty-seven toners procured in 2017 and valued at GH¢3,240.00 are unused and branded obsolete. We recommended that management should ensure efficiency in stock management to avoid wastages and sanctions for causing financial loss.

127. Management failed to remit a total pension contribution of GH¢7,312.68 to pension fund managers. We recommended that management should make necessary arrangement to pay the statutory contributions to the appropriate pension scheme.

128. We noted that completion of eleven (11) GETFund projects awarded at the original total contract sum of GH¢3,633,946.31 and revised to GH¢8,487,504.88 are unduly delayed. We urged Management to coordinate
with GETFund to provide allocation to ensure their early completion to prevent further cost overrun. We further recommended that no new contract should be awarded by the Polytechnic until all the on-going projects are completed.

129. We noted that the position of heads of Finance, Internal Audit, Development Unit, Director of Health Services and Librarian are occupied by non-substantive officers. We recommended to Management and the Governing council of the Polytechnic to take steps to ensure that either the acting officers are confirmed or substantive ones are appointed within three months when positions become vacant.

130. The Polytechnic has no Service Level Agreement for the use of a software application. We urged management to obtain a Service Level Agreement with the service providers to ensure high service quality is maintained.

131. We noted that Wa Polytechnic had no IT risk policies and practices in place. We recommended to management to ensure that the ICT Department performs risk assessment, document it in a risk register and conduct periodic review and update the register.

**ACCRA TECHNICAL UNIVERSITY**

132. The University spent a total of GH¢93,160.00 on sitting allowances and refreshment on an Appeal Board for a case that was eventually not settled. We recommended that in future, the Council should set a limit for the number of sittings for the Appeal Board to resolve an issue in order to eliminate abuse and waste of scarce resources.

133. The University made a total cash payment of GH¢2,480,325.37 for main Council and Sub-Council Meeting Allowances instead of the recommended electronic transfers or system cheques.
134. We recommended to management to determine a threshold for cash payments beyond which the Acting Director of Finance should pay through cheques and electronic transfer systems.

135. Management spent only 12.9% or GH¢204,455 of total Hostel fees collected amounting to GH¢1,586,423 on repairs & maintenance of the Hostel Block resulting in the Hostels being in a deplorable condition, We urged management to consider immediate renovation of the hostel to avoid further deterioration.

136. We noted that the University is underutilizing Guest house/Lodge with conference hall facility that was completed in 2019 at a cost of GH¢4,879,733.34 and a COTVET funded satellite campus at Mpehuasem, completed in 2017. We urged Management to take immediate steps to ensure full utilization to achieve the maximum benefits expected from both facilities and to avoid deterioration, failing which the council and management should be held responsible for any cost or loss attributable to non-utilization.

137. We noted that the Internal Audit Unit had never conducted an IT audit of the University. We advised Management to build the capacities of the Internal Audit to effectively conduct reviews of the University’s IT systems.

138. The University failed to obtain approval from the Auditor-General for the procurement and use of iCampus and iApply applications. We recommended that Management should write to the Auditor-General to review and approve the current applications in use without any further delay.

139. We observed that, the University has no Strategic plan for its operations. We recommended that, the Council should expedite action
developing and approving a Strategic Plan in order to adhere to the dictates of Act 922 without further delay.

140. 14. There was no Business Continuity and Disaster Recovery plans to rely on in case of any disaster. We recommended to management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operations in case of systems failure and/or disaster

141. We noted that the Accra Technical University does not have an IT strategic plan and approved IT security policy. We advised management to immediately develop and approve an IT Strategic Plan and IT security policy.

TAKORADI TECHNICAL UNIVERSITY

142. Deficiency in a software Application resulted in undisclosed school fees of GH¢45,886.11 paid by foreign students. We recommended to management to ensure that the foreign and scholarship accounts held at the banks are interfaced with the Application.

143. We noted during our audit that 56 officers occupying the University’s bungalows were not paying the prevailing government rate of 10% of basic as rent, leading to a total Rent revenue loss of GH¢201,027.90. We recommended to management to apply the approved rate of rent and ensure efficient collection of same.

144. Payments to the tune of GH¢48,011.00 were not supported with official receipts and other relevant supporting documents to authenticate the payments. We recommended that the Director of Finance should obtain the official receipts, and other relevant supporting documents to authenticate the payments or be held liable for the amount involved.

145. We noted that the University made excess payments to the tune of GH¢15,534.52 in respect of payments made to Global Wings Travel & Tour
for air ticket purchased. We recommended to management to recover the excess payments from Global Wings Travel & Tours or be held responsible.

146. The University paid an avoidable judgement debt in the sum of GH₵36,500.00 to Atta Mends who is the Managing Director of Glynn Plunners Management Consult for failing to pay him an outstanding balance of GH₵10,274 under a contract We recommended that the excess cost of GH₵26,226.00 should be borne by the former Vice Chancellor, the former director of finance and the then development officer.

147. We noted during our review of payroll that a total amount of an unearned salary of GH₵188,600.40 was paid to three separated staff of the University. We recommended to Management to pursue for the recovery of the amount from the officers concerned and pay same to chest, failing which the total amount should be recovered from the validating officers.

148. We noted that five projects/facilities at the Akatakyie Campus of the University, completed in 2018 have not been put to use. To prevent deterioration of the projects, we urged Management to ensure that the necessary steps are taken to put the above projects to use for the intended benefits of the students and the University as a whole.

149. We noted that a GETFund project for the construction of official Vice Chancellor’s residence commenced on 2008 and is 75% completed and a total of GH₵252,495.00 paid has been abandoned for the past two years. We urged Management to immediately follow up at the GETFUND Secretariat to ascertain the reason for the abandonment so that necessary steps would be taken to complete the project.

150. We noted that Management of the University printed receipt booklets without seeking approval from the Controller and Accountant General’s Department We advised management to seek approval from Controller and
Accountant General’s Department before continuing the usage of the receipt booklets.

151. We noted from our audit that only one out of four banks operating Automated Teller Machines (ATMs) on the University’s campus has a tenancy agreement with the University. We recommended that management should sign tenancy agreements with the three banks without further delay, and collect any rent overdue from them as soon as possible.

**SUNYANI TECHNICAL UNIVERSITY**

152. We noted that the University paid GH¢90,401.86 from IGF to complete an unbudgeted GETFund project and ignored the construction of a 2-storey stores block valued at GH¢113,016 captured in their approved budget. We recommended that Management should restrict its expenditure to approved budget activities and authority sought for any expenditure outside the budget to avoid sanctions. We also recommended to the Vice Chancellor and Director of Finance to ensure that the GH¢90,401.86 is recovered from the GETFund through ASIB Company Ltd, which was originally awarded the contract.

153. Our analysis of 2019/2020 academic year Debtors list, disclosed that 364 students were allowed to register after paying less than 60% and 50% of their fees, contrary to the University’s policy leading to uncollected revenue of GH¢118,629.01. We recommended to Management to ensure that the school fees configuration into the systems is properly activated and effectively operated as early as possible.

154. The National Health Insurance owed the University’s Clinic a total of GH¢31,285.79. We urged Management to pursue the Scheme Manager to recover the amount without further delay.
155. We noted that 18 officers owe the University salary advance in the sum of GH¢ 47,800.00. We tasked Management to ensure timely recovery of all monies due or risk being sanctioned according to Section 96 of the Act 921.

156. We noted that three employees were paid total unearned salaries of GH¢64,565.60. We recommended that management should take the necessary steps to recover the monies paid to the affected staff and pay same to chest.

157. Three officers are indebted to the state to the tune of GH¢431,328.56 for failing to serve the University for various years after being granted study leave with pay. We recommended that management should pursue the officers and their guarantors to recover the total expenditure stated above together with interest at bank of Ghana prevailing rate.

158. Management’s failure to register 203 students with the NHIS resulted in payment of GH¢8,761.70 for their medical bills. We urged Management to ensure that all the students are registered with the National Health Insurance Scheme to minimize expenditure on medical bills.

159. We found an outstanding balance of GH¢11,836.93 in the Book and Research allowances ledger which was noted to be in favour of a deceased staff and recovery of overpaid salary to two other officers. We recommended that management should take the necessary steps to disburse the outstanding amount to their beneficiaries.

160. The University is yet to obtain title deeds for two parcels of land acquired in 2016 even though an amount of GH¢30,726.25 had been paid for the preparation of the cadastral survey on one. We urged Management to speed up the process to secure the ownership title to the lands.
161. An accounting software acquired from TOPNIK Ghana Ltd in July 2019 at a cost of GH₵20,000.00 is yet to be fully implemented by management. We recommended to Management to expedite action to have all modules or services implemented under the contract to avoid sanctions for causing financial loss.

162. We noted that two laboratories at the University constructed at a total cost of GH₵24,407.31 have not been put to effective use as a result of non-availability of manage switch and fibre pig-tail. We urged Management to ensure that the needed items are provided by the contractor as early as possible for the Multimedia to be made available to students.

163. Management deployed two computerised financial and accounting systems in 2015 and 2019 without approval from the Auditor –General. We recommended to Management to seek the approval as required by the law to regularise the situation.

164. We noted that three staff failed to sign bond forms after being granted study leave with pay to pursue various courses overseas. We recommended that management should ensure they complete and sign the bonds failing which the study leave granted should be annulled and salaries paid them recovered to chest.

165. We noted that the Internal Audit Unit’s risk assessment did not cover ICT governance of the University. We entreated Management to ensure that the Internal Audit Unit’s periodic risk assessment covers the University’s critical IT systems.

166. We observed that the University has no well-structured ICT governance framework. We recommended that Management should ensure that, ICT Strategic Plan is formulated, approved and aligned with the University’s Strategic Plan.
PART III
DETAILS OF FINDINGS AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

Introduction
167. This report relates to the audited accounts of the Tamale Technical University for the period 1 January 2019 to 31 December 2019.

OPERATIONAL RESULTS
168. The operations of the Tamale Technical University for the financial year, 2019 ended with an income surplus of GH¢2,496,629.00 representing 52.12% increase over the previous year’s surplus of GH¢1,640,022.00. Details are provided in the table below:

Income and Expenditure for the year 2019

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<th>Income</th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
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<td>Government Subventions</td>
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<td>23,888,893.45</td>
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<td>Internally Generated Funds</td>
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<td>Other Income (Project Income)</td>
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<td><strong>Total Income</strong></td>
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<table>
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<tr>
<th>Expenditure</th>
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<tr>
<td>Goods and Services</td>
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<td>Other General Expenses</td>
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<td><strong>Total Expenditure</strong></td>
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</tr>
</tbody>
</table>

| Income Surplus/ Deficit         | 2,496,629.00 | 1,640,022.44 | 52.12    |
169. Total Income for the Tamale Technical University increased by 7.02% from GH¢31,236,194.38 in 2018 to GH¢33,427,918.00 in 2019. The positive change of 7.02% was attributed to an increase in Internally Generated Funds and project income by 26.94% and 76.67 respectively.

170. Total Expenditure also went up by GH¢1,335,115.00 representing 4.51% from GH¢29,596,172 in 2018 to GH¢30,931,287.00 in 2019. This was because of a 6.3% increase in expenditure on Compensation of Employees from GH¢24,416,498.00 in 2018 to GH¢25,954,993.00 in 2019.

Financial Position

171. The Financial Position of the Tamale Technical University as at 31 December 2019 is as shown in table below:

**Financial position as at 31 December 2019**

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current Assets</td>
<td>5,842,104.00</td>
<td>5,197,384.56</td>
<td>12.40</td>
</tr>
<tr>
<td>Investment In BDU</td>
<td>81,662.66</td>
<td>81,661.66</td>
<td>-</td>
</tr>
<tr>
<td>Investment In TaTU Hospital</td>
<td>473,415.00</td>
<td>-</td>
<td>100</td>
</tr>
<tr>
<td>Current Assets</td>
<td>9,747,490.00</td>
<td>7,022,659.32</td>
<td>38.80</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>16,144,580.00</td>
<td>12,301,705.54</td>
<td>31.20</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITY</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current Liability</td>
<td>1,053,268.00</td>
<td>1,603,268.00</td>
<td>(34.30)</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>6,464,507.00</td>
<td>5,132,907.85</td>
<td>26.00</td>
</tr>
<tr>
<td>TOTAL LIABILITY</td>
<td>7,577,775.00</td>
<td>6,736,175.85</td>
<td>11.60</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>8,626,805.00</td>
<td>5,565,529.69</td>
<td>55.00</td>
</tr>
<tr>
<td>Current ratio</td>
<td>1.51:1</td>
<td>1.4:1</td>
<td></td>
</tr>
</tbody>
</table>

172. Non-Current Assets increased by 12.40% from GH¢5,197,385.00 in 2018 to GH¢5,842,104.00 in 2019. This was due to additions to fixed assets during the year.
173. Current Assets also increased by 38.80% from GH¢7,022,659 in 2018 to GH¢9,747,490.00 in 2019. This was due to increase in Cash and Cash Equivalent.

174. Non-Current Liabilities reduced by 34.30% from GH¢1,603,268.00 in 2018 to GH¢1,053,268.00 in 2019 due to repayment of GETFund Hostel Loan and Current Liabilities increased by 25.90% from GH¢5,132,908.00 in 2018 to GH¢6,464,507.00 in 2019.

175. The liquidity ratio of 1.51:1 in 2019 indicates that the Tamale Technical University has the ability to meet its current liabilities as they fall due.

**MANAGEMENT ISSUES**

**Unsupported Payments – GH¢ 61,506.00**

176. Regulation 78 of the Public Financial Management Regulation 2019, L. I. 2378 requires Principal Spending Officers to ensure that payments are adequately supported with evidence for which they are being made.

177. Contrary to the provision above, our examination of payment vouchers revealed that seven vouchers used to support payments amounting to GH¢61,506.00 in respect of various expenditures made from the Internally Generated Fund Accounts were not supported with the relevant and appropriate documents like receipts, invoices, claim sheets and reports to authenticate the transactions.

178. The Acting Director of finance and the Cashier failed to ensure that payees submitted the relevant and appropriate supporting documents to authenticate the transactions before making payments.
179. We could not, therefore, authenticate the appropriateness of the expenditures made in the absence of the relevant and appropriate supporting documents.

180. We recommended to the Acting Director of Finance and the cashier to make available the relevant and appropriate supporting documents to authenticate the payments, failure of which the amounts should be recovered from the payees or refunded by the authorizing and paying officers. Furthermore, the cashier should always ensure payment vouchers are adequately supported with the relevant documents before effecting payments.

181. Management responded that, the required supporting documentations have been affixed to the appropriate payment vouchers, duly filed and available for the audit team’s perusal.

**Book and Research Allowance Paid to Staff on Study Leave Abroad - GH¢82,962.25**

182. Section 7 of the Public Financial Management Act, 2016 (Act 921), states that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

183. Our examination of expenditure records revealed that, management paid a total amount of GH¢82,962.25 as Book and Research allowances to eleven officers who are on study leave abroad.

184. Officers on study leave discontinue normal lecturing activities and its related research works. They are paid research grants for their research work during the course of their studies abroad. They are therefore not entitled to the Book and Research allowances paid by Government.
185. The infraction could be attributed to Management’s failure to ensure that only those who are eligible to receive the allowances at a particular time are paid.

186. The eleven beneficiaries therefore received Book and Research allowances for a period they were not eligible to be paid. The infraction has put a drain on the scarce resources of the government.

187. We recommended to management to recover the wrongful payments from the beneficiary officers on study leave abroad, failure of which the allowances should be recovered from authorizing and paying officers.

188. Management, in their response, stated that, per the orders of the National Council for Tertiary Education, the staff in question are entitled to receive the Book and Research allowance from the University’s claims.

189. Management however failed to substantiate the claim with documentary evidence. We therefore reiterate our recommendation for compliance because officers on study leave abroad are paid research grants for their studies.

**Payments for Works without Certification - GH¢46,537.62**

190. Regulation 79 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that, the Spending Officer shall, on the completion of works or the supply of goods or services, prepare a certification statement in respect of works and stores received, that includes

i. The quantity and particulars of the works and supply

ii. The method and result of the inspection, and

iii. Any evidence supporting the results.

191. Our review of payment vouchers revealed that a total amount of GH¢46,537.62 was paid vide eleven (11) vouchers for works and services carried out without any certification to show that the works had been properly carried out. See details below:
# Payments for Works without Certification Statement

<table>
<thead>
<tr>
<th>S/N</th>
<th>DATE</th>
<th>PAYEE</th>
<th>PV #</th>
<th>AMOUNT (GH₵)</th>
<th>CHEQUE#</th>
<th>DETAILS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>July 9, 2019</td>
<td>Exodus Electricals</td>
<td>P025/07/19</td>
<td>11,403.20</td>
<td>Z001483</td>
<td>Repairs of ACs</td>
</tr>
<tr>
<td>2</td>
<td>July 17, 2019</td>
<td>I. Adams Motors</td>
<td>P068/07/19</td>
<td>1,305.39</td>
<td>Z001502</td>
<td>Servicing Of Vehicles</td>
</tr>
<tr>
<td>3</td>
<td>July 30, 2019</td>
<td>Gub-Gbai Engineering Works</td>
<td>P171/07/19</td>
<td>2,189.38</td>
<td>Z001549</td>
<td>Servicing Of Vehicles GV 1809 -14</td>
</tr>
<tr>
<td>4</td>
<td>August 8, 2019</td>
<td>Exodus Electricals</td>
<td>P023/08/19</td>
<td>7,668.31</td>
<td>Z001563</td>
<td>Repairs of ACs</td>
</tr>
<tr>
<td>5</td>
<td>August 21, 2019</td>
<td>Total Supplies &amp; Services</td>
<td>P104/08/19</td>
<td>7,007.81</td>
<td>Z001600</td>
<td>Servicing of Copiers and Printers</td>
</tr>
<tr>
<td>6</td>
<td>September 19, 2019</td>
<td>Shaizey Enterprise</td>
<td>P078/09/19</td>
<td>2,175.47</td>
<td>Z001644</td>
<td>Servicing &amp; Repairs of Vehicles</td>
</tr>
<tr>
<td>7</td>
<td>October 16, 2019</td>
<td>Renovational Furniture</td>
<td>P054/10/19</td>
<td>1,260.00</td>
<td>Z001694</td>
<td>Repairs of Furniture</td>
</tr>
<tr>
<td>8</td>
<td>November 18, 2019</td>
<td>Wun-Yaa Automobile</td>
<td>P086/11/19</td>
<td>1,380.00</td>
<td>Z001766</td>
<td>Repairs of Vehicle GV1811-14</td>
</tr>
<tr>
<td>9</td>
<td>December 11, 2019</td>
<td>Shaizey Enterprise</td>
<td>P089/12/19</td>
<td>3,852.62</td>
<td>Z001851</td>
<td>Repairs of Vehicle GV 404-16</td>
</tr>
<tr>
<td>10</td>
<td>December 11, 2019</td>
<td>Exodus Electricals, Refrig.</td>
<td>P092/12/19</td>
<td>7,088.06</td>
<td>Z001854</td>
<td>Installation of Air Conditioners</td>
</tr>
<tr>
<td>11</td>
<td>December 31, 2019</td>
<td>Exodus Electricals, Refrig. &amp; Air Cond</td>
<td>P142/12/19</td>
<td>1,207.38</td>
<td>Z001882</td>
<td>Repairs of ACs</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>46,537.62</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

192. The Works Engineer failed to certify the works to show that it was properly carried out before payments were made.

193. Payment may have been made for unsatisfactory work, poor services, works not done or services not rendered.

194. We recommended to management to ensure proper certification of all repair works done before payments are made to avoid sanctions.
195. Management responded that the relevant Works Certificates have been attached to their respective payment vouchers.

**Uncompetitive Purchase of Furniture – GH¢17,300.00**

196. Section 20 of the Public Procurement (Amendment) Act, 2016, Act 914 states “The procurement entity shall request for quotations from as many suppliers or contractors as practicable, but shall compare quotations from at least three different sources that should not be related in terms of ownership, shareholding or directorship and the principles of conflict of interest shall apply between the procurement entities and their members and the different price quotation sources.”

197. Our review of records for three separate procurements for supply of Furniture with total value of GH¢17,300.00 revealed that ZIFA Enterprise won the contract on each occasion. Our further scrutiny showed that two out of three invoices submitted by ZIFA Enterprise and Susazium Co. Ltd on each occasion had the same phone number 026 933 4863, which suggested that the two invoices were from the same supplier. This indicated that the procurements were not competitive in contravention with the Procurement law quoted above. See details below:

**Uncompetitive Purchase of Furniture**

<table>
<thead>
<tr>
<th>Date</th>
<th>Payee</th>
<th>P.v No</th>
<th>Amount GH¢</th>
<th>Cheque No</th>
<th>Details</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>21-08-19</td>
<td>ZIFA Enterprise</td>
<td>P079/08 /19</td>
<td>8,600.00</td>
<td>Zenith</td>
<td>Payment for Auditorium tables and Chairs</td>
<td>Zifa Enterprise and Susazium Co. Ltd had same phone no 0269334863</td>
</tr>
<tr>
<td>24-06-19</td>
<td>ZIFA Enterprise</td>
<td>P137/06 /19</td>
<td>2,750.00</td>
<td>Stanbic</td>
<td>Payment for Executive office swivel chair</td>
<td>Zifa Enterprise and Susazium Co. Ltd had same phone no 0269334863</td>
</tr>
</tbody>
</table>
198. The head of the procurement unit failed to ensure that the procurement process conformed to the requirements of the Public Procurement Act to guarantee transparency.

199. The University may not have derived value for money from the procurement of the furniture.

200. We recommended to management to ensure proper supervision of the procurement processes to ensure transparency and fair competition to obtain value for money. Officers responsible for the lapse should be sanctioned as enshrined in the Procurement Act.

201. Management responded that, it has noted the concern and shall ensure that appropriate steps are taken to forestall future occurrences.

**Stalled GETFund Projects - GH₵4,118,656.88**

202. Regulation 79 of the Public Financial Management Regulations, 2019 (L.I. 2378) stipulates that, the Principal Spending Officer shall, on the completion of works or the supply of goods or services rendered or their prices are inconsistent with the contracts or specification, the Principal Spending Officer shall specify the necessary remedial action in the certification statement;

203. The remedial actions referred to under sub-regulation (2) that the Principal Spending Officer may take include any other action that may be necessary to ensure complete delivery.
204. Our field inspection of eleven (11) GETFund projects under construction for the University disclosed that work on five of the projects with total initial contract sum of GH¢5,649,207.78 have stalled. The projects, which are at various stages of completion, received total payments of GH¢4,118,656.88 or 72.9% leaving a balance of GH¢1,530,550.90 to complete.

205. A careful review of project documents however revealed that a total amount of GH¢5,326,244.60 is now needed to complete the projects instead of GH¢1,530,550.90. Find details below.
# Stalled GET Fund – Funded Projects at Tamale Technical University

<table>
<thead>
<tr>
<th>Sn.</th>
<th>Project Name</th>
<th>Date of Award</th>
<th>Contract Sum (GH¢)</th>
<th>Payments to Date (GH¢)</th>
<th>Cost of Outstanding Works (GH¢)</th>
<th>Status (%)</th>
<th>Contractor</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.</td>
<td>Construction of 4-Storey Library complex</td>
<td>20/02/2012</td>
<td>1,099,022.23</td>
<td>598,926.35</td>
<td>1,659,605.10</td>
<td>70</td>
<td>M/S Achilsons Limited</td>
<td>Contract terminated due to non-performance</td>
</tr>
<tr>
<td>3.</td>
<td>Construction of 2 No. 4-storey Students’ Hostel</td>
<td>5/01/2005</td>
<td>2,848,715.60</td>
<td>2,043,127.21</td>
<td>1,816,133.25</td>
<td>75</td>
<td>M/S Rajga Trad. Ltd.</td>
<td>Contract terminated due to non-performance</td>
</tr>
<tr>
<td>4.</td>
<td>Construction of 2-storey Rector’s Bungalow</td>
<td>14/11/2008</td>
<td>527,704.05</td>
<td>798,172.88</td>
<td>439,171.83</td>
<td>90</td>
<td>M/S Myturn Ltd</td>
<td>90% completed. Has outstanding works</td>
</tr>
<tr>
<td>5.</td>
<td>Construction of 2-storey ICT Block</td>
<td>20/02/2012</td>
<td>599,529.83</td>
<td>332,210.05</td>
<td>688,326.92</td>
<td>75</td>
<td>(1) M/S Achilsons Limited (2) M/S Rocksam Global Ltd</td>
<td>75% completed. Contractor abandoned site. Contract recommender for termination &amp; re-award</td>
</tr>
</tbody>
</table>

5,649,207.78  4,118,656.88  5,326,244.60
206. This situation resulted from improper planning and delay in releasing funds to ensure that the projects were fully executed as per the work plan.

207. The delay in completion has resulted in avoidable contract cost of GH¢3,798,693.70 which was attributed to deterioration and inflation. The targeted beneficiaries had also been denied the usage of the projects.

208. We recommended that, management should liaise with the GETFund Secretariat to ensure that funds are made available to complete the projects on time to serve their purposes.

209. Management responded that it has noted the recommendation and will liaise with the University Council for the necessary follow up at the GETFund Secretariat to ensure the needed funds are made available to complete the projects on time to service their purpose.

**Failure to bond Revenue Collectors at The University’s Clinic**

210. Section 7 of the Public Financial Management Act 2016 (Act 921) requires among others that a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

211. We noted during our review that, out of the four revenue collectors at the Clinic, three were temporal officers. We further noted that, the collectors were not bonded to ensure financial security and guarantees.

212. The University risked embezzlement and/or misappropriation of revenue without the option of recovery from guarantors in the event the perpetrators could not refund.

213. We recommended to the management of the University to ensure that the temporal revenue collectors are bonded. Furthermore, management
should expedite the action of engaging permanent revenue collectors for the Clinic to avoid any financial loss.

214. Management responded that, the affected staff have been bonded by the University and the bond forms duly filed for our perusal. They added that the University is also pursuing the Ministry of Finance to secure the necessary financial clearance for recruitment.

**Failure to Declare Assets and Liabilities**

215. Article 286 (1) of the 1992 Constitution states “A person who holds a public office mentioned in clause (5) of this article shall submit to the Auditor-General a written declaration of all property or assets owned by, or liabilities owed by, him whether directly or indirectly

   a) within three months after the coming into force of this Constitution or before taking office, as the case may be;
   b) at the end of every four years; and
   c) at the end of his term of office.”

216. Contrary to the above provisions, we noted that management and other eligible officers failed to declare their assets and liabilities.

217. Management’s failure to attach importance to the requirement has led to this infraction.

218. The non-compliance of the law stated above does not promote good governance, probity, accountability and transparency of public officers in public finance management. The irregularity would also defeat the fight against corruption in public service

219. We recommended to management to ensure that all eligible officers of the University, whose salaries or positions require them to declare, do so and make available their respective declaration certificates failing which they would be dealt with in accordance with Article 287 of the Constitution.
220. Management noted our recommendation and promised to step-up action to get officers to declare their assets and submit the evidence for verification.

**Tertiary Programmes without Accreditation – 91%**

221. Section 8 of the National Accreditation Board Act 2007 (Act744) demands that, an institution shall not operate or run a programme without accreditation.

222. Our review of the 34 tertiary programmes run by the University revealed that, only three of the programmes had valid accreditation certificates contrary to the provision above.

223. Laxity on the part of management to ensure that the programmes have valid accreditation resulted in the infraction.

224. The anomaly could result in certificates from the University not being recognized as valid ones. The situation is a threat to the going concern of the University.

225. We recommended to management to expedite action on getting accreditation for all programmes without further delay.

226. Management accepted our recommendation and assured us that they will expedite action on the re-accreditation of all programmes.

**Failure to approve Policy Documents for official implementation**

227. Section 90 of the Public Financial Management Act 2016, Act (Act921) states “the governing body of a public corporation or state-owned enterprise shall establish and maintain;

   i) policies,

   ii) procedures,

   iii) risk management and internal control systems, and
iv) governance and management practices,
to ensure that the public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established”.

228. During our review, we noted that the University’s Policy documents were in draft and yet to be approved by the Council to help in managing the University’s resources to achieve its goals.

229. We attributed the lapse to the Governing Council’s failure to ensure that the draft documents are approved for implementation.

230. Absence of approved policy guidelines could lead to inefficiencies in the University’s operations.

231. We urged management to ensure that the University Council approved these policy documents, to guide management in its operations.

232. Management responded that the Council approved five policy documents at its 8th Regular Meeting held on the 3rd and 4th September 2020.

**Non-Functional E-Library Project**

233. Section 33 of the Public Financial Management Act 2016, (Act 921), requires that the Principal Spending Officer may propose or commit to invest in a project only after expert assessment has been completed and the justification for the investment project and efficiency is established.

234. Our review of payment vouchers revealed that the University has established an E-Library project to facilitate learning and teaching activities and to build capacity of both academic and non-academic staff as well as students.
235. Our physical inspection of the E-library however, revealed that, it was not functional because there was no internet connectivity to the facility. The facility has rather been converted into an office for the Librarian and for the storage and processing of newly acquired books rather than the objectives for which it was established.

236. Management did not ensure internet connectivity to the E-Library due to its failure to settle on a service provider and this has rendered the facility non-functional.

237. The University is not benefitting from the investments made since the staff and students are being denied the use of the facility to enhance their research and academic work.

238. We recommended to management to provide internet connectivity to the E-Library facility to make it functional in order to achieve the objectives for which it was established.

239. Management responded that, it has noted the recommendation for compliance and has initiated the procurement process to secure a reliable and dedicated internet service for the general use of the University community, including the E – Library project.

**Ineffective Business Development Unit (BDU)**

240. Section 7 of the Public Financial Management Act, 2016 (Act 921) specify that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

241. A review of the operations of the University revealed that, it has established a legally registered BDU to serve as a lead department for promoting revenue generation activities of the University. Its main purpose is to coordinate the various production units of the university to enhance
their performance in increasing the Internally Generated Fund (IGF) of the university.

242. Our review of the BDU’s 2019 annual business report and an interview with the head of BDU indicated that, the unit was unable to win contract bids because quotations presented to it by the various production units were always higher than those of their competitors. We also noted that proceeds from the business operations were not encouraging enough to recover investments and this has led to the fold up of the 5 projects (details required) the unit had been undertaking. Our visit to the restaurant which was the only project directly under the unit was not in operation. The folding up of the projects have therefore rendered the BDU unproductive.

243. Management did not ensure that, the Business Development Unit developed a comprehensive policy and implementation guidelines for its operations and this has led to the unit not being able to carry out and achieve its stated objectives.

244. The University has not benefitted from the resources invested in the establishment of the Business Development Unit to enhance its performance in increasing the university’s Internal Generated Fund (IGF).

245. We recommended to management of the University to take measures to find ways of equipping BDU to be more efficient in their drive to win contracts to improve the University’s revenue generation. We also urged management of the university to ensure that comprehensive policies and implementation guidelines are developed for the BDU’s operations.

246. Management responded that it has received an appraisal report from the Internal Unit of the University and will soon advise the University Council on the next line of action.
Non–Disposal of Expired Drugs

247. Section 44 of the Public Procurement (Amendment) Act, 2016 (Act 914) stipulates that, the head of a procurement entity shall convene a Board of Survey comprising representatives of departments with vehicles, unserviceable, obsolete or surplus stores, plant and equipment which shall report on the items and subject to a technical report on them, recommend the best method of disposal after the officer in charge has completed a Board of Survey form.

248. Our audit of the University’s clinic revealed that the Pharmacy store kept both expired and un-expired drugs of various quantities on the shelves. The details of expired drugs are listed in table below:

<table>
<thead>
<tr>
<th>SN.</th>
<th>DRUGS</th>
<th>EXPIRED DATE</th>
<th>QUANTITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SYR Amoxiclav 457mg</td>
<td>Aug-19</td>
<td>240</td>
</tr>
<tr>
<td>2</td>
<td>SYR Amoxiclav 228.5mg</td>
<td>Jul-19</td>
<td>120</td>
</tr>
<tr>
<td>3</td>
<td>Tab Amoxiclav 625mg</td>
<td>Apr-18</td>
<td>11830</td>
</tr>
<tr>
<td>4</td>
<td>IV Phytomenadione</td>
<td>Mar-19</td>
<td>90</td>
</tr>
<tr>
<td>5</td>
<td>IV Gentamycin</td>
<td>Apr-19</td>
<td>97</td>
</tr>
<tr>
<td>6</td>
<td>Safudoxi Phrimethamine</td>
<td>Jan-18</td>
<td>360</td>
</tr>
<tr>
<td>7</td>
<td>IV Flucloxacilin</td>
<td>Jan-19</td>
<td>70</td>
</tr>
<tr>
<td>8</td>
<td>Tab clorphenivamine</td>
<td>Apr-18</td>
<td>700</td>
</tr>
<tr>
<td>9</td>
<td>Chloramphenical Eye drop</td>
<td>Sep-18</td>
<td>35</td>
</tr>
<tr>
<td>10</td>
<td>IV Clindamycin 300mg</td>
<td>Nov-18</td>
<td>136</td>
</tr>
<tr>
<td>11</td>
<td>Cipro Eye drop</td>
<td>Dec-18</td>
<td>199</td>
</tr>
<tr>
<td>12</td>
<td>IV Hydrocortisone</td>
<td>Mar-19</td>
<td>10</td>
</tr>
<tr>
<td>13</td>
<td>Tab Frusemide</td>
<td>Oct-19</td>
<td>1000</td>
</tr>
<tr>
<td>14</td>
<td>IV Lidocaine</td>
<td>Oct-19</td>
<td>90</td>
</tr>
<tr>
<td>18</td>
<td>Tab Azithromicin 250mg</td>
<td>Dec-19</td>
<td>168</td>
</tr>
</tbody>
</table>

249. Managers of the Clinic failed to report on the expired drugs to the University’s management for their proper disposal.

250. Expired drugs may be dispensed to patients and this could result in legal complications that may lead to reputational damage to the Clinic and the University.
251. We recommended to management to constitute a Board of Survey to dispose of all expired drugs. Furthermore, management should ensure that, the management of the Clinic put in place a monitoring process to track all drugs near expiration and take them off the pharmacy to prevent them from being served out to patients.

252. Management responded that the drugs that were near expiration had been returned to the Medical Stores and their total value of GH¢28,845.60 was used to defray part of the Clinic’s indebtedness. Management added that they had written for approval to dispose of the expired ones.

**Untested Back-Up Data from Mak-Edu Accounting Software Data**

253. Section 7 of the Public Financial Management Act 2019, Act 921, requires that a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

254. We observed that the Finance directorate of the University executes fragmented monthly backup of the accounting software transactions of the various unit heads. However, the backup data have not been consolidated and tested to assure the University’s business continuity in times of disaster.

255. Untested back-up data could result in recovery failure when required to facilitate continuity of operations in the event of a disaster or disruption.

256. We recommended to management to develop a comprehensive Business Continuity Plan to ensure non-interruption of the University’s business activities during disasters.

257. Management responded that the backups are now stored on-site temporarily and copies are stored on Google Cloud as well. They added that
in case of data loss, all the data can be recovered and restored to ensure business continuity.

**Absence of Business Case and User Requirements**

258. Section 7 of the Public Financial Management Act 2019, Act 921, requires that a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

259. The University procured a MAK-EDU Accounting software to manage its transactions. There was however no Business Case and User Requirement documents to guide us in certifying whether the software is addressing the need for which it was procured.

260. The MAK-EDU Accounting Software may not be meeting the University’s business needs and standard user requirements.

261. We recommended to management to make available documents on the software for our review. Furthermore, management should ensure that before an ICT infrastructure project is embarked upon, a Business Case and Standard User Requirements are developed and documented.

262. Management responded that Software Requirements Specification for the University’s Accounts Management Systems, as provided by the Software Developer is now available for our perusal. They also indicated that the other concerns have been noted for compliance.

**Weaknesses in Information and Communication Technology (ICT) Governance**

263. ICT governance is an integral part of corporate governance and it is the responsibility of management and the Board to provide the required
leadership, policies and procedures to ensure that the entity’s ICT sustains and extends the organization strategies and objectives.

264. We noted that the University does not have a documented ICT Strategy and a well-structured ICT governance framework to ensure alignment of ICT with the University’s business needs. It also does not have a committee to advise management on investment decisions in ICT infrastructure and its related projects and activities to resolve critical issues. We further noted that the ICT directorate does not have proper segregation of functional duties.

265. The non-existence of an ICT committee with the composition of IT experts and representatives from the user departments to advice management on ICT governance framework and strategy that would ensure alignment of ICT with the University’s business needs resulted in the weakness.

266. The University’s ICT infrastructure is not adequately secured since it is susceptible to IT security and data breaches, for instance hacking, which can have severe implications for the University’s business.

267. We recommended to Management to establish an ICT committee to develop ICT governance framework and strategy which would ensure the alignment of ICT with the University’s business needs. We further recommended management to ensure that, the ICT directorate properly segregates the functional duties of its staff to ensure efficiency and effectiveness.

268. Management responded that, the University Council has constituted an ICT committee to address the governance system and related ICT matters but is yet to commence work.
Non - Maintenance and Update of Assets Register

269. Section 52 of Public Financial Management Act 921, (Act 2016), provides that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

270. The law quoted further requires that an asset register shall be maintained detailing out the following but not limited to:

   a. description of the property,
   b. model / make
   c. serial numbers,
   d. source of the property,
   e. identification mark,
   f. acquisition date,
   g. cost of the property,
   h. location of the property,
   i. use and condition of the property.

271. Our review of the University’s asset register disclosed that the register lacked the following relevant information;

   a. individual assets,
   b. cost,
   c. current locations and their condition and
   d. identification marks

272. The Ag Director of Finance’s failure to effectively supervise the officer-in-charge accounted for the lapse.

273. The anomaly may result in difficulty in tracing the assets of the University. The assets are therefore vulnerable to theft and misuse.

274. We recommended to the Acting Director of Finance to ensure that the officer in-charge complete the asset register with all the required details and
update same for our verification and review. Subsequently, the asset register should be regularly updated with all new acquisitions.

275. Management accepted our recommendation for compliance.

BOLGATANGA POLYTECHNIC

Introduction
276. This report relates to the audited accounts of the Bolgatanga Polytechnic for the period 1 January 2019 to 31 December 2019.

Operational Results

277. The operations of the polytechnic for the financial year 2019 ended up with a deficit of GH¢1,143,923 as compared with a deficit of GH¢1,135,241 for the previous year 2018, representing 0.8% increase in the deficit.

Details are shown in table below

Statement of financial performance

<table>
<thead>
<tr>
<th></th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GOG Subvention</td>
<td>12,460,086</td>
<td>11,929,859</td>
<td>4.5</td>
</tr>
<tr>
<td>Internally Generated fund</td>
<td>2,349,105</td>
<td>2,056,258</td>
<td>14.2</td>
</tr>
<tr>
<td>Total Income</td>
<td><strong>14,809,191</strong></td>
<td><strong>13,986,117</strong></td>
<td><strong>5.9</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees Compensation</td>
<td>12,577,931</td>
<td>12,018,760</td>
<td>4.7</td>
</tr>
<tr>
<td>Use of goods and services</td>
<td>2,040,382</td>
<td>1,865,094</td>
<td>10.0</td>
</tr>
<tr>
<td>Consumption of fixed assets</td>
<td>1,333,751</td>
<td>1,237,503</td>
<td>7.8</td>
</tr>
<tr>
<td>Loss on the sale of fixed asset-vehicle</td>
<td>1,050</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Expenditure</td>
<td><strong>15,953,114</strong></td>
<td><strong>15,121,358</strong></td>
<td><strong>5.5</strong></td>
</tr>
<tr>
<td>Income Surplus/deficit</td>
<td>(1,143,923)</td>
<td>(1,135,241)</td>
<td>0.8</td>
</tr>
</tbody>
</table>
278. Total Income for the Polytechnic increased by GH¢823,074 representing 5.9% from GH¢13,986,117 in 2018 to GH¢14,809,191 in 2019. The increase was due to increment in both Government subvention and Internally Generated Funds.

279. Total Expenditure also increased by GH¢831,756 representing 5.5% from GH¢15,121,358 in 2018 to GH¢15,953,114 in 2019. This was due to increases in employees’ compensation, goods and services, consumption of fixed assets as well as loss on sale of fixed asset. The increase in employee compensation was due to increase in salary.

280. The Financial Position of the Polytechnic as at 31 December 2019 is shown in the table below:

**Statement of Financial Position as at 31 December 2019**

<table>
<thead>
<tr>
<th></th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-CURRENT Assets</td>
<td>6,888,762</td>
<td>7,128,353</td>
<td>(3.4)</td>
</tr>
<tr>
<td>CURRENT Assets</td>
<td>1,572,706</td>
<td>1,311,534</td>
<td>19.9</td>
</tr>
<tr>
<td>Total Assets</td>
<td>8,461,468</td>
<td>8,439,887</td>
<td>0.3</td>
</tr>
<tr>
<td>Non-CURRENT Liabilities</td>
<td>12,584,676</td>
<td>11,529,748</td>
<td>10.0</td>
</tr>
<tr>
<td>CURRENT Liabilities</td>
<td>124,155</td>
<td>13,580</td>
<td>814.3</td>
</tr>
<tr>
<td>Net Assets (Liabilities)</td>
<td>(4,247,361)</td>
<td>(3,103,441)</td>
<td>37.0</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>12.7:1</td>
<td>96.6:1</td>
<td></td>
</tr>
</tbody>
</table>

281. Non-Current Assets decreased by GH¢239,591 or 3.4% from GH¢7,128,353 in 2018 to GH¢6,888,762 in 2019. The decrease was due to the disposal of one the Polytechnic’s vehicles from its pool of motor vehicles.

282. Current Assets also increased by GH¢261,172 or 19.9% from GH¢1,311,534 in 2018 to GH¢1,572,706 in 2019. This was due to an increase in Accounts Receivables and Cash and Cash Equivalent.
283. Current Liabilities decreased by GH¢110,575 from GH¢13,580 in 2018 to GH¢124,155 in 2019 representing a decrease of 814.3%.

284. The Liquidity position measured by current ratio of 96.6:1 in 2018 and declined significantly to 12.7:1 in 2019, indicating that the Polytechnic is in a good position to meet its short term obligations.

**MANAGEMENT ISSUES**

**Issue of unapproved receipts for revenue collected – GH¢553,553.30**

285. Regulation 147 of the Public Financial Management Regulation 2019, (LI 2378), state amongst others that the Controller and Accountant-General is responsible for approving the form and content of value books and ordering supplies of value books from the printers.

286. We however noted that 502 receipt booklets of 50 sheets each obtained by the Polytechnic were not General Counterfoil Receipts (GCR) supplied by the Controller and Accountant-General’s Department (CAGD) or approved by same.

287. Subsequently, total revenue of GH¢553,553.30 collected for the year 2019 were supported with the unapproved receipts.

288. The Acting Director of Finance indicated that they did not comply because they believed the requirement applied to collections into the Consolidated Fund only. Moreover, as per normal practice with institutions of like nature, they wanted a branded receipt for the Polytechnic.

289. The use of receipt books not issued or approved by CAGD amounts to a breach of financial discipline which could aid in revenue malpractice due to inadequate security on the printing and supply of the receipt books.
290. We recommended to management to ensure that the Polytechnic used only receipt books issued or approved by CAGD to avoid sanctions for non-compliance.

291. Management noted our observation and promised to comply with our recommendation to seek approval from CAGD.

**Outstanding staff advances- GH¢16,620.00**

292. Regulation 32 (2) of Public Financial Management Regulation, 2019, L. I. 2378, requires that a Principal Spending officer of a covered entity shall take efficient and appropriate steps to collect money due to the covered entity.

293. We noted that advances granted to staff were not recovered within twelve (12) calendar months as required. At the time of audit, staff indebtedness stood at GH¢16,620.00.

Details are as below;

<table>
<thead>
<tr>
<th>No.</th>
<th>STAFF NAME</th>
<th>STAFF NO.</th>
<th>AMOUNT GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Edward Naabil</td>
<td>751325</td>
<td>2,500.00</td>
</tr>
<tr>
<td>2</td>
<td>Kasandra Seidu</td>
<td>751359</td>
<td>4,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Kpamah Cynthia Baane</td>
<td>751317</td>
<td>2,000.00</td>
</tr>
<tr>
<td>4</td>
<td>Martha Atinga</td>
<td></td>
<td>2,400.00</td>
</tr>
<tr>
<td>5</td>
<td>William Asulabaa</td>
<td>911142</td>
<td>720.00</td>
</tr>
<tr>
<td>6</td>
<td>Zangu-Rana I.D. Yakubu</td>
<td>751346</td>
<td>5,000.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>16,620.00</strong></td>
</tr>
</tbody>
</table>

294. We attributed this to management’s failure to assess staffs’ ability to refund by referring to applicants’ net salary before granting the advance.
295. Delay in recovering advances denies others the benefit of receiving the facility or management may have to misapply funds meant for other expenditure items to grant advances.

296. We recommended that management should ensure prompt recovery of advances to avoid lock-up funds with individuals.

297. Management responded that they had recovered a total of GH¢10,536.00 leaving an outstanding of GH¢6,084.00.

Rent not collected - GH¢12,600.00

298. Regulation 2 of Public Financial Management Regulation, 2019, (L I. 2378), requires that a Principal Spending officer of a covered entity shall take efficient and appropriate steps to collect money due to the covered entity.

299. We noted that management failed to collect rent due for the period 01/01/13 to 31/12/19 amounting to GH¢12,600.00 from Mr. David Nabdoya who continues to occupy a bungalow to date even though he became a separated staff on 01/01/13.

Details below;

<table>
<thead>
<tr>
<th>Period</th>
<th>No. of months</th>
<th>Rate/month (GH¢)</th>
<th>Total Rent (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/01/13 – 31/12/15</td>
<td>36</td>
<td>70.00</td>
<td>2,520.00</td>
</tr>
<tr>
<td>01/01/16 – 31/12/19</td>
<td>48</td>
<td>210.00</td>
<td>10,080.00</td>
</tr>
<tr>
<td>01/01/13 – 31/12/19</td>
<td>84</td>
<td>-</td>
<td>12,600.00</td>
</tr>
</tbody>
</table>

300. We however blamed management for failing to ensure that Mr. David Nabdoya vacated the premise when he was separated from the Polytechnic as required by the tenancy agreement/allocation letter.
301. Management’s inaction has resulted in lockup revenue and also denying other staff from having the opportunity to be allocated the premise.

302. We recommended that management should repossess the premise and also ensure full recovery of the rent outstanding amounting to GH¢12,600.00 from Mr. Nabdoya.

303. Management stated that Mr. David Nabdoya was the Finance Officer of the Polytechnic and had unresolved legal issues with the Polytechnic since January 1, 2012. They further stated that he sued the Polytechnic for wrongful dismissal and the case was still pending in court for which reason the Polytechnic had been unable to evict him or collect rent from him because he was entitled to a free accommodation as a Director of Finance.

304. We did not accept Management’s explanation primarily because Mr. Nabdoya, according to Management and records available, was suspended for failing to perform his duties as a Director of Finance in 2012 and subsequently vacated post since 2013. We also sighted a letter with reference no. BP/MDA/22 dated 20th December, 2019 indicating that he was working with Electricity Company of Ghana.

305. Management indicated that they were waiting on the court ruling to take the necessary action.

**Student Indebtedness to the Polytechnic- GH¢502,747.25**

306. Regulation 46 of the Public Financial Management Regulation, 2019 (L.I 2378) provides that, a Principal Spending Officer shall ensure that non-tax revenue is efficiently collected.

307. We noted during our audit review that 750 students were indebted to the Polytechnic to the tune of GH¢502,747.25 as at the end of the financial year. Details shown below:
SUMMARY OF STUDENTS INDEBTEDNESS BY COURSE

**Bolgatanga Polytechnic**

<table>
<thead>
<tr>
<th>Student Debtors</th>
<th>Particulars (Programmes)</th>
<th>No. of Student</th>
<th>Amount GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Accountancy</td>
<td>91</td>
<td>46,748.60</td>
</tr>
<tr>
<td></td>
<td>Agric Engineering</td>
<td>27</td>
<td>14,593.90</td>
</tr>
<tr>
<td></td>
<td>Bachelor of Tec. PSCM</td>
<td>51</td>
<td>74,676.80</td>
</tr>
<tr>
<td></td>
<td>Btech Accounting With Computing</td>
<td>38</td>
<td>56,895.30</td>
</tr>
<tr>
<td></td>
<td>B Tech Marketing</td>
<td>5</td>
<td>4,567.20</td>
</tr>
<tr>
<td></td>
<td>B-Tech Sec &amp;Mg't</td>
<td>4</td>
<td>4,218.00</td>
</tr>
<tr>
<td></td>
<td>Building Technology</td>
<td>69</td>
<td>35,502.10</td>
</tr>
<tr>
<td></td>
<td>Civil Engineering</td>
<td>26</td>
<td>11,930.30</td>
</tr>
<tr>
<td></td>
<td>Ecological Agric</td>
<td>31</td>
<td>16,176.60</td>
</tr>
<tr>
<td></td>
<td>HCIM</td>
<td>47</td>
<td>38,130.50</td>
</tr>
<tr>
<td></td>
<td>Industrial Arts</td>
<td>86</td>
<td>48,223.20</td>
</tr>
<tr>
<td></td>
<td>Marketing</td>
<td>20</td>
<td>9,828.85</td>
</tr>
<tr>
<td></td>
<td>Non-Tertiary Programmes</td>
<td>43</td>
<td>20,363.40</td>
</tr>
<tr>
<td></td>
<td>Part-Time Accountancy</td>
<td>24</td>
<td>11,123.00</td>
</tr>
<tr>
<td></td>
<td>Procurement &amp; Logistics</td>
<td>130</td>
<td>82,788.20</td>
</tr>
<tr>
<td></td>
<td>Professional Diploma</td>
<td>4</td>
<td>1,618.00</td>
</tr>
<tr>
<td></td>
<td>Secretaryship &amp; Management Studies</td>
<td>42</td>
<td>21,421.20</td>
</tr>
<tr>
<td></td>
<td>Statistics</td>
<td>12</td>
<td>3,942.10</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td></td>
<td><strong>750</strong></td>
<td><strong>502,747.25</strong></td>
</tr>
</tbody>
</table>

308. Management policy to allow students to pay 60% of the academic year’s fees in the first semester and remaining 40% in the second semester resulted in the increase in student indebtedness.

309. This anomaly can worsen the already difficult financial situation at the Polytechnic and could impact negatively on academic work.

310. We recommended to management to put in place effective fee collection strategies to ensure timely recovery of the debts due to the
Polytechnic. We further urged management to consider possible review of its policy.

311. Management responded that a total of GH¢336,385.00 had been recovered leaving an outstanding amount of GH¢166,362.25.

10% Scholarship fund not collected–GH¢20,022.70

312. Regulation 32 (2) of Public Financial Management Regulation, 2019(L. I. 2378), requires that a Principal Spending officer of a covered entity shall take efficient and appropriate steps to collect money due to the covered entity.

313. We noted that management failed to collect 10% Scholarship fund of GH¢20,022.70 from MAK-Edu Consult for total revenue of GH¢200,227.07 collected from students on their behalf for the use of Students Management Systems for the period 2013 to 2019.

314. Paragraph 23 of a Consultancy Agreement for the Provision of Information Technology Service with MAK-Edu Consult Limited signed on 7 March 2013 provides that “five percent (5%) of revenue generated from the use of the Students Management Systems at Bolgatanga Polytechnic shall be returned to Bolgatanga Polytechnic in the form of a scholarship scheme”. Furthermore, “another five percent (5%) shall be set aside to support staff development in terms of further studies in a Masters or PhD programs”.

315. Management could not offer reasons for failing to claim the scholarship fund not returned but explained that the unremitted collections for 2019 to MAK-Edu Consult Limited was due to the absence of invoice from the consultant.

316. Detailed revenue collection and percentage due the Polytechnic for the period 20 September 2013 to 31 December 2019 are as shown below:

<table>
<thead>
<tr>
<th>Date</th>
<th>Amount (GH¢)</th>
<th>5% Student Scholarship Fund (GH¢)</th>
<th>5% Staff Scholarship Fund (GH¢)</th>
<th>Total 10% (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>20/09/2013</td>
<td>19,734.00</td>
<td>986.70</td>
<td>986.70</td>
<td>1,973.40</td>
</tr>
<tr>
<td>16/02/2014</td>
<td>18,296.60</td>
<td>914.83</td>
<td>914.83</td>
<td>1,829.66</td>
</tr>
<tr>
<td>22/10/2014</td>
<td>24,438.52</td>
<td>1,221.93</td>
<td>1,221.93</td>
<td>2,443.85</td>
</tr>
<tr>
<td>30/01/2015</td>
<td>10,976.00</td>
<td>548.80</td>
<td>548.80</td>
<td>1,097.60</td>
</tr>
<tr>
<td>15/01/2016</td>
<td>31,597.50</td>
<td>1,579.88</td>
<td>1,579.88</td>
<td>3,159.75</td>
</tr>
<tr>
<td>11/10/2016</td>
<td>17,572.23</td>
<td>878.61</td>
<td>878.61</td>
<td>1,757.22</td>
</tr>
<tr>
<td>21/02/2017</td>
<td>16,351.51</td>
<td>817.58</td>
<td>817.58</td>
<td>1,635.15</td>
</tr>
<tr>
<td>12/03/2018</td>
<td>12,628.83</td>
<td>631.44</td>
<td>631.44</td>
<td>1,262.88</td>
</tr>
<tr>
<td>26/11/2018</td>
<td>21,912.00</td>
<td>1,095.60</td>
<td>1,095.60</td>
<td>2,191.20</td>
</tr>
<tr>
<td>31/12/2019</td>
<td>26,719.88</td>
<td>1,335.99</td>
<td>1,335.99</td>
<td>2,671.98</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>200,227.07</strong></td>
<td></td>
<td></td>
<td><strong>20,022.70</strong></td>
</tr>
</tbody>
</table>

317. The lapse was as a result of the failure of the Rector and the Director of Finance to follow up and ensure that the consultant complied with the contract dictates.

318. This has deprived beneficiary students and staff of Bolgatanga Polytechnic from benefiting from the scholarship scheme.

319. We recommended that the Director of Finance and the Rector should reconcile accounts with MAK-Edu Consult Limited to ensure that the 10% scholarship fund is received and applied as intended.

320. Management explained that, they have reached an agreement with MAK-Edu Consult that the Polytechnic would forgo the 10% scholarship fund in consideration for maintaining a fixed charge per student for the service.
321. We however noted that the said communiqué to forgo the scholarship fund was in 2019 and was also not officially acknowledged or responded to by MAK-Edu. We therefore reiterate our earlier recommendation to comply with the scholarship provision without fail or risk being sanctioned for loss of school funds.

**Procurement supervised by a one-man unit - GH¢45,355,000.00**

322. Section 19 of the Public Procurement (Amendment), Act 2016, Act 914 requires that the head of a covered entity shall establish a procurement unit which shall be headed and staffed by qualified procurement personnel.

323. Our audit revealed that the Polytechnic has a one-man procurement unit responsible for all procurement activities. For the year 2019 the Polytechnic procured goods and services to the value of GH¢45,355,000.00 through the one-man unit.

324. Management blamed lack of staff and delay in obtaining the necessary clearance from the Ministry of Finance for this lapse.

325. The situation has resulted in deploying accounts and budget officers to assist in the procurement process which in our view do not offer adequate control in procurement and payment process.

326. We recommended that management should intensify their effort in obtaining the clearance to enable the Polytechnic have the right compliment of staff at the procurement unit. We further recommended that management put in place adequate measures to ensure segregation of duty to avoid conflict of interest.

327. Management accepted our recommendation for compliance.
Acquisition and use of Accounting Software without Auditor-General’s approval- GH¢5,750.00

328. Section 11 of the Audit Service Act 2000 (Act 584) states that all financial and accounting systems in respect of the accounts provided under subsection (1) shall be subject to prior approval of the Auditor-General and any change in such system shall be notified to the Auditor-General and shall be subject to prior approval before implementation.

329. Our audit revealed that the management of the Bolgatanga Polytechnic procured and put to use an ERP 9 Accounting Tally Software (9 users) at a cost of GH¢5,750.00 from M/S Forster Dankyi IT Services for its financial operations without seeking prior approval from the Auditor General.

330. Management failure to adequately equip themselves with financial rules and regulations may be attributed to this anomaly.

331. This could result in the procurement of pirated or unlicensed applications.

332. We recommended to management to seek approval from the Auditor-General to regularize the use of the application. We also recommended to management to ensure compliance in future to avoid sanctions.

333. Management accepted our observation and promised to immediately seek approval from the Auditor-General.

Contract payments not supported with acceptance letters and contract agreements- GH¢89,523.76

334. Section 65 of Public Procurement Act, 2003, as amended states that a tender that has been ascertained to be the successful tender in accordance with this Act shall be accepted and notice of acceptance of the tender shall be given within 30 days of the acceptance of the tender to the supplier or
contractor submitting the tender. Where the tender documents require the supplier or contractor whose tender has been accepted to sign a written procurement contract conforming to the tender, the procurement entity and the supplier or contractor shall sign the procurement contract within 30 days after the notice referred to in subsection (1) is dispatched to the supplier or contractor.

335. Our review of the Polytechnic’s contract documents revealed that contracts awarded to the tune of GH¢89,523.76 to 8 contractors were without acceptance letters and contract agreements. See details below:

<table>
<thead>
<tr>
<th>No.</th>
<th>Payment Date</th>
<th>PV No.</th>
<th>Chq No.</th>
<th>Payee</th>
<th>Purpose</th>
<th>Amount GH¢</th>
<th>Remarks</th>
<th>A/C Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>05/04/19</td>
<td>04/01/19</td>
<td>912964</td>
<td>V3 Educational Bookshop</td>
<td>Payment for stationery</td>
<td>6,890.70</td>
<td>*No acceptance letter *No contract agreement signed</td>
<td>ADB</td>
</tr>
<tr>
<td>2</td>
<td>02/09/19</td>
<td>09/02/19</td>
<td>913042</td>
<td>Nobiga Enterprise</td>
<td>Being payment for stationery</td>
<td>11,330.00</td>
<td>*No acceptance letter *No contract agreement signed</td>
<td>ADB</td>
</tr>
<tr>
<td>3</td>
<td>16/09/19</td>
<td>09/09/19</td>
<td>912407</td>
<td>Titiaka Boresa Ventures</td>
<td>Being payment for clothing &amp; uniform</td>
<td>11,381.00</td>
<td>*No acceptance letter *No contract agreement signed</td>
<td>ADB</td>
</tr>
<tr>
<td>4</td>
<td>05/11/19</td>
<td>11/11/19</td>
<td>913118</td>
<td>Waller Micro Systems</td>
<td>Being payment for Toners</td>
<td>11,227.00</td>
<td>*No acceptance letter *No contract agreement signed</td>
<td>ADB</td>
</tr>
<tr>
<td>5</td>
<td>20/11/19</td>
<td>11/25/19</td>
<td>913137</td>
<td>Akili A Enterprise</td>
<td>Being payment for the supply of electrical material</td>
<td>9,447.16</td>
<td>*No acceptance letter *No contract agreement signed</td>
<td>ADB</td>
</tr>
<tr>
<td>6</td>
<td>05/03/2019</td>
<td>03/03/2019</td>
<td>000375</td>
<td>A. Hayford Electrical</td>
<td>Payment for HT Underground</td>
<td>13,424.20</td>
<td>No acceptance letter *No contract</td>
<td>HND A/C</td>
</tr>
</tbody>
</table>
71


<p>| | | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>03/02/19</td>
<td>12/15/19</td>
<td>000618</td>
<td>Waller Micro System</td>
</tr>
<tr>
<td>8</td>
<td>26/09/19</td>
<td>9/7/19</td>
<td>-</td>
<td>SS Sarpong Supplier</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

336. This anomaly was due to failure by the procurement officer to insist on the acceptance letters and signed agreements before allowing services to be rendered or goods supplied by the successful tenderer.

337. The absence of these documents poses legal risks in the occurrence of a breach by either party.

338. We recommended to Management to desist from this practice and henceforth ensure that all future contracts awarded are duly accepted in written form and contract agreements signed before execution to avoid possible legal consequences. We also recommended that officers responsible for such infractions should be sanctioned accordingly.

339. Management noted our recommendation for compliance.

**Acquisition of software (Caseware Idea) not put to use – GH¢24,699.48**

340. Section 7 of the Public Financial Management Act, 2016 (Act 921) provides that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

341. We noted during our review that management of Bolgatanga Polytechnic procured an Information Technology Internal Audit software at a cost of GH¢24,699.48 from M/S Akanfaba Enterprise in March 2018.
342. Our audit further revealed that, the software, which was noted to be funded by GET Fund, was delivered to the Polytechnic on 07 January 2019 and is yet to be put to use. We found that the acquisition of the software was recommended in 2013 but actual procurement process started in 2016.

343. However, minutes of the 46th regular meeting of the Governing Council of the Polytechnic held on Friday 25th October, 2019 indicated that the Council eventually decided against the use of the already procured software as per the following recorded statement:

344. “Transactions of the Polytechnic were relatively small and did not necessarily require the use of such software. Furthermore, Council members noted that Government decision to role all public institutions onto the (GIFMIS) make the use of software to manage transactions no longer useful”.

345. Lack of reliable IT strategic plan and appropriate due diligence in the acquisition of the relevant software could be the cause of this finding.

346. We recommended that management should immediately constitute an IT steering Committee to recommend the way forward for the software acquired and ensure that the Polytechnic derives value from it, failing which persons responsible for the loss of state funds in acquiring the non-relevant software be held liable.

347. Management noted our observation and indicated that putting the software to use had only delayed but not a financial loss since they anticipate using it in the future.

348. We however reminded management that software revolves very rapidly and delays may render them irrelevant by the time they are deployed for use. We therefore urged management to expedite action or risk being sanctioned for causing loss of state funds.
**IT equipment not adequately secured -GH¢160,000.00**

349. Regulation 7 of the Public Financial Management Act, 2016 (Act 921) states that, a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

350. During the verification of Bolgatanga Polytechnic’s IT Assets with estimated value of GH¢160,000.00, we observed the following;

351. Though the Polytechnic had several IT laboratories, a visit to the main ICT Lab revealed that none of the 84 desktops was protected by an Uninterrupted Power Supply (UPS).

352. The air conditioners were old and not good enough to keep the room and computers at recommended temperature of between 10 - 28°C.

353. The room hosting the server also doubled as an office for the IT Unit. Also, the server delivered on 7 January 2019 valued at GH¢43,703.12 was not racked and easily accessible by anyone who enters the room.

354. The Head of IT unit’s inability to put in appropriate and adequate measures to safeguard the IT equipment’s and the lack of supervision by the Registrar led to the condition.

355. These lapses could render the Polytechnic’s IT assets vulnerable to frequent damages, systems malfunction, misuse and theft.

356. We recommended that adequate measures should be put in place by management to address the situation.
357. Management noted our observation for compliance and stated that implementation of the above recommendation would be addressed by December, 2020.

Below are pictures taken during audit inspection.

*Server not racked and properly secured at server room*

*Computers at ICT lab not protected from dust*

**Internal Audit Unit not defined on accounting software**

358. Section 83 of the Public Financial Management Act 2016, (Act921) requires that an Internal Auditor of the Internal Audit Unit of a covered entity shall appraise and report on the soundness and application of the system of controls operating in the covered entity.
359. We observed that the Internal Auditor does not audit the revenue and other relevant modules through the MAK-Edu and the Tally Systems being used by the Polytechnic to manage the accounts and produce reports on the effectiveness or otherwise of the system as expected.

360. The Internal Audit Unit asserted that they do not have access to the MAK-Edu and the Tally Systems thus are not able to appraise the system and consequently report on them.

361. The inability of the Internal Auditor to appraise the system makes the control risk to be high and could lead to undetected fraud and material misstatement in the Financial Statements.

362. We recommended to management to define the Internal Auditor on the system to enable her effectively appraise all modules of the MAK-Edu and the Tally Systems in order to forestall the occurrence of fraud or other financial malpractices to the detriment of the Polytechnic.

363. Management responded that they would take the necessary steps to get the Internal Audit Directorate linked to the Mak-Edu and the Tally systems by the end of October 2020.

364. We however urged management to ensure an immediate action on the situation because of the essential role Internal Audit play in managing resources.

**Failure to declare Assets and Liabilities**

365. Article 286 (1) of the 1992 Constitution states “A person who holds a public office mentioned in clause (5) of this article shall submit to the Auditor-General a written declaration of all property or assets owned by, or liabilities owed by, him whether directly or indirectly

(a) within three months after the coming into force of this Constitution or before taking office, as the case may be;
(b) at the end of every four years; and  
(c) at the end of his term of office.”

366. Contrary to the above provisions, we noted that management and other eligible officers failed to declare their assets and liabilities.

367. Management’s failure to attach importance to the requirement has led to this infraction.

368. The non-compliance of the law stated above does not promote good governance, probity, accountability and transparency of public officers in public finance management. The irregularity would also defeat the fight against corruption in public service.

369. We recommended to management to ensure that all eligible officers of the Polytechnic, whose salaries or positions require them to declare, do so and make available their respective declaration certificates. Failing, which they would be dealt with in accordance with Article 286 of the Constitution.

370. Management noted our recommendation for compliance and added that the Rector will ensure that all eligible officers of the Polytechnic declare their Assets and Liabilities latest by October 2020.

**Failure to approve Policy Documents for official implementation**

371. Section 90 of the Public Financial Management Act 2016, Act (Act921) states “the governing body of a public corporation or state-owned enterprise shall establish and maintain;

i) policies,

ii) procedures,

iii) risk management and internal control systems, and

iv) governance and management practices, to ensure that the public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established.”
During our review, we noted that ten (10) of the Polytechnic’s Policy documents were in draft and yet to be approved by the Council to help in managing the Polytechnic’s resources to achieve its goals. Details are as shown below.

**List of Draft Policy Documents**

<table>
<thead>
<tr>
<th>NO.</th>
<th>POLICY DOCUMENTS</th>
<th>STATUS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Accounting Manual</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>2.</td>
<td>Human Resource Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>3.</td>
<td>Maintenance Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>4.</td>
<td>Industrial Collaboration Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>5.</td>
<td>Transport Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>6.</td>
<td>Disability Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>8.</td>
<td>Business Development &amp; Entrepreneurship Policy</td>
<td>Draft stage yet to be approved</td>
</tr>
<tr>
<td>9.</td>
<td>Sexual Harassment Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
<tr>
<td>10.</td>
<td>Health, Safety and Environment Policy</td>
<td>Draft stage yet to be approved.</td>
</tr>
</tbody>
</table>

We attributed the lapse to the Governing Council’s failure to ensure that the draft documents are approved for implementation.

Absence of approved policy guidelines could lead to inefficiencies in the Polytechnic’s operations.

We urged management to ensure that the Polytechnic Council approved these policy documents, to guide management in its operations.
376. Management noted our observation and has tasked the Registrar to ensure that the policy documents are sent for approval at the Governing Council’s third quarter meeting slated in October, 2020.

**Absence of Business Continuity and Disaster Recovery Plans**

377. Section 90 of the Public Financial Management Act 2016, Act (Act 921) requires that the governing body of a public corporation or state-owned enterprise shall establish and maintain risk management and internal control systems.

378. Best IT management practice also demands that an institution should have a Disaster Recovery and Business Continuity Plans. The documents should be well communicated to staff, and the backups safely kept in the institution as well as off-site.

379. Our audit revealed that the Polytechnic did not have a Business Continuity and Disaster Recovery plans to ensure no loss of information and continuity of the Polytechnic’s activities.

380. Management’s lukewarm attitude towards the development of the Disaster Recovering and Business Continuity Plans resulted in the anomaly.

381. The Polytechnic may not be able to undertake adequate measures to safeguard its resources in the event of disasters.

382. We recommended to management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operations in case of systems failure and/or disaster.

383. Management noted our observation for compliance and said a committee would be set up to develop one for the Polytechnic by the end of October 2020.
Absence of an IT Strategic Plan

384. Best practice in the management of Information and Communication Technology (ICT) require that Management of organizations put in place an Information Technology (IT) Strategic Plan to manage and direct all IT resources in line with the organization’s overall strategy and priorities.

385. The IT function and organization’s stakeholders are responsible for ensuring that optimal value is realised from projects and service portfolios. The strategic plan improves key stakeholders’ understanding of IT opportunities and limitations, assesses current performance, identifies capacity and human resource requirements and clarifies the level of investments required.

386. We observed that management of Bolgatanga Polytechnic did not have an approved IT Strategic Plan to align IT investments with the Polytechnics overall Strategic Business objectives.

387. The anomaly is as a result of failure of the Head of IT to educate management on the importance and need for an IT Strategic Plan.

388. Lack of IT Strategy could lead to uncoordinated IT investment which may not be in line with the overall business strategy of the Polytechnic to help achieve its goals.

389. We recommended that management ensures that an approved IT Strategic Plan is developed to align IT investments with the overall business strategy of the Polytechnic and updated to meet current trends.

390. Management has noted our recommendation and has tasked the ICT unit to develop an IT Strategic Plan for the Polytechnic which would be made available to us for review.
Absence of IT Steering Committee

391. An IT Steering Committee is to oversee the IT functions and its activities. A high level steering committee for Information System is an important factor in ensuring that the IT department is in harmony with the enterprise mission and objectives. The Committee should include representatives from senior management. The functions of the Committee are to:

a. Review the long and short range plans of the IT department to ensure that they are in accordance with the corporate objectives.
b. Review and approve major acquisitions of hardware and software within the limits approved the board of directors.
c. Approve and monitor major projects and the status of IS plans and budgets, establish priorities, approve standards and procedures and monitor overall IS performance and
d. Review adequacy of resources and allocation of resources in terms of time, personnel and equipment among others.

392. Our interview with the Head of the IT revealed that the Polytechnic did not have an IT Steering Committee or its equivalent to oversee IT investments and operations.

393. This lapse was due to management’s failure to recognise the need to have an IT committee or its equivalent in place.

394. Absence of the ICT Steering Committee or its equivalent in managing the Polytechnic’s ICT resources and projects has led to lapses in the implementation of IT projects such as E-library initiative, third-party service deliverables and performances.
395. We recommended to management to constitute the IT Steering Committee or its equivalent with defined terms of reference with representation from critical units and/or departments.

396. Management noted our observation for compliance.

**CAPE COAST TECHNICAL UNIVERSITY**

**Introduction**

397. This report relates to the audited accounts of the Cape Coast Technical University for the period 1 January 2019 to 31 December 2019.

**Operational Results**

398. The operations of the Cape Coast Technical University for 2019 financial year, ended with a deficit of GH¢433,421 as compared with a surplus of GH¢170,811, in the previous year 2018.

Details are provided in table below:

**Income & Expenditure for the year 2019**

<table>
<thead>
<tr>
<th>Income</th>
<th>2019</th>
<th>2018</th>
<th>Diff.</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoG Subvention</td>
<td>18,261,509</td>
<td>15,334,181</td>
<td>2,927,328</td>
<td>19.09</td>
</tr>
<tr>
<td>Internally Generated Fund</td>
<td>6,363,737</td>
<td>6,698,338</td>
<td>-334,601</td>
<td>5.00</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>24,625,246</strong></td>
<td><strong>22,032,519</strong></td>
<td><strong>2,592,727</strong></td>
<td><strong>11.7</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees compensation</td>
<td>17,992,278</td>
<td>15,201,349</td>
<td>2,790,929</td>
<td>18.36</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>7,066,389</td>
<td>6,660,359</td>
<td>406,030</td>
<td>6.10</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>25,058,667</strong></td>
<td><strong>21,861,708</strong></td>
<td><strong>3,196,959</strong></td>
<td><strong>14.62</strong></td>
</tr>
</tbody>
</table>

Income Surplus/Deficit      | -433,421 | 170,811  | -604,232 | 35.54
399. Total Income increased by GH¢2,592,727.00 representing 11.77%, from GH¢22,032,519 in 2018 to GH¢24,625,246 in 2019. The increase was due to increase in GOG Subvention from GH¢15,334,181 in 2018 to GH¢18,261,509 representing 19.10%. The increase was mainly as a result of salary increment and engagement of new staff at the University. However, Internally Generated Fund (IGF) decreased by GH¢334,601 from GH¢6,698,338 in 2018 to GH¢6,363,737 in 2019, representing a 5% decrease.

400. Total Expenditure for the period also increased by GH¢3,196,959 from GH¢21,861,708 in 2018 to GH¢25,058,667 in 2019. The 14.62% increase was largely due to increment in wages and salary in 2019.

**Financial Position**

The Financial Position of the University as at 31 December 2019 is shown below:

<table>
<thead>
<tr>
<th></th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>Incr/Decr GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,410,099</td>
<td>10,010,326.66</td>
<td>600,227.77</td>
<td>5.99</td>
</tr>
<tr>
<td>Current Assets</td>
<td>3,645,639</td>
<td>3,688,983.12</td>
<td>43,344.12</td>
<td>1.17</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td>13,055,738</td>
<td>13,699,309.78</td>
<td>643,571.77</td>
<td>4.69</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>1,952,655</td>
<td>2,162,806.62</td>
<td>210,151.62</td>
<td>9.71</td>
</tr>
<tr>
<td>Net Assets</td>
<td>11,103,083</td>
<td>11,536,503.16</td>
<td>433,419.76</td>
<td>3.76</td>
</tr>
<tr>
<td><strong>Current ratio</strong></td>
<td>1.86:1</td>
<td>1.7:1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

401. Non-Current Assets decreased by GH¢600,227.66 representing 5.99%, from GH¢10,010,326.66 in 2018 to GH¢9,410,098.89 in 2019. This was due to depreciation charges for the year.
402. Current Assets also decreased by GH¢183,966 representing 5% from GH¢3,688,983 in 2018 to GH¢3,505,017 in 2019. This was due to substantial decrease in bank balances from 2018 to 2019.

403. Current liabilities decreased by GH¢350,774 from GH¢2,162,807 in 2018 to GH¢1,812,032 in 2019 representing a decrease of 16%.

404. The liquidity position represented by current ratio increased from 1.7:1 in 2018 to 1.9:1 in 2019 indicating that the University has increased its ability to meet its short-term obligations as and when they fall due.

** MANAGEMENT ISSUES

**Failure to Retire Imprest: - GH¢10,898.90

405. Regulation 102 (2) of the Public Financial Management Regulation 2019 (L.I. 2378) states that, a special imprest, issued for making a particular payment or group of payments shall be fully retired within ten days after completion of the activity.

406. We noted from our review of the records that the University granted accountable imprest amounting to GH¢102,800.00 to 28 officers for various activities. However, as at the time of writing the report, and after considering management response to the observation, nine officers have not retired their imprests of GH¢10,898.90.
Details are provided below:

**Failure To Retire Imprest (Outstanding Imprest): - Ghs10,898.90**

<table>
<thead>
<tr>
<th>DATE</th>
<th>PV NO.</th>
<th>CHEQUE NO.</th>
<th>PAYMENT FOR</th>
<th>PAYEE</th>
<th>IMPREST GRANTED</th>
<th>AMT RETIRED</th>
<th>UNRETIRED AMT (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>16/4/19</td>
<td>April 19072</td>
<td>ZN003494</td>
<td>Imprest for fuel on official trips</td>
<td>Vice Chancellor</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>11/4/2019</td>
<td>April 19048</td>
<td>ZN003461</td>
<td>Office Consumable</td>
<td>Director of Finance</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td></td>
</tr>
<tr>
<td>14/3/19</td>
<td>Mar 19126</td>
<td>ZN003224</td>
<td>Repairs of Vehicles</td>
<td>Benjamin Essuman</td>
<td>500</td>
<td>500</td>
<td></td>
</tr>
<tr>
<td>2/4/2019</td>
<td>April 19002</td>
<td>ZN003273</td>
<td>Accreditation Conference</td>
<td>F.K. Kemavor</td>
<td>800</td>
<td>800</td>
<td></td>
</tr>
<tr>
<td>26/4/19</td>
<td>APRIL 19123</td>
<td>ZN003591</td>
<td>Imprest to chaplaincy Board to cater for music.</td>
<td>Rev. Edu Buandoh</td>
<td>840</td>
<td>840</td>
<td></td>
</tr>
<tr>
<td>25/4/19</td>
<td>APRIL 19102</td>
<td>ZN003574</td>
<td>Imprest for the purchase of materials for pre-school.</td>
<td>Esther Bohan</td>
<td>7,780.00</td>
<td>5,830.00</td>
<td>1,950.00</td>
</tr>
<tr>
<td>28/11/19</td>
<td>368</td>
<td>GT000797</td>
<td>Imprest to repair of defunct washroom</td>
<td>Gabriel A. Hagan</td>
<td>7,453.00</td>
<td>6,904.10</td>
<td>548.9</td>
</tr>
<tr>
<td>11/3/2019</td>
<td>79</td>
<td>CBG001586</td>
<td>Imprest for 3days trip to northern region</td>
<td>Micheal Kissi</td>
<td>2,000.00</td>
<td>2,000.00</td>
<td></td>
</tr>
<tr>
<td>17/4/19</td>
<td>APRIL 19096A</td>
<td>ZN003543</td>
<td>Honorarium for external assessors</td>
<td>Finance Director</td>
<td>1,350.00</td>
<td>1,350.00</td>
<td></td>
</tr>
<tr>
<td>26/3/19</td>
<td>Mar 19141</td>
<td>ZN003258</td>
<td>Adverts Congregation</td>
<td>Anita Felbah</td>
<td>910</td>
<td>910</td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>23,633.00</strong></td>
<td><strong>12,734.10</strong></td>
<td><strong>10,898.90</strong></td>
</tr>
</tbody>
</table>
407. Management’s inability to establish a system of control that will ensure prompt retirement of the imprest have accounted for the lapse.

408. The situation could lead to diversion of public funds to the detriment of the University as the expected time for retirement is long overdue.

409. We urged management to convert the outstanding imprest to advances in names of the officers and ensure the recovery of the amount before new ones are granted to them.

410. Management responded that the imprest have since been retired and are available for our perusal.

**Overdue staff advances GH¢71,475.93**

411. Section 7 of the Public Financial Management Act, 2016 demands that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity;

412. We noted that salary advances amounting to GH¢71,475.93 granted to 44 officers between 2016 and 2018 remained unpaid. The University could not also, provide proof of due diligence being followed in granting those advances, as new advances were being granted to officers with outstanding ones.

413. The inability of the Director of Finance’s to strictly adhered to the PFM Act had accounted for the anomaly.

414. The situation could stifle the financial stability of the University, as no effort is being made to retrieve the funds.

415. We urged the Director of Finance to retrieve the advances totalling GH¢71,475.93 from the officers without further delay by deducting it at
source from their salaries to avoid sanctions. Management should also desist from granting advances to officers with outstanding advances.

416. Management responded that a total of GH¢24,566.31 had been recovered leaving an outstanding of GH¢46,909.62 without providing evidence for our verification.

Unsupported payments: - GH¢9,670.63

417. Section 7 of the Public Financial Management Act, 2016 (Act 921) requires that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

418. Our review of Bills of Quantities of two contracts amounting to GH¢159,897.62 revealed that, the Contractors charged Value Added Tax (VAT) and contingencies without providing VAT invoices and justification for the utilization of the contingencies.

Details are below:

<table>
<thead>
<tr>
<th>DATE</th>
<th>PV NO.</th>
<th>CHQ. NO.</th>
<th>DETAILS</th>
<th>PAYEE</th>
<th>AMT</th>
<th>VAT/ CONTEGE CY GH¢</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/3/19 &amp; 11/4/19</td>
<td>23 &amp; 31</td>
<td>GT000126/135</td>
<td>Mobilisation and final payment</td>
<td>Stormers Solutions</td>
<td>85,047.62</td>
<td>2,608.23</td>
<td>VAT Charged without VAT invoice</td>
</tr>
<tr>
<td>25/4/19, 21/6/19, 4/11/19</td>
<td>35 &amp; 293</td>
<td>GT000140/174/629</td>
<td>Mobilisation, cert. 2 and final payment</td>
<td>God Factor Com.Ltd</td>
<td>74,850.00</td>
<td>1,981.98</td>
<td>VAT Charged without VAT invoice</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>159,897.62</td>
<td>9,670.63</td>
<td>5% Contingency of (69,225.21)</td>
</tr>
</tbody>
</table>
419. The Director of Finance (DOF) and the Director of Works and Physical Development (DWPD) failed to scrutinize the bill of quantities to ensure that the required supporting documents for the charges were available before payments were made.

420. This lapse has led to unjustified payment of GH₵ 9,670.63 to the contractors.

421. We recommended that the DOF and DWPD should ensure that God Factor Company Limited and Stormers Solutions refund the total amount of GH₵9,670.63, failing which the DOF and DWPD shall be surcharged with the amount.

422. Management responded that the suppliers have agreed to pay the VAT component to GRA but maintained that there is justification for the 5% contingency.

423. Management however, did not provide any evidence to its claim. We therefore, reiterate our recommendation for compliance.

**Student debtors GH₵1,398,869.02**

424. Regulation 46 of the Public Financial Management Regulation (PFMR) 2019 (LI 2378) demands that a Principal Spending Officer shall ensure that non-tax revenue is efficiently collected.

425. Regulation 49 of the same PFMR also specify that a public officer who fails to comply with the regulation on collection, accounting and disclosure in respect of non-tax revenue including internally generated funds is in breach of section 96 of the Public Financial Management Act, 2016(Act 921).

426. We noted that Management failed to collect fees and funds due the University from students. Funds totalling GH₵1,398,869.02 have not been
collected as expected and some of the funds were overdue and the debtors have left the school. Summary of details are as below:

<table>
<thead>
<tr>
<th>Category of Debtors</th>
<th>Amount GH₵(as at 31/12/19)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Students</td>
<td>1,383,038.02</td>
</tr>
<tr>
<td>Hall occupants</td>
<td>15,831.00</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>1,398,869.02</strong></td>
</tr>
</tbody>
</table>

427. The inability of the Director of Finance to enforce the collection of internally generated funds and advances have accounted for the lapse.

428. The situation could weaken the financial of the University.

429. We urged the Director of Finance to ensure that all due fees and advances totalling GH₵1,398,869.02 are promptly recovered from the students to improve the financial strength of the University.

430. Management responded that as part of its strategy to attract students and increase enrolment into the institution, they came out with a policy where students are made to pay 70% of fees for the academic year in the first semester and the remaining 30% at the commencement of the second semester. This is to help achieve the government’s vision of making education accessible and its financing convenient for all and not the preserve of the rich. Besides, what really accounted for the student debtors’ amount is not lack of efforts to collect but simply the overlap of the academic year with the government financial year. The financial year ends in December which falls in the first semester and by which time only the 70% for the first semester would have been paid leaving the 30% in arrears.

**Unpaid Utility Bills:-GH₵1,340,845.31**

431. Regulation 78 of the Public Financial Management Act 2016, (Act 921) requires that A Principal Spending Officer shall, plan and manage the
activities of a covered entity in accordance with the policy statement and financial estimates of that covered entity.

432. We noted that management owed utility bills from 2017 to 2019 to the tune of GH¢1,340,845.31. The summary are as follows:

<table>
<thead>
<tr>
<th>UTILITY</th>
<th>PAYABLE AS AT 31/12/19 GH¢</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>ELECTRICITY</td>
<td>895,815.67</td>
<td>Owed to ECG</td>
</tr>
<tr>
<td>WATER</td>
<td>445,029.64</td>
<td>Owed to GWCL</td>
</tr>
<tr>
<td></td>
<td>1,340,845.31</td>
<td></td>
</tr>
</tbody>
</table>

433. The anomaly was caused by management’s failure to pursue government through NCTE for the payment of the bills.

434. The University stands the risk of being disconnected by the Electricity Company of Ghana (ECG) and the Ghana Water Company Limited (GCWL). This could bring academic activities to a halt.

435. We recommended that management should pursue government through NCTE to release funds for the settlement of the bills to forestall disconnections.

436. Management responded that they have forwarded all electricity and water bills to N.C.T.E. for payment as utilities used to be catered for by the Government through the National Council for Tertiary Education (N.C.T.E).

**Transacting Business with Suppliers without Tax and SSNIT clearance Certificates: GH¢443,516.68**

437. Section 22 of the Public Procurement (Amendment) Act, 2016 (Act 914) requires that a tenderer in public procurement shall fulfill its obligations to pay taxes and social security contributions and have paid the compensation due for damage to property by pollution. A tenderer may
however be disqualified for failure to remedy the deficiency promptly on request by the procurement entity.

438. Our review of the Supplier Database of the University revealed that, management procured goods amounting to GH₵443,516.68 from 13 suppliers whose registration particulars like Tax and SSNIT clearance certificates were either expired or non-existent to qualify them to participate in public procurements.

439. This occurred because the Entity Tender Committee (ETC) failed to ensure that the relevant qualifying documents were available before buying goods from them.

440. The University stands the risk of dealing with insolvent and illegal business owners that have no legal capacity to enter into contract.

441. We recommended to the Vice Chancellor to desist from such practices and ensure that in future all suppliers of goods and services are qualified before allowing them participate in procurement processes. Meanwhile, the Vice Chancellor and the head of the procurement shall be sanctioned in accordance with Section 51 of the Public Procurement (Amendment) Act.

442. Management accepted our recommendation.

**Charging VAT without Issuing VAT Invoices: GH₵4,468.39**

443. Section 41 (1) of the Value Added Tax Act, 2013 (Act 870) provides that a taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner General.
444. On the contrary, we observed that four suppliers charged VAT totalling GH¢4,468.39 on the goods and services in the sum of 33,996.39 supplied to the University without issuing VAT invoices.

Details provided in the table below:

**VAT charged without VAT invoices**

<table>
<thead>
<tr>
<th>No.</th>
<th>Cheque No.</th>
<th>Details</th>
<th>Beneficiary / Payee</th>
<th>Amount (GH¢)</th>
<th>VAT charged without VAT Invoice (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>78</td>
<td>641746</td>
<td>One skip Waste Container</td>
<td>Coastal Management Service Ltd</td>
<td>11,050.00</td>
<td>1,103.00</td>
</tr>
<tr>
<td>137</td>
<td>33</td>
<td>Payment of Street Light</td>
<td>Anapet Ventures</td>
<td>15,721.96</td>
<td>2,300.00</td>
</tr>
<tr>
<td>177</td>
<td>420</td>
<td>Hotel accommodation</td>
<td>Institute Of Education (UCC)</td>
<td>3,031.80</td>
<td>515.11</td>
</tr>
<tr>
<td>MAR1 9085A</td>
<td>ZN000329</td>
<td>1 Maintenance of Generator</td>
<td>Anointed Electrical Eng. Serv. Ltd.</td>
<td>4,192.63</td>
<td>550.28</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Total</td>
<td><strong>33,996.39</strong></td>
<td><strong>4,468.39</strong></td>
</tr>
</tbody>
</table>

445. The Director of Finance’s failure in ensuring that all the necessary invoices were available before payments were made occasioned this anomaly.

446. In the absence of the VAT invoices, we were unable to determine whether the VAT component of GH¢4,468.39 was paid to the GRA.

447. We recommended that the Director of Finance should ensure that the suppliers provide the VAT invoices or refund the VAT amount of GH¢4,468.39, failing which the DFO should be made to refund the VAT amount.

448. Management responded that GH¢2,168.39 out of the amount has been recovered from three of the four suppliers. Anapet Ventures has accepted responsibility to refund the remaining amount of GH¢2,300.00.
Failure to Deduct Taxes: -GH¢7,331.28

449. Section 116 of the Income Tax Act, 2015 (Act 896) provides that a resident person shall withhold tax at the rate provided for in paragraph 8 of the first schedule.

450. Contrary to the provision above, management paid an amount of GH¢36,656.40 to staff as PASS Project Coordinator’s Allowances without withholding the required 20% tax of GH¢7,331.28. Details are shown below:

<table>
<thead>
<tr>
<th>Date</th>
<th>Chq No.</th>
<th>Details</th>
<th>Payee</th>
<th>Amount</th>
<th>Tax (20%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>26-Mar-19</td>
<td>MAR 191135</td>
<td>Pass Project co-ordination’s Allowance</td>
<td>Various</td>
<td>36,656.40</td>
<td>7,331.28</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>36,656.40</strong></td>
<td><strong>7,331.28</strong></td>
</tr>
</tbody>
</table>

451. This was caused by the reluctance of management to comply with the provisions of Section 116 of Act 896.

452. The lapse has led to a loss of revenue of GH¢7,331.28 to the state.

453. We recommended that the Vice Chancellor and Director of finance should pay the amount of GH¢7,331.28 to GRA and pursue for the recovery from the beneficiary staff.

Management responded that the Coordinator has dully paid the tax to the GRA and the receipt is available for verification.

Unearned Salary: -GH¢4,754.62

454. Regulation 92 of the Public Financial Management Regulations, 2019 (L. I. 2378) provides that a Principal Spending Officer of a covered entity shall ensure the immediate stoppage of salary to Public Service and notify the Controller and Accountant General on the death of an employee. The head of a covered entity shall take the necessary action to retrieve any unearned compensation.
455. On the contrary, we noted that two officers who died in April and September 2019 respectively, were validated for the months of May, October and November 2019. As a result, unearned salary totalling GH₵4,754.62 was credited to their bank accounts.

Details are attached below:

<table>
<thead>
<tr>
<th>NO.</th>
<th>NAME</th>
<th>SID</th>
<th>RANK</th>
<th>DETAILS</th>
<th>EFFECTIVE DATE</th>
<th>MONTH</th>
<th>SALARY</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>ANTHONY FOSTER</td>
<td>761248</td>
<td>JNR. SECURITY ASST.</td>
<td>DECEASED</td>
<td>27/09/2019</td>
<td>OCT.19</td>
<td>1,757.81</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>NOV. 19</td>
<td>1,757.81</td>
</tr>
<tr>
<td>2</td>
<td>KOBINA EFFRAIM</td>
<td>761347</td>
<td>JNR.LIBRARY ASST.</td>
<td>DECEASED</td>
<td>26/04/2019</td>
<td>MAY19</td>
<td>1,239.00</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>4,754.62</td>
</tr>
</tbody>
</table>

456. This was caused by the failure of the Schedule Officer to ensure that salary payments of the separated staff were discontinued during the first month of separation. Management did not also inform the respective banks to cease the payments as a way of retrieving the unearned salary.

457. The amount of GH₵4,754.62 has been lost to the State.

458. We recommended that the amount of GH₵4,754.62 should be retrieved from the beneficiaries and paid back to the consolidated fund, failing which management should refund the amount.

459. Management responded that they sent input to the Controller and Accountant General’s Department (CAGD) for the names to be deleted, however, CAGD failed to delete the names.

**Study Leave without Bonding**

460. Article 15.6 (g) of the Conditions of Service for Senior Staff and Senior Members of the Polytechnic Teachers Association of Ghana (POTAG) provides that employees granted study leave shall be made to sign bonds before proceeding on the course.
461. Contrary to the provision above, six officers who were granted study leave with pay between 2018 and 2019 failed to sign bonds

Details provided below:

<table>
<thead>
<tr>
<th>NO.</th>
<th>NAME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Gabriel Mwinkume</td>
</tr>
<tr>
<td>2</td>
<td>Mr. Henry Blanlson</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Emmanuel Aidoo</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Emmanuel Kwabena Gyasi</td>
</tr>
<tr>
<td>5</td>
<td>Mr. Donald Dadzie</td>
</tr>
</tbody>
</table>

462. This anomaly arose as a result of control weaknesses in the Directorate of Human resources by ensuring that the beneficiary officers are bonded before they are released to pursue their courses.

463. There is the risk that the officers may fail to return to serve the University after completing their courses. The University’s investment on the beneficiaries would have gone waste.

464. We recommended that management should ensure that all the beneficiary officers are bonded before continuing their studies. Also, all study leave with pay in future should be approved only after the officers have signed the bond forms.

465. Management responded that the five officers are now duly bonded and the documents are available for our verification.

**Absence of IT policy documents**

466. Section 90 of the Public Financial Management Act 2016, Act (Act921) states “the governing body of a public corporation or state-owned enterprise shall establish and maintain;
a. policies,
b. procedures,
c. risk management and internal control systems, and
d. governance and management practices,
e. to ensure that the public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established”.

467. We observed that the University does not have IT Organogram, IT Strategic and Work Plans, and IT security Policies to show responsibilities and reporting lines, and explaining how technology should be utilized as part of an organization's overall corporate strategy.

468. Management’s inability to appreciate effective ICT governance as part of achieving the University’s goals accounted for the lapse. We were informed that the ICT Unit have been tasked to develop a 5-year plan which is to be presented to Management.

469. Absence of the IT policy documents could lead to ad hoc ICT spending and inefficiencies in the operations of the University.

470. We recommended that Management should as a matter urgency develop and approve IT Organogram, IT Strategic and Work Plans, and IT security Policies to guide ICT operations and safeguard ICT assets of the University.

471. Management accepted our recommendation.
Absence of Documented Business Requirements for Application Developers

472. Management is to identify solutions and analyse requirements before acquisition or development of IT solutions to ensure that they are in line with enterprise strategic requirements covering all affected business processes whilst considering relative costs and benefits, risk analysis, and approval of requirements and proposed solutions.

473. However, we noted that there was no documented business requirement underlying the development of the Students Information Management System (SIMS) to ensure that the applications are in line with the University's strategic requirements.

474. Management explained that they needed a solution quickly and so had to engage Digital Valley with a limited timelines to deliver some modules.

475. The application may not be aligned with the University's business requirements and may not fully satisfy the needs of all the stakeholders.

476. We recommended that Management should identify and approve the needs of the various units/departments and present to the Application developers to ensure effective management systems of the University's operations.

477. Management accepted our recommendation.

Linkage between Bank Receipt and SIMS Application

478. Section 7 (2) of the Public Financial Management Act, 2016 (Act 921) provides that a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal
control and internal audit in respect of the resources and transactions of a covered entity.

479. We noted that receipt numbers from the banks are not linked to the pin codes generated for the applicants.

480. Management’s failure to fully indicate the University’s business requirements to the system developers accounted for the lapse.

481. As a result the situation presented difficulty in reconciling the receipts from the banks to the pin codes generated. There is also a risk that an applicant could obtain a pin code fraudulently without making payment into the University’s account and that could lead to loss of funds to the institution.

482. We recommended that Management should ensure that the systems developers have made provision for bank receipt numbers to be automatically uploaded on the interface of the system to ensure effective reconciliations and proper accountability of all pin codes sold.

483. Management explained that all the pin codes are generated by the developer and specific pin codes are assigned to specific banks. Therefore, no individual can generate a pin code making the occurrence of the perceived risk identified by the audit team quite remote.

484. Management’s response did not address the linkage of each pin code to receipts from the banks. We therefore reiterate our recommendation for compliance.
Introduction
485. This report relates to the audited accounts of the Ho Technical University for the period 1 January 2019 to 31 December 2019.

Operational results
486. The year under review closed with a surplus of GH¢532,334 representing a 24.9% drop from the deficit of GH¢2,134,485 of 2018. Details of the performance indicators of the University’s operational results are shown in the table below:

Income statement for 2019

<table>
<thead>
<tr>
<th>Income</th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Subventions</td>
<td>24,063,895</td>
<td>21,196,527</td>
<td>13.0</td>
</tr>
<tr>
<td>Internally Generated Funds</td>
<td>7,462,292</td>
<td>6,421,842</td>
<td>16.0</td>
</tr>
<tr>
<td>Annual GET Fund Allocations</td>
<td>154,545</td>
<td>-</td>
<td>100.0</td>
</tr>
<tr>
<td>Other Income</td>
<td>1,194,777</td>
<td>539,773</td>
<td>121.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32,875,509</strong></td>
<td><strong>28,158,141</strong></td>
<td><strong>21.0</strong></td>
</tr>
</tbody>
</table>

Expenditure

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation of Employees</td>
<td>23,677,041</td>
<td>22,405,320</td>
<td>5.7</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>8,666,134</td>
<td>7,887,306</td>
<td>9.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>32,343,175</strong></td>
<td><strong>30,292,626</strong></td>
<td><strong>7.0</strong></td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td><strong>532,334</strong></td>
<td><strong>(2,134,485)</strong></td>
<td><strong>(75.1)</strong></td>
</tr>
</tbody>
</table>

487. Total income of the University went up marginally by 21.0% from GH¢28,158,141 in 2018 to GH¢32,875,509 in 2019. This increment was primarily due to a 121.3% and 100.0% rises in Other Income and Annual Get Fund Allocation respectively.

488. Total Expenditure also increased by 7.0% from GH¢30,292,626 in 2018 to GH¢32,343,175. A 9.9% increase in Goods and Service and 5.7% rise in Compensation of Employees accounted largely for the upsurge in expenditure.

Financial position
489. The financial position of the University is as shown in the table 15.
Financial position as at 31st December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GH¢</td>
<td>GH¢</td>
<td></td>
</tr>
<tr>
<td>Non- Current Assets</td>
<td>22,307,564</td>
<td>21,781,038</td>
<td>2.4</td>
</tr>
<tr>
<td>Current Assets</td>
<td>7,097,979</td>
<td>6,445,806</td>
<td>10.0</td>
</tr>
<tr>
<td>Non-Current Liability</td>
<td>688,873</td>
<td>938,873</td>
<td>(27)</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>3,874,201</td>
<td>4,097,645</td>
<td>(5.5)</td>
</tr>
<tr>
<td>Net Asset</td>
<td>24,842,470</td>
<td>23,190,325</td>
<td>7</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>1.8:1</td>
<td>1.6:1</td>
<td></td>
</tr>
</tbody>
</table>

490. Non-Current Assets increased slightly by 2.4% from GH¢21,781,038 in 2018 to GH¢22,307,564 in 2019. This was primarily due to addition to Property, Plant and Equipment through procurement and transfer from capital work-in-progress.

491. Current Assets however increased to GH¢7,097,979 in 2019 from GH¢6,445,806 recorded in 2018, this represents an increase of 10.0%. This was due to an increase of Accounts Receivable by 16.9% which moved from GH¢6,445,806 in 2018 to (GH¢7,097,979) in 2019 as a result of an increase of Student indebtedness during the year.

492. Non-Current Liability decreased by 27% from GH¢938,873 in 2018 to GH¢688,873 in 2019. The reduction is the recovery from the University’s annual GETFund allocation.

493. Current Liabilities also decreased marginally by 5.5% from GH¢4,097,645 in 2018 to GH¢3,097,645 in 2019. Trade Creditors and Staff Claims decreased by 26.5% and 91.2% respectively which solely resulted in the fall.
The University's current ratio of 1.6:1 in 2018 increased to 1.8:1 in 2019, the University has the ability to meet its short term obligations as and when they fall due.

**MANAGEMENT ISSUES**

**Non Recovery of Salary Advance GH₵9,190.00**

Regulation 46 of the Public Financial Management Regulation, 2019, L. I. 2378 demands that a Principal Spending Officer of a covered entity shall take effective and appropriate steps to collect money due the covered entity.

We noted that Management has not been collecting the due monthly instalment of salary advance granted to four officers of the University in order to ensure the full recovery of the advances within the agreed period of 10 months. As at the end of the audit in June 2020, Management has recovered only GH₵1,110.00 out of the total advance of GH₵10,300.00 granted, leading to outstanding balance of GH₵9,190.00 yet to be recovered.

Details are provided in the table below:

**Salary advances not recovered**

<table>
<thead>
<tr>
<th>NAME</th>
<th>PERIOD FOR REFUNDS</th>
<th>AMOUNT GRANTED GH₵</th>
<th>AMOUNT PAID GH₵</th>
<th>BALANCE GH₵</th>
</tr>
</thead>
<tbody>
<tr>
<td>ATATSI ELI</td>
<td>JAN 2019- OCT. 2019</td>
<td>300.00</td>
<td>-</td>
<td>300.00</td>
</tr>
<tr>
<td>PLAHAR JOSEPH</td>
<td>JAN 2019- OCT 2019</td>
<td>80.00</td>
<td>-</td>
<td>80.00</td>
</tr>
<tr>
<td>DAGADU JOAN</td>
<td>SEPT 2019- JUNE 2020</td>
<td>3,000.00</td>
<td>-</td>
<td>3,000.00</td>
</tr>
<tr>
<td>SORKPAH DAVID KWAME</td>
<td>AUG 2019- MAY 2020</td>
<td>6,920.00</td>
<td>1,110.00</td>
<td>5,810.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>10,300.0</strong></td>
<td><strong>1,110.00</strong></td>
<td></td>
<td><strong>9,190.00</strong></td>
</tr>
</tbody>
</table>
497. Management’s inability to develop a mechanism that ensures timely and effective collection of the salary advances accounted for the lapse.

498. The delay in the recovery has denied other officers of benefiting from the facility.

499. We recommended that Management should recover the GH₵9,190.00 from the beneficiaries as early as possible, and put in mechanisms that would ensure timely refunds of advances to avoid sanctions.

500. Management stated that inputs were made to the Controller and Accountant-General Department (C&A-G Dept.,) in October 2019 and November 2019 for the loan deductions but were not captured. Management added that they would take immediate action to recover all outstanding salary advances from the Salaries of the staff concerned through the Controller and Accountant General’s Department and hence forth put in place Preventive Mechanisms to forestall such anomalies in future.

**Rent advance not recovered GH₵ 7,250.00**

501. Regulation 46 of the Public Financial Management Regulation, 2019, L. I. 2378 demands that a Principal Spending Officer of a covered entity shall take effective and appropriate steps to collect money due the covered entity.

502. A review of the records showed that the University paid two years rent advance amounting to GH₵21,600.00 vide payment voucher numbers 04/09FS 08.163 of 9/4/2019 and HTU11,64,19 of 7/11/2019 on behalf of two officers. The agreement was for them to pay the amount in 24 months instalments. However, as at 31 December, 2019, no refund has been made by the beneficiaries.

503. We further noted that Mr. Godwin Kwadzo Sappey who is occupying one of the University’s quarters defaulted in paying for three months’ rent
totaling GH¢450.00. These led to total rent advance and default of GH¢7,250.00 as at 31 December 2019. Details are provided in the table below:

**Beneficiaries of rent advances and rent defaulter**

<table>
<thead>
<tr>
<th>No.</th>
<th>Name of Officer</th>
<th>Accommodation type</th>
<th>Accommodation duration</th>
<th>Gross amount paid by the University GH¢</th>
<th>No of month defaulted as at 31/12/19</th>
<th>Total amount defaulted as at 31/12/19 GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>James Fiagborlo</td>
<td>Private</td>
<td>01 Jun 2019 – 30 June 2021</td>
<td>9,600.00</td>
<td>7 months</td>
<td>2,800.00</td>
</tr>
<tr>
<td>2</td>
<td>Emmanuel Afetorgbor</td>
<td>Private</td>
<td>May 2019 - April 2021</td>
<td>12,000.00</td>
<td>8 Months</td>
<td>4,000.00</td>
</tr>
<tr>
<td>3</td>
<td>Godwin Kwadzo Sappey</td>
<td>University quarters</td>
<td></td>
<td>450.00</td>
<td>3 months</td>
<td>450.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>21,600.00</strong></td>
<td></td>
<td><strong>7,250.00</strong></td>
</tr>
</tbody>
</table>

504. The lapse resulted from Management’s failure to establish mechanisms to ensure timely and effective collection of rent due from the officers.

505. This could result in a loss of funds to the University.

We recommended to the Director of finance to recover the outstanding amount of GH¢7,250.00 and ensure prompt recovery of rent due in the subsequent months to avoid sanctions as spelt out in Section 96 of the Public Financial Management Act 2016.

506. Management stated that they will take immediate action to recover the outstanding amount from the defaulting staff and institute timely and effective deduction mechanism to prevent the occurrence of this anomaly in future.
Payment of avoidable judgement debt-GH¢19,607.00

507. Section 7 of the Public Financial Management Act 2016 (Act 921) provides that a Principal Spending Officer of a covered entity shall ensure regularity and proper use of monies appropriated to the entity.

508. Our audit revealed that the University paid a total of GH¢19,607 as judgement debts and filling fees in respect of two cases filed by past officers who were denied their earnings due them.

509. Records available at the legal department indicated that the University is having further five court cases pending at various courts within Ho for similar grievances. The court cases are mainly between the University and current/past officers. This has caused the University to pay judgment debts and filling fees in the sum of GH¢19,607.00 for the period under review. Details of judgement debts and filling fees provided in the table below:

**Payment of judgment debts**

<table>
<thead>
<tr>
<th>S/NO</th>
<th>PV.NO.</th>
<th>DATE</th>
<th>PURPOSE</th>
<th>AMOUNT GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>DEA/SA/7/829</td>
<td>5/7/2019</td>
<td>Filling Fees</td>
<td>230.00</td>
</tr>
<tr>
<td>2</td>
<td>07/15KP/07.58</td>
<td>15/7/2019</td>
<td>Execution of debt to Dr. Akplotsyi &amp; others</td>
<td>4,502.00</td>
</tr>
<tr>
<td>3</td>
<td>HTU11.184.19</td>
<td>2/12/2019</td>
<td>Filling Fees</td>
<td>375.00</td>
</tr>
<tr>
<td>4</td>
<td>HTU11.69.19</td>
<td>26/8/2019</td>
<td>Execution of Debt to Richard S. Akplotsyi &amp; Anor</td>
<td>6,666.67</td>
</tr>
<tr>
<td>.5</td>
<td>HTU01.06.20</td>
<td></td>
<td>Execution of Debt to Richard S. Akplotsyi &amp; Anor</td>
<td>500.00</td>
</tr>
<tr>
<td>6</td>
<td>HTU11.69.19</td>
<td>27/8/2019</td>
<td>Execution of Debt to Richard S. Akplotsyi &amp; Anor</td>
<td>7,333.33</td>
</tr>
</tbody>
</table>

**TOTAL**                             **19,607.00**
510. The legal officer of the University informed us that the officers having grievances with the University always prefer court processes instead of out of court settlement.

511. Lack of Management’s reactivity to ensure that officers complaints are addressed on time coupled with the absence of effective arbitration committee contributed to this avoidable cost.

512. We recommended to management to establish an effective arbitration committee to resolve staff grievances internally and on time to avoid the use of the courts for redress and payment of high legal expenses.

513. Management accepted our recommendation for compliance.

**Delayed/Abandoned projects GH¢6,706,995.60**

514. Section 52 of the Public Financial Management Act 2016, Act 921 requires that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets. A control system shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse

515. An effective contract administration requires that projects are properly budgeted and fully executed within the dates specified in the contract.

516. We observed during a physical inspection of the ongoing projects on campus that, four GETFund projects have been delayed or abandoned for a period between four and nine years. Records available indicated that, total amount of GH¢6,706,995.60 had been paid to the Contractors for work done on the projects.
517. We attributed the situation to management’s failure to pursue GETFund Secretariat to complete the projects.

518. The possibility of cost overruns due to inflationary effects on building materials and other associated costs on delayed or abandoned projects could not be ruled out.

519. We recommended that Management should pursue GETFund Secretariat to complete the projects for the University to derive the intended benefits.

520. Management ascribed the anomaly to lack of budgetary allocation for the projects from the GETFund Secretariat to complete the projects.

**Failure to declare Assets and Liabilities**

521. Article 286 (1) of the 1992 Constitution states “A person who holds a public office mentioned in clause (5) of this article shall submit to the Auditor-General a written declaration of all property or assets owned by, or liabilities owed by, him whether directly or indirectly

(a) within three months after the coming into force of this Constitution or before taking office, as the case may be;
(b) at the end of every four years; and
(c) at the end of his term of office.”

522. Contrary to the above provisions, we noted that management and other eligible officers, including heads of departments, failed to declare their assets and liabilities.

523. Management's failure to attach importance to the requirement has led to this infraction.

524. The non-compliance of the law stated above does not promote good governance, probity, accountability and transparency of public officers in public finance management. The irregularity would also defeat the fight against corruption in public service.
525. We recommended to management to ensure that all eligible officers of the Polytechnic, whose salaries or positions require them to declare, do so and make available their respective declaration certificates failing which they would be dealt with in accordance with Article 287 of the Constitution.

526. Management have written to the Regional Audit Service Office in Ho for copies of the Assets and Liabilities declaration forms for the key officers. However, the office has been shut down due to the President’s directive to this effect.

**Use of software Application without approval from the Auditor-General.**

527. Section 11 of the Audit Service Act 2000 (Act 584) requires among others, that the public accounts of Ghana and of all persons and institutions including computerized financial and accounting systems and electronic transactions shall be kept in such form as the Auditor-General shall approve and shall be subject to review by the Auditor-General.

528. The Management of the University contracted ROPAT Systems Limited to supply and develop an ERP and Online Application software without prior approval by the Auditor-General.

529. Management indicated that they were not aware that prior approval ought to be sought from the Auditor-General for the acquisition and use of the software.

530. The lapse could result in the procurement of pirated, unlicensed or non-user friendly applications.

531. We recommended to management to seek approval from the Auditor-General to regularize the use of the application. We also recommended to management to ensure compliance in future to avoid sanctions.
532. Management stated that they wrote a letter to the Controller and Accountant-General at the time of acquiring the software, a copy of which is available for our verification. We subsequently urged management to seek the approval of the Auditor-General as well.

**Staff on Study Leave with Pay Not Bonded**

533. Section 6.8 (ii) of Human Resource Policy of the University requires that before proceeding for the training programme, a beneficiary shall be required to enter into a bond. After completing the training satisfactorily, return to the service and serve in the Technical University for the period specified in the bond.

534. We noted that 12 out of 15 officers who were granted study leave with pay by the Technical University to pursue further studies failed to complete the required bond forms. The remaining three officers completed their bond forms; however, the Registrar did not sign the forms to indicate his approval before they embarked on the studies leave. Details are provided in the table below:

<table>
<thead>
<tr>
<th>S/N</th>
<th>NAME</th>
<th>DEPARTMENT</th>
<th>CURRENT GRADE</th>
<th>PROGRAMME &amp; PLACE OF STUDY</th>
<th>BOND</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Castro Kwabena Owusu-Manu</td>
<td>Mechanical Engineering</td>
<td>Assistant Research Fellow</td>
<td>PhD in Power Engineering and Engineering Thermophysics, Jiangsu University, China</td>
<td>Bond form was not signed by Registrar</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>John Kwesi Korsah</td>
<td>Building Technology</td>
<td>Assistant Lecturer</td>
<td>PhD programme in Construction Project Management (University of the Witwatersrand – Johannesburg in South Africa)</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>

**FACULTY OF APPLIED SCIENCE AND TECHNOLOGY**
<table>
<thead>
<tr>
<th></th>
<th>Name</th>
<th>Department</th>
<th>Position</th>
<th>Qualification</th>
<th>Bond Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>Kwame Simpe Ofori</td>
<td>Computer Science</td>
<td>Lecturer</td>
<td>PhD in Management Science and Engineering (Information Management and Data Mining), University of Electronic Science and Technology, China</td>
<td>NO</td>
</tr>
<tr>
<td>4</td>
<td>John Kwame Titriku</td>
<td>Agro Enterprise Development</td>
<td>Lecturer</td>
<td>PhD in Crop Cultivation and Farming Systems, Agronomy College, Sichuan Agriculture (University of China, China)</td>
<td>YES Bond form was not signed by Registrar</td>
</tr>
<tr>
<td>5</td>
<td>Joyce Kafui Apaloo</td>
<td>Hospitality and Tourism Management</td>
<td>Technician</td>
<td>B-TECH Hospitality &amp; Tourism Management (HTU)</td>
<td>NO</td>
</tr>
<tr>
<td><strong>HTU BUSINESS SCHOOL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Matthew Brains Kudo</td>
<td>Accounting and Finance</td>
<td>Assistant Lecturer</td>
<td>PhD programme in Accounting Sciences (University of South Africa)</td>
<td>NO</td>
</tr>
<tr>
<td>7</td>
<td>Edinam Agbemava</td>
<td>Accounting and Finance</td>
<td>Assistant Lecturer</td>
<td>Doctor of Business Administration (Central University)</td>
<td>YES bond form incompletely filled</td>
</tr>
<tr>
<td><strong>FACULTY OF ART AND DESIGN</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Divine Vigbedor</td>
<td>Industrial Art</td>
<td>Lecturer</td>
<td>PhD. Programme in Textile (KNUST)</td>
<td>NO</td>
</tr>
<tr>
<td>9</td>
<td>Fortune Ama Amegah</td>
<td>Fashion Design and Textiles</td>
<td>Senior Technician</td>
<td>Master’s Degree programme in Fashion Design (Wuhan Textile University in China)</td>
<td>NO</td>
</tr>
</tbody>
</table>
535. We attributed the irregularity to the Registrar’s failure to ensure that the officers completed their bond forms before they are releasing them to pursue their studies.

536. The successful applicants’ inability to complete the bond forms could lead to loss of human resource and subsequent financial loss to the University, should these beneficiaries fail to return to the University after completing their courses.

537. We recommended to Management to ensure that the affected officers are duly bonded without further delay.

538. Management said, they would do what is required to rectify the situation to avoid any undesirable consequences.

Inappropriate Validators of Employees Salary Payment Voucher

539. Regulation 90 of the Public Financial Management Regulation, 2019 requires among others that the Employee Salary Payment Voucher shall be
validated by the designated officers of the Human Resource Unit of a covered entity and the head of the Management Unit within a covered entity.

540. We noted that the validation of Employee Salary Payment Voucher is done by the Finance Department instead of a designated officer of the Human Resource Department.

541. We attributed the anomaly to Management’s failure to designate appropriate Human Resource Officer for the validation in accordance with the above quoted Regulation.

542. Finance Department may not be able to identify the separated staffs on time for their names to be deleted from the salary payment voucher, and that could lead to payment of unearned salary.

543. We recommended to Management to ensure that the Employees Salary Payment Vouchers are validated by a designated officer of the Human Resource department as enshrined in the above Regulation.

544. Management stated that the Electronic Salary Payment Voucher (E-SPV) Operations Manual mandates Heads of Accounts MDAs to review E-SPV, provide input or advise Human Resource Manager or Head of Management Unit on inaccuracies, if any. Our Finance department checks for the accuracy of our payroll issues whilst actual validation is done by the Vice Chancellor (Head of Management Unit).

545. We however commented that per management’s own response, the Finance department is to review the ESPV and advise the Human Resource department on the accuracies or otherwise but not to validate. We therefore re-iterate our recommendation for compliance.
Absence of approved Policy Documents

546. Section 90 of the Public Financial Management Act 2016, Act (Act921) directs that the governing body of a public corporation or state-owned enterprise shall establish and maintain;

(a) policies,
(b) procedures,
(c) risk management and internal control systems, and
(d) governance and management practices,

to ensure that the public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established.

547. Our review of the University policy documents revealed that the University does not have the following policy documents to help in managing the Institution’s resources prudently to achieve its objectives.

- DRAFT POLICIES
- IT STRATEGIC PLAN
- CODE OF CONDUCT POLICY
- ICT POLICY
- HUMAN RESOURCE POLICY
- EXAMINATION POLICY
- USER ACCEPTANCE POLICY
- RISK MANAGEMENT POLICY
- TRANSPORT POLICY
- ASSETS MANAGEMENT POLICY
- INDUSTRIAL ATTACHMENT POLICY
- RESEARCH AND INNOVATION POLICY
- PROJECT MONITORING POLICY

548. Lack of approved policy guidelines to direct activities could lead to inefficiencies in the University’s operations.
549. We urged Management to ensure that the University develops and approves these policy documents, to ensure efficiency in its operations.

550. Management in response stated that all the Policy Documents stated have been developed and are in a draft stage. Management will follow all procedures and processes to seek approval for them in the shortest possible time to ensure that the University’s activities and operations are efficiently and effectively managed.

**Absence of Business Continuity and Disaster Recovery Plans**

551. Section 90 of the Public Financial Management Act 2016, Act (Act921) directs that the governing body of a public corporation or state-owned enterprise shall establish and maintain;

   (a) policies,
   (b) procedures,
   (c) risk management and internal control systems, and
   (d) governance and management practices,

   to ensure that the public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established.

552. Best IT management practice also demands that an institution should have a Disaster Recovery and Business Continuity Plans. The documents should be well communicated to staff, and the backups safely kept in the institution as well as off-site.

553. Our audit revealed that the University does not have a Business Continuity and Disaster Recovery plans to ensure no loss of information and continuity of the Polytechnic’s activities.

554. Management’s laxity towards the development of the Disaster Recovering and Business Continuity Plans resulted in the anomaly.
555. The University may not be able to undertake adequate measures to safeguard its resources in the event of disasters.

556. We recommended to management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operations in case of systems failure and/or disaster.

557. Management noted our observation for compliance and said a committee would be set up to develop one for the Polytechnic.

**Inadequate security on the University’s ROPART Application Systems**

558. Section 52 of the Public Financial Management Act 2016 (Act 921) requires that a Principal Spending Officer of a covered entity shall put in place a control system that would be capable of ensuring that processes, whether manual or electronic, and procedures are in place for efficient, effective, economical and transparent use of the asset.

559. Web applications are required to be protected from external attack through the implementation of Secure Socket Layer (SSL) Certificate and other security policies to redirect all users to the secure socket layer and other security policies.

560. We performed a security assessment of the University’s Online Enterprise Resource Planning (ERP) system and discovered that the site was served over Hypertexts Transfer Protocol (HTTP) but did not redirect to Hypertext Transfer Protocol Secure (HTTPS), making the school’s application vulnerable to external attacks.

561. Our further assessment revealed that the external URLs used by application components are not secured, and the following security policies are not being enforced.

- Content-Security-Policy
- X-Frame-Options
562. Management stated that the Web application is currently having SSL implemented.

563. However, the above missing security headers risk the University’s ICT operations.

564. We recommended that Management should immediately redirect the site appropriately and ensure that the security policies are in operation to safeguard the University’s application system.

565. Management accepted your recommendation to ensure that the application is properly secured.

**Inappropriate Location of the University’s Stores**

566. Section 52 of the Public Financial Management Act 2016, Act 921 requires that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets. A control system shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse

567. Regulations 1307 of Stores Regulations 1984, directs that the following precautions shall be taken to minimise the risk of fire:-

(a) No smoking shall be permitted in store buildings.
(b) Rubbish shall not be allowed to accumulate in storehouses or stockyards.
(c) All areas overgrown with grass shall be cut regularly. This is particularly important near the perimeter of the depot where a
cigarette or lighted match carelessly thrown by a passer-by may start a fire.

568. We observed that the main store of the University is located within the same building of Welding Engineering Section where welding and other mechanical activities associated with fire are operated. Besides, it is boldly written inside the Welding room “be prepared for fire”.

569. The stores keeper indicated that failure on the part of the Management to relocate the stores to a safer place has resulted in this anomaly.

570. The University is at risk of losing all stores items in the stores including the personnel due to its closeness to the welding section of the building.

571. We urged Management as matter of urgency, to relocate the stores to a safe area to avoid possible disaster.

572. Management in their response stated that a suitable and conducive place has been identified to relocate the Stores Section in line with our recommendation.
KOFORIDUA TECHNICAL UNIVERSITY

Introduction
573. This report relates to the audited accounts of the Koforidua Technical University for the period 1 January 2019 to 31 December 2019.

Operational Results

574. The University recorded a surplus of GH¢2,621,531.55 in 2019 financial year as compared to GH¢1,266,670.32 recorded in the previous year; representing 106% increment of the previous year's surplus. The comparative performance indicators for the two years are shown in Table 7 and 8.

Table 7: Financial performance

<table>
<thead>
<tr>
<th>Income</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gov't Grants</td>
<td>34,440,575.89</td>
<td>29,429,776.82</td>
<td>5,010,799.07</td>
<td>17.03</td>
</tr>
<tr>
<td>IGF</td>
<td>15,548,288.27</td>
<td>16,514,824.06</td>
<td>(966,535.79)</td>
<td>(5.85)</td>
</tr>
<tr>
<td>Project Grants</td>
<td>120,256.39</td>
<td>60,672.40</td>
<td>59,583.99</td>
<td>98.21</td>
</tr>
<tr>
<td>Total</td>
<td>50,109,120.55</td>
<td>46,005,273.28</td>
<td>4,103,847.27</td>
<td>8.92</td>
</tr>
</tbody>
</table>

Expenditure

<table>
<thead>
<tr>
<th>Expenditure</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compensation of Employees</td>
<td>37,419,076.04</td>
<td>31,989,849.14</td>
<td>5,429,226.90</td>
<td>16.97</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>9,824,828.77</td>
<td>12,729,773.82</td>
<td>(2,904,945.05)</td>
<td>(22.82)</td>
</tr>
<tr>
<td>Project Expenses</td>
<td>243,684.19</td>
<td>18,980.00</td>
<td>224,704.19</td>
<td>1,183.90</td>
</tr>
<tr>
<td>Total</td>
<td>47,487,589.00</td>
<td>44,738,602.96</td>
<td>2,748,986.04</td>
<td>6.14</td>
</tr>
</tbody>
</table>

Income Surplus

<table>
<thead>
<tr>
<th>Income Surplus</th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2,621,531.55</td>
<td>1,266,670.32</td>
<td>1,354,861.23</td>
<td>106.96</td>
</tr>
</tbody>
</table>

575. Total income for the year was GH¢ 50,109,120.55 as compared to GH¢46,005,273.28 recorded in 2018. This represented GH¢4,103,847.27 or 8.92 % increment. The upward movement was due to an increase in
Government Grants by GH¢ 5,010,799.07 or 17.03%. Internal Generated Fund however decreased by GH¢966,535.79 or 5.85%

576. Total Expenditure increased by GH¢2,748,986.04 or 6.14 from GH¢44,738,602.96 in 2018 to GH¢47,487,589.00 in 2019 mainly due to 16.97% increment in compensation of employees expenditures. Goods and Services however decreased by GH¢2,904,945.05 or 22.82%.

Table 8: Financial position

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GH¢</td>
<td>GH¢</td>
<td>GH¢</td>
<td></td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td>22,914,380.10</td>
<td>19,530,433.71</td>
<td>3,383,946.39</td>
<td>17.33</td>
</tr>
<tr>
<td>Current Assets</td>
<td>10,367,976.59</td>
<td>12,000,134.51</td>
<td>(1,632,157.92)</td>
<td>(13.60)</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>1,457,216.66</td>
<td>1,947,293.23</td>
<td>(490,076.57)</td>
<td>(25.17)</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>8,910,759.93</td>
<td>10,052,841.28</td>
<td>(1,142,081.35)</td>
<td>(11.36)</td>
</tr>
<tr>
<td>Net Assets</td>
<td>31,825,140.03</td>
<td>29,583,274.99</td>
<td>2,241,865.04</td>
<td>7.58</td>
</tr>
<tr>
<td>Non-current Liabilities</td>
<td>1,447,619.47</td>
<td>1,827,825.98</td>
<td>(379,666.51)</td>
<td>(20.78)</td>
</tr>
<tr>
<td>Current Ratio</td>
<td>7.11</td>
<td>6.16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

577. Non-Current assets increased by GH¢3,383,946.39 or 17.33 from GH¢19,530,433.71 in 2018 to GH¢22,914,380.10 in 2019 due largely to various infrastructure works during the year.

578. Current Assets however fell from GH¢12,000,134.51 in 2018 to GH¢10,367,976.59 representing 13.6% decrease. The fall was mostly due to Accounts Receivable and Bank Balance.

579. Current Liabilities recorded a decrease of GH¢490,076.57 or 25.17 from GH¢10,052,841.28 in the previous year to GH¢8,910,759.93 largely due to fall in Lease Obligation and Accounts payables while Non-Current Liabilities also decreased by GH¢379,666.51 or 20.78

580. The Current Ratio at the end of the year was 01:7.11 meaning the University could meet the obligation towards current liabilities
MANAGEMENT ISSUES

Multiple Bank Accounts vis-à-vis Treasury Single Account

Section 46 of the Public Financial Management Act 2016 establishes the Treasury Single Account (TSA) to serve as a unified structure of Government accounts to give a consolidated view of Government cash resources and into which all Government cash including moneys received by covered entities shall be deposited and from which all expenditure of Government and covered entities shall be made.

581. We noted that the University operates 26 bank accounts with 10 commercial banks. We further noted that 16 of the accounts are for both collections and payments, three are solely for collections whilst four others are solely for payments. The remaining three were found to be dormant. The payment accounts are not designated with specific expenditure items resulting in payments made from any of the bank accounts for all types of expenditure and several interbank transfers.

582. Management stated that the University is growing rapidly with volumes of financial transactions increasing every year and often difficult in opening new bank account since the Controller and Accountant General’s Department has to give approval for the opening of bank accounts hence the reluctance to close some bank accounts.

583. The multiple bank accounts resulted in the payment of total bank charges of GH¢47,619.99 for the year 2019. The several interbank transfers and non-designated accounts for specific expenditure items could also lead to non-detection of unsuccessful transfers and double payments.

584. We therefore recommended as follows;

i. Management should close the three dormant accounts

ii. With the exception of two accounts each for Morning and Evening collections, two account for payments for the main University, five
accounts for the faculties, one dollar account, one Euro account, one IGU account, one GETFund Hostel account and one other account for Donor funding, (making 16 in total) all other bank accounts should be closed.

Management response

585. Management responded that they had duly written to Controller and Accountant General for approval to close seven Bank Accounts.

Application of accounting soft wares without approval from the Auditor-General

586. Section 11 (3) of the Audit Service Act, 2000 Act 584 states that the public accounts of Ghana and of all persons and institutions including computerized financial and accounting systems and electronic transactions shall be kept in such form as the Auditor-General shall approve and shall be subject to review by the Auditor-General.

587. Our audit revealed that Management did not seek prior approval from the Auditor-General before procurement and usage of TOPAZ Financial System and Online Student Information System (OSIS) softwares. We also noted that the contract for OSIS which is used for online recruitment, admission, and registration and fee collection was signed in 2011 and subject to renewal yearly, but has not been renewed or reviewed as at June 2020.

588. Management stated that it wrote to the Controller and Accountant General’s Department for the review of the System but was unaware of the required approval by the Auditor-General.

589. Failure to perform system reviews denied the University the opportunity to know the efficiency, effectiveness and weaknesses of the system.
590. We urged Management to Contact the Auditor-General and the Controller and Accountant General for the approvals. We also recommended that Management in consultation with the IT Unit or Committee review the performance of the OSIS and recommend the way forward to improve efficiency.

Management Response

591. Management has now written to the Auditor General for the required approval.

Students’ fees not accounted for - GH¢620,457.32

592. Regulation 46 of the Public Financial Management Regulations 2019 mandates that a Principal Spending Officer shall ensure that non-tax revenue is efficiently collected and immediately lodged in gross within twenty-four hours in the designated bank accounts..

593. We noted that eight persons could not account for a total of GH¢620,457.32 of fees for the period January 2015 to December 2019.

594. We found that the two, with the aid of other nine persons, collectively failed to lodge fees collected into the designated bank accounts of the University. We noted that they achieved this irregularity by issuing fictitious receipts to the student payees and made false entries into students’ accounts on the OSIS application that is used to manage the fee collections.

The table below show details of fees not accounted for by each person;

<table>
<thead>
<tr>
<th>Ref.</th>
<th>Name</th>
<th>Rank</th>
<th>Total Credit GH¢</th>
<th>Total Banking</th>
<th>Amt not accounted for-GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Frederick Nii Mensah Obeney</td>
<td>Snr. Accounting Assistant</td>
<td>845,684.90</td>
<td>347,239.40</td>
<td>498,445.50</td>
</tr>
<tr>
<td>2</td>
<td>Helena Ntiamoah</td>
<td>Snr. Accounting Assistant</td>
<td>65,794.32</td>
<td>26,845.32</td>
<td>38,949.00</td>
</tr>
<tr>
<td>3</td>
<td>Augustina Ansah</td>
<td>Snr. Accounting</td>
<td>905,251.80</td>
<td>869,817.80</td>
<td>35,434.00</td>
</tr>
</tbody>
</table>
595. We attributed the infraction to lack of supervision, misuse of user credentials and non-daily reconciliation of school fees collected through the Front Entry of the OSIS with the TOPAZ accounting software at the Revenue and Payment Section of the Finance Directorate.

596. The lapse has resulted in loss of University funds amounting to GH¢620,457.32.

597. We recommend that:

i. Management should report to the police to conduct a thorough investigation into the revenue loss to ensure that all persons found culpable are sanctioned accordingly.

ii. The IT Committee of the University should ensure that proper control systems exist in the management of the OSIS to eliminate theft, loss and misuse.

iii. Payment of fees to officers of the University and the related manual entries in the OSIS should be prohibited.

iv. Management should liaise with the IT Audit Unit of the Ghana Audit Service for system audit of the OSIS to identify possible weaknesses and other financial irregularities that might have occurred prior to 2016.

<table>
<thead>
<tr>
<th></th>
<th>Assistant</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Faustina Boateng</td>
<td>Snr. Accounting Assistant</td>
<td>1,404,060.62</td>
<td>1,379,094.80</td>
</tr>
<tr>
<td>5</td>
<td>Belinda Darkwa-Gyekye</td>
<td>Asst. Accountant</td>
<td>185,761.00</td>
<td>174,885.00</td>
</tr>
<tr>
<td>6</td>
<td>Samuel Arko</td>
<td>Form NSP</td>
<td>4,874.00</td>
<td>-</td>
</tr>
<tr>
<td>7</td>
<td>Daniel Boison</td>
<td>Form NSP</td>
<td>30,489.00</td>
<td>25,064.00</td>
</tr>
<tr>
<td>8</td>
<td>Patrick Djaba</td>
<td>Form NSP</td>
<td>10,393.00</td>
<td>6,996.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td><strong>3,452,308.64</strong></td>
<td><strong>2,831,851.32</strong></td>
</tr>
</tbody>
</table>
598. Management has reported Mr. Frederick Nii Mensah Obeney and the syndicate to the Law Enforcement Agency for action to be taken to recover the amount.

**The payment of honorarium and akin matters-GH¢846,298.76**

599. Regulation 78 of the Public Financial Management Regulations requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting documents exists.

600. We noted that a total of GH¢846,298.76 was paid to staff and principal officers as honorarium for activities performed outside working hours and weekends while some related to committees for work done. We also noted that a rate of GH¢400 was paid to most beneficiaries without recourse to the appropriate Over Time and Call In rates and without the use of attendance sheet or other control documents to track hours worked or the level of individual's involvement.

601. Failure by management to have a clear policy on the payment of overtime to staff who work outside their normally working hours, contributed to the anomaly.

602. We stated that the payment of the honoraria to the staff without recourse to the Over Time and Call In rates could result in over or under payments.

603. We recommended that;
i. In the case of duties performed by junior staff outside working hours and weekends, the University should apply the prevailing Over Time rates to remunerate the officers.

ii. For Senior officers who are not entitled to Over Time but who are Called In to perform duties after close of work and weekends, the prevailing Call In Allowance rates should be used to remunerate them.

iii. For Senior Members who perform special assignments for the University, Management should consider an upgraded Call In Allowance for them.

iv. For Committees, the appropriate Sitting Allowances should be applied to remunerate them.

v. At all times, Over Time sheets or other Control Documents detailing the extent of the staff involvement should be kept.

**Management Response**

604. Management explained that the honoraria was budgeted and approved and paid to staff who undertook special assignments for the University other than their normal job schedules.

605. Management further stated that applying the appropriate rates for Committees will rather be expensive because the rates are huge to be applied to ad hoc Committees and further stated that Over Time Sheets for Junior Staff were kept and can be verified.

**Payment of filing fees not supported with official court receipts- GH¢25,000**

606. Regulation 28 of the Public Financial Management Regulations 2019, LI 2378 mandates that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that
covered entity the validity, accuracy and legality of the claim for the payment and that evidence of services received, certificates for work done and any other supporting documents exists.

607. We noted that Management paid GH¢25,000.00 to the University’s Solicitor in respect of filing fees. The payment was however supported with a receipt from the solicitor’s firm, Amoako Adjei Law Consult, instead of an official General Counterfoil Receipt (GCR) from the courts. Details as follows;

**Table 5; Payment without Judicial Service receipt**

<table>
<thead>
<tr>
<th>Date</th>
<th>Description</th>
<th>GH¢</th>
<th>Payee</th>
</tr>
</thead>
<tbody>
<tr>
<td>25/06/2019</td>
<td>Payment in respect of cost of filing fees for recovery of debts.</td>
<td>25,000.00</td>
<td>Amoako Adjei Law Consult</td>
</tr>
</tbody>
</table>

608. The lapse is attributed to ineffective internal controls. We could not, therefore, establish the veracity and legality of the payment.

609. We recommended that in the absence of appropriate receipt obtained from the court to authenticate the payment, management should recover the amount from the Solicitor, or in default, the Director of Finance and the paying officer would be required to refund the amount involved.

**Management Response**
Management stated that the University’s Lawyer will be contacted for the Judicial Service receipt.

**Water Sachet and Recycling Plant Project- GH¢ 70,073.88**

610. Section 7 (1&2) of the Public Financial Management Act 2016 state that a principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in the covered entity.

611. We noted that the Internally Generated Unit (IGU) of the University was advanced an amount of GH¢21,104.76 to commercialise a Water Sachet business but the Project was not successful and the IGU could not recoup the initial investment of GH¢21,104.76.
612. We also noted that as at February 2019, Management had invested GH¢ 48,969.12 in a Recycling Plant which was started in 2015 but is yet to be completed.

613. Management explained that the structural works for the Recycling Plant had been completed paving the way for the Plant to be fixed, but the access road to the site has been blocked by a developer.

614. We attributed the situation to management’s failure to carry out proper risk assessments and feasibility studies to define opportunities and risks before commencing the projects leading to a possible loss of GH¢ 70,073.88 which could have been expended on other important projects of the University.

615. We recommended that Management should conduct proper and appropriate due diligence before committing funds to projects. We also recommended that Management should resolve the issues with the Developer to pave way for the completion of the Recycling Plant to ensure that the objectives of setting up the plant is achieved.

**Management Response**

616. Management responded that it is taking steps to repackage the Water Sachet Project to make it more viable and profitable. They further stated that the Private Developer will be contact to enable the University complete the Recycling Plant Project.

**Judgement debt payment- GH¢338,948.68**

617. Section 52 (1&2) requires that that a Principal Spending Officer of a covered entity, state owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets and shall ensure that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.
618. We noted that an amount of GH¢338,948.68 was paid to Fliposis Company Limited following an interlocutory judgment of GH¢251,073.17 and accrued interest of GH¢106,706 due to the SRC’s failure to pay GH¢251,073.17 for Pre Contract Consultancy Services rendered in respect of the design of a proposed 1,000 bed hostel building in 2016.

619. We also noted that the Koforidua Technical University and the Student Representative Council (SRC) did not put up a defence leading to a default judgement.

620. In related development, we noted that Delali Defia Jesse has placed an injunction on the Koforidua Technical University and the SRC from awarding the contract for the printing and delivery of 7,000 yards of customised SRC branded cloth for a sum of GH¢189,630.

621. According to Delali Defia Jesse, he went through all the procurement processes specified by the SRC and was awarded the contract for the supply of the cloth only to be told that the contract had been cancelled because the Management of the University had taken the decision to award contracts hitherto awarded by the SRC under the management and supervision of the University.

622. Lastly we also noted that Management had earlier cancelled a contract entered into by the SRC for the supply of Souvenirs and subsequently awarded the same contract in March 2019 to Delcaro Enterprise for GH¢99,225, to be delivered within 14 days. However the souvenirs were not delivered within the 14 days stipulated in the contract document compelling the University to abrogate the contract on 29 May 2019.

623. Though the supplier eventually supplied the Souvenirs the final year students of the University had completed their course of studies and could not collect the Souvenirs resulting in a stockpile of the items at the SRC office.
624. We attributed the irregularity to the absence of appropriate control on the financial activities of the SRC executives. We also identified lack of concern in ensuring that the resources of the University are effectively protected and efficiently managed for maximum benefits.

625. In our opinion, the amount of GH¢338,948.68 paid to Fliposis Company Ltd amounted to a financial loss which could have been averted or reduced if the University had put up a defence.

626. We recommended that Management should streamline the activities of the SRC in matters relating to procurements. In this regard Management should enter into a MoU with the SRC detailing the extent of Management involvement in SRC activities and time lines for initiating SRC procurements.

627. Management agreed with the recommendations.

**Unrecovered salary advances GH¢18,551.00**

628. Section 46 of the Public Financial Management Act, 2016, Act 921 requires that Principal Spending Officers of covered entities are to ensure the efficient collection of non-tax revenue due to the entity.

629. We found that, ten members of staff were given salary advances totalling GH¢50,862.00 but Management was able to recover only GH¢32,311.00 leaving a balance of GH¢18,551.00 at the end of the agreed repayment period of 12 months. Details shown in the table 6:

**Table 6: Unrecovered salary advances**

<table>
<thead>
<tr>
<th>No.</th>
<th>Date</th>
<th>Name</th>
<th>Loan</th>
<th>Recovery</th>
<th>Balance</th>
<th>Repayment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>GH¢</td>
<td>GH¢</td>
<td>GH¢</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>14/1/2019</td>
<td>Dr Samuel Addae Boateng</td>
<td>4,562.00</td>
<td>3,188.00</td>
<td>1,374.00</td>
<td>31/1/2020</td>
</tr>
<tr>
<td>2</td>
<td>6/5/2019</td>
<td>Akwasi Adjei-Kuffour</td>
<td>3,150.00</td>
<td>2,625.00</td>
<td>525.00</td>
<td>31/5/2020</td>
</tr>
</tbody>
</table>
630. We attributed the non-recoveries to management’s ineffective advance recovery mechanisms and lack of commitment to enforce the repayment agreement.

631. Delay in the recoveries of the advances denies others the opportunity and could lead to the collapse of the fund.

632. We recommended that Management should intensify their efforts to recover the overdue salary advances from the staff without further delay to avoid being sanctioned in accordance with Section 96 of the Public Financial Management Act 2016.

**Management Response**

633. Management responded that a total of GH¢15,851.00 had been recovered. They added that Mathew Arhinful-Mensah, who owed the remaining GH¢2,700.00 died a few weeks after receiving the loan and has no entitlements that could be used to defray the debt. Management also stated that the case would be presented to the Finance Committee to take a decision on it.
Overdue Students’ Debt-GH¢4,980,051.89

634. Section 46 of the Public Financial Management Act, 2016, Act 921 requires that Principal Spending Officers of covered entities are to ensure the efficient collection of non-tax revenue due to the entity.

635. Our review of the Financial Statements of the University showed that students owe a total of GH¢4,980,051.89 as fees as at 31 December 2019.

636. Schedule Officers explained that the indebtedness arose because the students were given a moratorium to pay at least half of their fees at the start of the academic year and the remaining at the beginning of the second semester.

637. Ineffective system of fee collection and lack of commitment to enforce the fee collection mechanism resulted in the lapse. This has led to doubtful debt of GH¢249,002.59 and could escalate if rigorous measures are not taken to collect the outstanding fees.

638. We recommended that Management should implement more stringent measures in the collection of fees including insisting on students paying the remainder of fees at the beginning of the second semester before being allowed to register for courses.

Management Response

639. Management responded that a total of GH¢4,081,265.56 had been recovered leaving an outstanding of GH¢898,786.33.

Receipt books not in use-80

640. Regulation 147 (3) of the PFMR states that a Principal Spending Officer is responsible for the efficient control of stocks of value books of the covered entity.
641. Section 83 of the Public Procurement Act 2003 (Act 663) as amended by Section 44 of the Public Procurement Act, 2016, Act 921, requires that the head of a procurement entity shall convene a Board of Survey comprising representatives of departments with vehicles, unserviceable, obsolete or surplus stores, plant and equipment which shall report on the items and subject to a technical report on them, recommend the best method of disposal after the officer in charge has completed a board of survey form.

642. We noted during review of Stock Register that the University has over 80 official receipt booklets not in use for the past year.

643. Schedule officers explained that the University stopped using the receipt books when the TOPAZ accounting software was introduced.

644. There is a risk that the Receipt Books could be used to perpetuate revenue malpractices if not efficiently and effectively managed.

645. We recommended that the Receipt Booklets should be disposed of to avoid possible misuse for fraudulent purposes.

**Management Response**

646. Management stated that they had written to the Environmental Protection Agency to supervise the destruction of the receipt books not in use.

**No contract for supply of fuel and related matters- GH¢672,373.10**

647. Section 7 of the Public Financial Management Act, 2016 (Act 921) requires a Principal Spending Officer to ensure the regularity and proper use of money appropriated in that covered entity and in the exercise of duties, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions.
648. We noted that GH¢672,373.10 was paid to Linklaters Company Limited for supply of fuel to the University without a formal contract agreement signed between them.

649. We also noted that there was inadequate protocols and controls to prevent unauthorized drawing of fuel from the supplier and this led to supply of fuel to Principal Officers as and when needed.

650. Management explained that the company was supporting the University on credit basis but we attributed the cause to failure of management to ensure that there is a binding agreement with the fuel supplier spelling out the protocols for fuel supplies.

651. We discovered that the absence of a formal contract can lead to disputes. The weak and inefficient control mechanisms for the management of the fuel and non-capping of fuel for principal Officers gives grounds for abuse. The absence of a defined protocol could lead to payment for fuel not supplied.

652. We recommended that Management should regularize the contract with Linklaters, establish an effective control mechanism for drawing of fuel from the supplier and ensure Principal Officers are given allocations for a given period. We also recommended that Management should consider introducing the use of GOIL Fuel Coupons and GOILGO Cards to improve efficiency in the management of fuel expenditure.

Management response
653. Management responded that they are exploring the most cost effective option to manage the fuel issue.

Delayed infrastructure projects
654. Section 7 subsections (1&2) of the Public Financial Management Act, 2016 (Act 921) requires a Principal Spending Officer to ensure the regularity and proper use of money appropriated in the entity and in the exercise of duties, establish an effective system of risk management, internal control
and internal audit in respect of the resources and transactions of the entity.

655. We noted that construction of a 27-Unit Four Storey Block of Flats and a Five Storey School of Engineering Block initiated by the University and GETFund in 2009 have unduly delayed due to financing.

656. We also noted that contractors for the following Projects; Conversion of Classroom Blocks to Laboratories, ICT Data Centre & Network Operating Centre, Rehabilitation/ Maintenance of Structures and Sports Complex are yet to receive payments for work done due to financial challenges.

657. Notwithstanding the above, we found that the University has commenced another contract for the Design and Construction of Lecture Halls and Office Complex valued at GH¢ 18,049,330.24. Though work is progressing steadily on the Project, we fear that it may suffer similar setbacks as regards previous projects.

658. Project Officers explained that lack of funding from GETFund for the Completion of the GETFund Projects, has compelled the University to fall on its Internally Generated Funds resulting in the delays. They also explained that the new Project is to take care of the first batch of the Free Senior High Students.

659. The delay in completing the Projects has resulted in substantial increase in contract cost of GH¢20,909,101.04 or 386.76% over their original total contract sum of GH¢5,405,869.85 as per the details below:

<table>
<thead>
<tr>
<th>No</th>
<th>Project</th>
<th>Initial sum GH¢</th>
<th>New GH¢</th>
<th>Difference GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Construction of a 27-Unit 4-Storey Block of Flats</td>
<td>1,454,732.85</td>
<td>4,353,640.85</td>
<td>2,898,908.00</td>
</tr>
<tr>
<td>2</td>
<td>Construction of a 5-Storey Sch. Of Eng. Block</td>
<td>3,951,137.00</td>
<td>21,961,330.04</td>
<td>18,010,193.04</td>
</tr>
<tr>
<td></td>
<td>Totals</td>
<td><strong>5,405,869.85</strong></td>
<td><strong>26,314,970.89</strong></td>
<td><strong>20,909,101.04</strong></td>
</tr>
</tbody>
</table>
660. The delay in completing the projects has denied the University the expected benefits in terms of cash flows and use of facilities to aid teaching and learning.

661. We recommended that to secure judicious, economic and efficient use of the University resources Management should complete one Project before undertaking new ones in order to pool resources towards projects that can be conveniently financed.

662. We also recommended that Management should also ensure that appropriate due diligence is conducted to ensure that contractors selected have the financial resources to pre finance projects. Finally, Management should consider the option of looking for investors to complete the projects and pay back through IGF inflows.

Management Response

663. Management responded that the contractors for all projects have resumed work and the projects are expected to be completed within time.

Additional Rehabilitation works on staff bungalow not approved by ETC -GH¢42,000

664. Regulation 78 of the Public Procurement Regulation 2019, LI 2378, requires that a Principal Spending Officer is responsible for ensuring the validity, accuracy and legality of a payment.

665. Subject to the above regulation, Paragraph 5.25- Contract Amendment–of the Public Procurement Act Manuals directs that all other amendments to costs, quantities, time-periods and other terms and conditions of a contract must be approved by the Tender Committee and confirmed in a formal contract amendment or addendum.

666. We noted that the Entity Tender Committee (ETC) awarded the contract for the rehabilitation of staff bungalow at a contract sum of GH¢250,600 to Messrs Fabmon Limited. We however, noted that additional
works of GH¢42,000 which constituted 16.75% of the original contract sum was not referred to the ETC and without formal contract amendments or addenda.

667. We also noted that the total cost of the rehabilitation exceeded the procurement plan amount of GH¢270,000 by GH¢22,600 and details of the contract were not Public Procurement Authority website.

668. The Estate Unit stated that a formal variation order was sent to the Registrar for approval pending ratification by the ETC.

669. We observed that the above lapse inhibits transparency and value for money in public procurement.

670. We urged the Vice Chancellor to liaise with Entity Tender Committee, the Procurement and Estate Units to ratify the additional works to avoid sanctions.

**Management Response**

671. Management responded that the Entity Tender Committee has now given the required ratification.

**Procurement irregularities and lapses-GH¢825,924.17**

672. The Public Procurement Act, 2003 (Act 663) as amended provides guidance for public procurements, establishes the Public Procurement Board and makes administrative and institutional arrangements for procurements and stipulate tendering procedures and related matters.

673. We reviewed the University’s procurement activities for the 2019 financial year for compliance with the Public Procurement Act and noted the following irregularities and lapses.

i. We also noted that a total amount GH¢659,248.61 of goods & services procured through the use of price quotations were without
request for quotations, tender evaluations, award letters and sign contracts.

ii. We noted that the University procured GH¢65,924.78 goods & services from 5 suppliers without two other alternative quotations.

iii. Lastly, we noted that GH¢100,750.78 worth of consumables purchased were not channelled through the Procurement Unit. Funds were allocated to the User departments to purchase the items without recourse to proper procurement processes.

674. We attributed the irregularities and lapses generally to ineffective control environment, inadequate coordination amongst the Procurement and Estate Units, User Departments and Entity Tender Committee.

675. We are of the view that procurement outside the procurement plan could result in impulse buying which can affect the execution of planned activities. Failure to follow standard procedure in price quotation could lead to non-value for money and ultimately result in losses as experienced in the purchase of the Examination materials.

676. For economy, efficiency and effectiveness in public procurements we recommended that the Procurement Unit should coordinate with User Departments for input into the Annual Procurement Plan. The ETC should ensure subsequently, all aspects of the Procurement Act are complied with.

677. In this regard we entreated Management to strengthen the capacity of the Unit to deliver the best services. Finally, to ensure that the University’s procurement activities are in line with prevailing laws and regulations, we entreated the Internal Audit Unit to regularly audit the activities of the Procurement and Estate Units to timeously identify irregularities.

Management Response
678. Management stated that the items were captured in the Procurement Plan through amendment to the Plan. In respect to Price Quotation items Management stated that the items were handled as shopping by either
picking three invoices or request for cash to purchase the items as a result of the prevailing situation and that arrangement did not require evaluation and signing of contract since standard document for request for quotation were not used. Management also stated that some of the items were one off and were required immediately to meet health and other needs.

679. Finally Management stated that procurement according to the plan is tied to availability of funds and the procurement of the examination materials begun when funds were ready and that this is done to prevent previous occurrence.

Unacceptable conditions for single source procurement – GH¢ 524,346.75

680. Section 40 (1a) of the Public Procurement Act, 2003 Act 663 as amended states that, a procurement entity may engage in single-source procurement under section 41 with the approval of the Board where goods, works or services are only available from a particular supplier or contractor or if a particular contractor has exclusive rights in respect of goods, works or services, and a reasonable alternative or substitute does not exist and where there is an urgent need for the items.

681. We noted that the Public Procurement Board granted approval to the University to single source Scancom Ghana Ltd (MTN) for the provision of monthly internet services to the University even though the reasons for the approval did not meet the conditions set forth in section 40 of the Public Procurement Act as amended.

682. Management advanced reasons such as; satisfactory performance on previous and current contracts, reduction in monthly service charges from GH¢40,196.00 to GH¢35,496.75 and uninterruptible service delivery, for the request for the sole source.

683. We are of the view that the University may not be receiving best value for money in this contract since there were other competitors in the industry who could provide better offers. We further stated that this kind of approvals
from the PPB do not enhance fair competition and accountability, but grant monopoly power to one competitor.

684. We advised Management and the Entity Tender Committee to desist from the practice. In this regard we urged the Procurement Unit to constantly monitor the expiration dates for routine contracts in order to have adequate time to initiate procurement steps for new contracts. Finally, we recommended to Management to procure Internet Services through competition when the current contract expires.

Management Response

685. Management responded that sections 40 and 41 of the Public Procurement Act as amended requires organizations to seek approval from the PPA before sole sourcing and the University complied with the requirement.

686. We are of the view that the reasons for the Sole Sourcing did not meet the conditions set out in Section 40 (1a) of the Public Procurement Act, 2003 Act 663 as amended. We therefore reiterate our earlier recommendations.

Contract awarded to an unqualified contractor-GH¢17,234,977.55

687. Section 22 (1) of the Public Procurement Act 2003, Act 663, provides that a qualified tenderer must possess the necessary professional and technical qualifications in addition to managerial capability, reputation, reliability and experience in the procurement object.

688. Our audit revealed that the Koforidua Technical University awarded a contract valued at GH¢17,234,977.55 to King Dwosco Enterprises Limited that was adjudged by Public Procurement Authority (PPA), in a letter referenced PPA/CEO/09/2035/19, as unqualified for the Construction of a classroom and office complex.

689. We attributed the infraction to management’s failure to heed to the PPA’s recommendation.
690. Awarding contracts to unqualified contractors can lead to poor contract execution, significant delays in contract executions, high contract cost and other related challenges.

691. We recommended that the Entity Tender Committee should adhere to recommendation and directives from the PPA. We also urged the Project’s Consultants and Estate Unit to closely monitor the performance of the Contractor in order to identify and address any challenges timely.

Management Response

692. Management insisted that the contractor was qualified and due process was followed in the award of contract.

No appointment letters for members of the University Council

693. Statute five (5) of the Koforidua Technical University states that “Subject to the provisions of the Technical Universities Act, 2016 (Act 922), as amended by Technical Universities Amendment Act 2018, Act 974, there shall be a governing council of the University which shall be the highest decision-making authority of the Technical University”.

694. Review of the personal files of the Council Members showed that six Council Members do not have Appointment Letters.

695. Management stated that it has written to the National Council for Tertiary Education and Ministry of Education in this regard.

696. The absence of Appointment Letters can lead to unclear definition of roles, responsibilities and could render any decision by the Council null and void.

697. We entreated Management to follow up on the matter with reminder letters.
Management Response

698. Management responded that they had written another reminder to the Ministry of Education through National Council for Tertiary Education (NCTE) on the issue.

Failure to implement committee recommendations

699. Management constituted two Investigative committees per their respective terms of references to investigate the circumstances that led to the alleged procurement of substandard letterheads and the rejection of an industrial iron procured for the Fashion and Textile Department and appropriate recommendations.

700. We noted that in respect of the Industrial Iron the Committees recommended that the Procurement office/HoD of Fashion and Textiles Department should liaise with the supplier of the industrial iron to determine the appropriate specifications and replace the industrial iron. However, the recommendations of the Committee have not been implemented.

701. Management is yet to provide explanations on the matter.

702. We are of the view that the cost of the two items remain losses to the University.

703. We recommended to Management to implement the recommendation of the Committees as soon as possible.

Management Response

704. Management stated that it has referred the reports of the two Investigative Committees to the Disciplinary Committee pursuant to section 25 E of the Technical Universities Act and Schedule D of the KTU Statutes 2019 and shall refer the work of the Committee to the University Council for Consideration and appropriate action.
Non-compliance with Data Protection Act 2012 (Act 843)

705. Section 27(1) of the Data Protection Act 2012, (Act 843), requires that a data controller who intends to process personal data shall register with the Commission. Section 28 (1) to (3) of the same Act adds that a data controller shall take the necessary steps to secure the integrity of personal data in the possession or control of a person through the adoption of appropriate, reasonable, technical and organizational measures to prevent loss of, damage to, or unauthorized destruction and unlawful access to or unauthorized processing of personal data.

706. We found the University has not registered with the Data Protection Commission as a Data controller. The University has also not appointed a Data Supervisor who will be responsible for the monitoring of KTU’s compliance with the provisions of the Act.

707. The lapse, occurred due to Management’s disregard for the provisions of the Act.

708. Management’s failure to register with the Data Protection Commission and to appoint a Data Supervisor could lead to loss of data, identity theft and abuse of privacy of personal data.

709. We urged Management to as a matter of urgency take the necessary steps to register with the Data Protection Commission as a data controller and consequently appoint a Data Supervisor to ensure data is protected from unauthorized use, and also ensure the integrity and privacy of data.

Management Response

710. Management responded that it has started the registration process with the Data Protection commission.

Absence of Information Systems Change Management Process

711. System maintenance practices refer primarily to the process of managing change to application systems while maintaining the integrity of both the production hardware and application source and executable code. Change is expected in all systems regardless of whether they are vendor-
supplied or internally developed. Reasons for change in normal operations include internal IT/Business changes, new external regulations, changes in classification related to sensitivity or criticality, audits, and adverse incidents such as intrusions and viruses.

712. To control the on-going maintenance of the system, a Change Management Policy and Standard Process for performing and recording changes is necessary. This process should include steps to ensure that the system changes are appropriate to the needs of the organization, appropriately authorized, documented, thoroughly tested and approved by management.

713. Our interview and review of the Change Management Process for the Topaz Accounting System, OSIS and the network system of KTU disclosed that changes made to these information systems do not follow proper change management methodology as.

714. There is no formal correspondence between the information systems vendors and KTU to convey system change requests. Periodic updates, patches, or new release level of the software dispatched by the vendors are neither documented nor reviewed and authorized to determine whether the changes will negatively affect the existing system.

715. The absence of a Change management Process is attributed to failure of Management to develop and document a Change Management Policy that will prescribe a structured process to be followed to ensure appropriate planning and execution of all changes to IT systems.

716. The absence of a well-defined and documented Change Management Process for IT System could have negative impact on the University’s financial transactions. Transactions may be incorrectly processed, or processing being delayed; both of which could adversely affect the completeness and accuracy of financial statements and management information. Users may also be denied access to other critical IT resources.
when changes to IT infrastructure are not well planned, tested and implemented.

717. Management should put in place a Change Management Process that will ensure that changes to all IT infrastructure and application systems are implemented in a planned and authorized manner. The Change Management Arrangement should also include the development, approval and enforcement of an IT Change Management Policy.

**Management Response**

718. Management stated that it has taken note of the recommendation and shall comply accordingly.

**Absence of Information Technology (IT) Committee**

719. Statute 36 of the Koforidua Technical University conferred on the Governing Council the powers to approve the formation of such Standing Committees of the Academic Board including ICT Committee as appropriate to facilitate the efficient and effective governance of the University.

720. We noted that the University’s Council has not established Information, Communication and Technology (ICT) Committee to oversee the alignment of Information Technology (IT) Strategy with the overall Corporate Strategy of the University and ensuring that Information systems deliver the business requirements.

721. We attributed the absence of the ICT Committee to laxity on the part of the Council to approve the establishment of the Committee despite huge investments in Business-critical Information Systems and IT related assets.

722. The absence of the ICT Committee with the responsibility to ensure that effective Information systems controls are formulated and implemented led to weakness in the OSIS which resulted in the embezzlement of GH¢620,457.32 by some staff of the University.
723. We recommended the Governing Council should liaise with the Academic Board for the formation and approval of the ICT Committee to provide policy directions.

Management Response

724. Management that an Information Technology Committee had been constituted and has since started working.

Absence of IT Risk Management Arrangements

725. Section 7(2) of the Public Financial Management Act, 2016 (Act 921) states “A Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity”.

726. We noted that Management has not carried out a risk assessment of the entire ICT infrastructure to identify, analyze and evaluate the potential threats the University is exposed to, and devise strategies to manage these threats.

727. We attributed the absence of IT risk management arrangements to the absence of the Information, Technology and Communication Committee to provide policy guidance in this regard.

728. The absence of ICT risk management arrangement exposes University’s IT infrastructure especially Business critical systems to threats which may not be identified and manage timely.

729. We recommended that Management should quickened efforts to establish the ICT Committee and task it with the responsibility to carry out extensive IT infrastructure risk assessment to identify potential threats and devise effective and efficient strategies to manage these risks.

Management response

730. Management stated that the Information Technology Committee has been tasked to consider the issue. They added that management has also
organised an Enterprise Risk Management training programme which was facilitated by the Internal Audit Agency to facilitate a framework for effective risk management for the University.

**Inadequate Logical access controls**

731. Section 52 of the Public Financial Management Act, 2016 Act 21 requires the head of an MDA to ensure that proper control systems exist for the custody and management of the assets and the control system should be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse; and processes, whether manual or electronic, and procedures are in place for the effective, efficient, economical and transparent use of the assets.

732. We noted that though access to the TOPAZ accounting and OSIS applications soft wares were restricted by User ID and password, we identified the following control weaknesses in the logical access controls;

i. Absence of well-defined and documented password policy,
ii. Non expiration of Users’ passwords,
iii. Non changing of passwords periodically,
iv. Password length and combinations not restricted,
v. No limit on multiple logon by the same user,
vi. Some users did not change their initial passwords after they were defined onto the systems whilst others have not changed their passwords after initial password change.

733. We attributed the irregularities to nonexistence of a well-defined and documented Logical Access Policy for the security setup of the applications.

734. The absence or inadequate logical access controls within the Business-Critical Systems could lead to unauthorized and unnecessary access which exposes the University to theft, loss, wastage and misuse.

735. We recommended that Management should develop and implement effective Logical Access Control Policy to prevent unauthorized access to
critical operating, application and network systems and strengthening current password control arrangements to maintain confidentiality.

736. In this regard, all default passwords should be changed before system is implemented. Management should enforce change of initial password assignments. Passwords should be change periodically and should consist of a minimum length, containing at least one alpha and one numeric character and not displayed on the screen or shared, and Users should be educated on their responsibility for their passwords.

**Management Response**

737. Management stated that they had constituted a four member committee to work on the user access management policy to address the issue.

**Failure to disable User Accounts of Separated Staff and Staff on Study Leave in the OSIS**

738. Section 52 of the Public Financial Management Act, 2016 Act 21 requires the head of an MDA to ensure proper control systems exist for the custody and management of the assets and the control system should be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse; and processes, whether manual or electronic, and procedures are in place for the effective, efficient, economical and transparent use of the assets.

739. Results from our review of persons with access to the OSIS revealed that 35 Lecturers on study leave still have access to the application. Additionally, User Accounts of five Lecturers who are separated from the University through retirement, death or resignation are still active on the OSIS. Details attached as an appendix C.

740. The lapse occurred as a result of a communication gap between HR, Registry & IT on the status of staff, and failure to maintain a User Access Management Policy.
741. Management's inability to suspend or disable the User Accounts of separated staff could lead to unauthorized access for private benefits.

742. We recommended that the Registry and HR should reconcile their records on the status of the affected staff and furnish same to the IT department to promptly delete or deactivate their User Accounts to forestall any incidence of unauthorized access that might compromise data integrity.

743. We also recommended that going forward, HR should immediately notify IT department on staff who have separated from the University or on study leave. Management should also ensure that a User Access Policy is developed, approved and enforced.

**Management Response**

744. Management responded that they had complied with our recommendation and had deactivated the User Accounts of separated staff and staff on study leave.
KUMASI TECHNICAL UNIVERSITY

Introduction

745. This report relates to the audited accounts of the Kumasi Technical University for the period 1 January 2019 to 31 December 2019.

OPERATIONAL RESULTS

746. The overall financial performance of the University during the period under review showed that the University did increase its surplus by 76.2% from GH₵4,111,236 in 2018 to GH₵7,235,659 in 2019. Details are shown below

<table>
<thead>
<tr>
<th>INCOME</th>
<th>2019</th>
<th>2018</th>
<th>VARIANCE</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GH₵</td>
<td>GH₵</td>
<td>GH₵</td>
<td></td>
</tr>
<tr>
<td>SUBVENTION</td>
<td>36,320,846</td>
<td>34,017,488</td>
<td>2,303,359</td>
<td>6.8</td>
</tr>
<tr>
<td>INTERNALLY GENERATED FUND</td>
<td>23,826,608</td>
<td>22,374,004</td>
<td>1,452,603</td>
<td>6.5</td>
</tr>
<tr>
<td>TOTAL INCOME</td>
<td>60,147,454</td>
<td>56,391,492</td>
<td>3,755,962</td>
<td>6.7</td>
</tr>
<tr>
<td>EXPENDITURE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMPENSATION</td>
<td>39,225,941</td>
<td>38,286,238</td>
<td>939,703</td>
<td>2.5</td>
</tr>
<tr>
<td>GOODS AND SERVICES</td>
<td>13,685,854</td>
<td>13,994,018</td>
<td>(308,164)</td>
<td>(2.2)</td>
</tr>
<tr>
<td>TOTAL EXPENDITURE</td>
<td>52,911,795</td>
<td>52,280,256</td>
<td>631,539</td>
<td>1.2</td>
</tr>
<tr>
<td>EXCESS OF INCOME OVER EXPENDITURE</td>
<td>7,235,659</td>
<td>4,111,236</td>
<td>3,124,423</td>
<td>76.10</td>
</tr>
</tbody>
</table>

747. The Total income for the period increased by 6.7% from GH₵56,391,492 in 2018 to GH₵60,147,454 in 2019. Total expenditure also increased by 1.2% from GH₵52,280,256 in 2018 to GH₵52,911,795 in 2019.
FINANCIAL POSITION

<table>
<thead>
<tr>
<th>ITEMS</th>
<th>2019 GH₵</th>
<th>2018 GH₵</th>
<th>VARIANCE GH₵</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>NON-CURRENT ASSETS</td>
<td>17,200,846</td>
<td>14,325,775</td>
<td>2,875,071</td>
<td>20.1</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td>15,279,564</td>
<td>11,716,815</td>
<td>3,562,748</td>
<td>30.4</td>
</tr>
<tr>
<td>TOTAL ASSETS</td>
<td>32,480,410</td>
<td>26,042,590</td>
<td>6,437,819</td>
<td>24.7</td>
</tr>
<tr>
<td>CURRENT LIABILITIES</td>
<td>677,408</td>
<td>1,491,436</td>
<td>814,028</td>
<td>(54.6)</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>31,803,002</td>
<td>24,551,155</td>
<td>7,251,847</td>
<td>29.5</td>
</tr>
<tr>
<td>LIQUIDITY RATIO</td>
<td>22.6:1</td>
<td>7.9:1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

748. Non-Current Assets increased by 20.1% from GH₵14,325,775 in 2018 to GH₵17,200,846 in 2019. This was as a result of an additional investments of property, plant and equipment to the tune of GH₵2,552,665.

749. Current Assets on the other hand increased by 30.4% from GH₵11,716,815 in 2018 to GH₵15,279,564 in 2019. The increase is explained mostly by almost 50% increase in deposits held at the end of the financial year.

750. The liquidity ratio of 22.6:1 for 2019 as compared with the 2018 liquidity ratio of 7.9:1 indicates that the University has now over 186% capacity to settle its short-term financial obligations better than the year 2018.

MANAGEMENT ISSUES

Unapproved Revolving Fund – GH₵502,198.00

751. Regulation 107 of the Public Financial Management Regulations, 2019, (L.I.2378), provides that for the purposes of Subsection (1) of Section 67 of the Act, the establishment of a revolving fund of a Covered entity requires the prior written approval of the Minister.
752. The Minister’s approval shall include limitations on the purpose for the loans granted and set rate of interest to be applied. The approval also provides legal backing for the loan recovery in case of default or breach by beneficiaries.

753. We noted that an amount of GH¢502,198.00 was set aside as a revolving fund from the approved staff advance appropriated for the University without written approval from the Minister for operating the fund.

754. The lapse presents a high risk of misuse of the fund and its recovery potential. Operating the Revolving Fund without the required approval from the Minister is a breach of financial discipline that could lead to sanctions.

755. We recommended to management to cease granting loans from the Fund until a written approval from the Minister is obtained for operating the fund.

756. Management responded that it has ceased granting loan facilities that are not provided for in their condition of service and added that they are in the process of drafting guidelines for the operations of the revolving fund and would subsequently sought for the required approval when done.

**Unsupported Payments – GH¢177,745.27**

757. Regulation 78(1) of the Public Financial Management Regulation, 2019, (L.I.2378) requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, that evidence of service received, certificates of work done and any other supporting documents exist.”

758. We noted from our review of 13 paid vouchers that, management made payments amounting to GH¢177,745.27 without the transactions being properly supported with Invoices, receipts, inspection reports and certification of work done to authenticate the payments.
759. The acting Finance Director failed to ensure that supporting
documents were obtained for all payments.

760. This anomaly could lead to payments for services not rendered to the
University.

761. We recommended to management to provide the appropriate
documents to authenticate the payments, failure of which the expenditure
would be disallowed and surcharged on the officers who authorized the
payments.

762. Management responded that the payments were for special advances
granted which have been fully recovered.

**Payment of Stipends after Breach of Sponsorship Conditions –
GH¢111,458.00**

763. Section 78(1) of the Public Financial Management Regulations, 2019
(L.I 2378) mandates that a Principal Spending Officer of a covered entity is
personally responsible for ensuring in respect of each payment of that
covered entity, the validity, accuracy and legality of the claim for the
payment.

764. We noted that three lecturers on sponsorship were paid stipends
amounting to GH¢111,458.00 even though they failed to submit their
annual performance assessment report from their institutions of study
which was a key condition for the grant of the sponsorship.

765. We attributed the irregularity to Management’s failure to ensure that
the lecturers on sponsorship presented their progress reports before the
stipends were paid.

766. Management might have paid stipends to lecturers who had
abandoned their courses or were performing poorly.
767. We recommended to management to provide justification for the payments of the stipend amounting to GH¢111,458.00 to the lectures who had breached the condition for the payment or refund the amount to the University’s account for our scrutiny. We further recommended that management should ensure that future stipends are only paid to lecturers on sponsorship who provide their annual performance reports to the University.

768. Management responded by indicating that Thomas Korankye submitted a progress report on 27 August 2019. We however noted that the report was rejected by the Registrar with the reason that it failed to meet the standard of the University.

769. In the case of Mr. Samuel Afriyie, he has now submitted his progress reports for 2019 and 2020 having been receiving the stipend since 2016 without any progress report.

770. Management also stated that Dr. Jenkins Atarisigna Asaah presented an academic report as a supporting document for application for extension dated 12 May 2019 for the 2018/19 academic year.

**Imprest not accounted for – GH¢285,784.52**

771. Regulation 102 of the Public Financial Management Regulations, 2019, (L.I 2378) requires that a special imprest issued for making a particular payment or groups of payments ought to be fully retired within ten days after completion of the activity. The Unretired imprest shall be charged to the personal name of the Principal Spending Officer or the holder of the imprest or the ultimate recipient of the imprest as appropriate. Where a person required to retire an imprest by the due date fails to do so, that person commits an offence, unless the contravention is occasioned by the death or incapacity of that person.
772. We noted that officers of the University failed to account for imprest amounting to GH¢285,784.52 which was given to staff to carry out various activities on behalf of the University.

Details provided below:

a. Accountable imprest not accounted GH¢256,418.18
b. Departmental imprest not accounted GH¢29,366.34

**TOTAL** GH¢285,784.52

773. The acting Finance Director failed to ensure that the imprest was retired.

774. This anomaly could lead to diversion of the University’s funds for private purposes.

775. We recommended to management to ensure that the defaulting staff promptly account for the imprest of GH¢285,784.52 or the amounts should be charged against them as salary advance.

776. Management responded that as at August 2020, total imprest yet to be retired amounted to GH¢103,255.59.

**Failure to Withhold Tax – GH¢4,130.01**

777. Section 116 of the Income Tax Act, 2015, (Act 896) and Section 8(1) of the First schedule of the Income Tax Act requires that service fee for the supply or use of goods by a resident person shall to be taxed at the rate of 3%.

778. We noted during our review of five (5) paid vouchers that acting Finance Director failed to withhold tax of GH¢4,130.01 on five transactions with total gross value of GH¢137,667.00 during the period under review contrary to the tax law.

Details of payments below:
779. The anomaly occurred due to weakness in the payment control process.

780. This anomaly denied the state the revenue needed for development.

781. We recommended that the acting Finance Director should personally pay the amount of GH¢4,130.01 to the GRA and audit notified for verification.

782. Management responded that they failed to withhold the taxes because they were accountable imprest transactions that were not subject to tax.

783. We however did not accept Management’s explanation based on details of payments which showed a minimum cash payment of GH¢12,520 to a payee and is above the minimum tax exempt value of GH¢1,999.99. We therefore reiterated that the acting Finance Director should pay the amount of GH¢4,130.01 to the GRA.
**Single source procurement without approval – GH¢417,733.77**

784. Section 40 of the Public Procurement Act, 2003 (Act 663) as amended provides that a procurement entity may engage in single-source procurement under section 41 with the approval of the Board.

785. Our review of some selected contracts disclosed that the university carried out two (2) different procurements with total face value of GH¢417,733.77 using the Single-source procurement method without obtaining prior approvals from the Public Procurement Authority.

Details are stated below;

<table>
<thead>
<tr>
<th>Procurement</th>
<th>Date</th>
<th>Company Involved</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hotel bill (CBT workshop) - Rosappearl Hotel</td>
<td>09/05/2019</td>
<td>Rosappearl Hotel</td>
<td>71,857.77</td>
</tr>
<tr>
<td>Insurance premium</td>
<td>27/11//2019</td>
<td>Saham Life Insurance</td>
<td>345,876.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>417,733.77</strong></td>
</tr>
</tbody>
</table>

786. This practice lacked transparency and failed to enhance the attainment of value for money in the procurement transactions as stipulated by Section 13 (2) (e) of the Public Financial Management Act, 2016 (Act 921)

787. We requested management to produce evidence of approval from the board failing which they should be sanctioned in accordance with section 92 of the Act.

788. Management responded that it had a running contract with Saham Insurance which was renewed in October 2019. In the case of the hotel, management indicated it selected the hotels based on the profile of the selected guests at any particular time.

789. We did not accept management’s explanation because the issues raised do not prevent them from seeking approval for single sourcing. We reiterated our recommendation as stated above.
Uncompetitive Procurement – GH¢ 79,636.46

790. Section 42(1b) of the Public Procurement Act, 2003 (Act 663) as amended states among others that a procurement entity may engage in procurement by requesting for quotations in accordance with section 43 for goods where there is an established market if the estimated value of the procurement contract is less than the amount in the Fifth Schedule.” The thresholds for the use of the price quotation method of procurement as specified in the Fifth Schedule are estimated contract values less than or equal to GH¢100,000 and GH¢200,000 for goods and works respectively.

791. On the contrary, we noted that management in four (4) instances procured goods through the price quotation method without requesting for alternative quotations. Details are stated below;

**PROCUREMENT UNCOMPETITIVE PROCUREMENT**

<table>
<thead>
<tr>
<th>NO</th>
<th>DETAILS OF CONTRACT</th>
<th>DATE</th>
<th>NAME OF SUPPLIER</th>
<th>PV NO.</th>
<th>AMOUNT (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Home-used engine for vehicle No. GV 3001-13</td>
<td>8/4/2019</td>
<td>Eratus Motors, Tema</td>
<td>152231-04</td>
<td>37,000.00</td>
</tr>
<tr>
<td>2</td>
<td>Hotel bill (Exam Residential Workshop)</td>
<td>12/5/2019</td>
<td>EXELSA LODGE &amp; CONFERENCE</td>
<td>CB13072-07</td>
<td>30,270.45</td>
</tr>
<tr>
<td>3</td>
<td>Hotel accommodation (instructors UNEST, CHINA)</td>
<td>7/2/2019</td>
<td>Joyflux Hotel</td>
<td>CB9177-11</td>
<td>5,716.00</td>
</tr>
<tr>
<td>4</td>
<td>Hotel Bills (ICAST, 2018)</td>
<td>18/1/19</td>
<td>Anita Hotel Ltd</td>
<td>CB8991-41</td>
<td>6,650.01</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>79,636.46</strong></td>
</tr>
</tbody>
</table>

792. As a result, the team could not verify if value for money was obtained in these procurements.

793. Failure on the part the Procurement Officer to request for alternative quotations from other suppliers caused the irregularity.
794. We recommended that the acting Finance Director and Procurement Officer should be sanctioned accordingly for failing to adhere to the stipulations of the PPA.

795. Management responded that the profile of the guests were critical in selecting the hotels. In the case of the replacement of the vehicle engine, management indicated that the other quotation received was from Mechanical Lloyd Company Ltd for GH¢65,351.25 hence the decision to purchase at GH¢37,000.00 from Eratus Motors.

**Repair of Official Vehicle without Works Order – GH¢6,748.32**

796. Regulation 78 of the Public Financial Management Regulation L.I 2378 requires among others that a Principal Spending Officer of a covered Entity is personally responsible for ensuring in respect of each payment of that covered entity that evidence of services received, certificates for work done and any other supporting documents exist.

797. We noted that two payments for repair and maintenance of two official vehicles at a total cost of GH¢6,748.32 were not supported with works orders to indicate the extent of maintenance works required. Vehicles repaired without works order.

<table>
<thead>
<tr>
<th>Date</th>
<th>PV No.</th>
<th>Payee</th>
<th>Chq No.</th>
<th>Details</th>
<th>Amt. GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>4/12/19</td>
<td>13086-1</td>
<td>Mumin Baumia Auto Mechanic</td>
<td>151922</td>
<td>Servicing of Official Vehicle – GT3002-13</td>
<td>5,550.00</td>
</tr>
<tr>
<td>5/4/19</td>
<td>13470-1</td>
<td>Japan Motors Trading Comp.</td>
<td>152213</td>
<td>Servicing of Official Vehicle – GN 9879-14</td>
<td>1,198.32</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>6,748.32</strong></td>
</tr>
</tbody>
</table>

798. We attributed the above to weakness in the payment control process that allowed payments to be made without relevant supporting information. The practice could lead to inappropriate work being done on the vehicles, or fictitious claims made to private individuals.
799. We recommended that all payment for vehicle repairs should be supported with Works Order duly certified by the transport officer and approved by management, to avoid payment of fictitious bills and inappropriate works on the Vehicles. Management accepted our recommendation for compliance.

**Unjustified Payment of Contingency & Provisional Sums – GH¢47,915.80**

800. Regulation 78 of the Public Financial Management Regulations provides that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy, and legality of the claim for the payment and that evidence of service received, certificate for work done and any other supporting documents exists.

801. On the contrary, our examination of selected contracts showed that the University paid for contingencies amounting to GH¢47,915.80 without justifications.
Details are stated below:

<table>
<thead>
<tr>
<th>No</th>
<th>Details of Procurement Transaction</th>
<th>Transaction Date</th>
<th>Contractor</th>
<th>Contract Value (Gh¢)</th>
<th>Contingency &amp; Provision (Gh¢)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Painting of B - TECH BLOCK</td>
<td>13/08/2019</td>
<td>MESSRS AEON COMPLEX LIMITED</td>
<td>154,629.30</td>
<td>1,330.00</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>2</td>
<td>Painting of Transport Block and Workshops</td>
<td>8/8/2019</td>
<td>MESSRS COSTLE PLUS LIMITED</td>
<td>112,379.91</td>
<td>9,424.50</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>3</td>
<td>Painting of B - TECH extension block</td>
<td>15/08/2019</td>
<td>MESSRS MOMENTUM FAF (GH) LIMITED</td>
<td>72,268.35</td>
<td>6,610.00</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>4</td>
<td>Renovation of Bomso Flat</td>
<td>8/8/2019</td>
<td>MESSRS JPP Construction and service Ltd</td>
<td>66,454.30</td>
<td>6,041.30</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>5</td>
<td>Painting of Old Library Block</td>
<td>8/8/2019</td>
<td>MESSRS COSTLE PLUS LIMITED</td>
<td>71,759.20</td>
<td>9,386.00</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>6</td>
<td>Re-roofing and ceiling and ceiling works at main Adm. BLK03/04/2019</td>
<td></td>
<td>MESSRS AEON COMPLEX LIMITED</td>
<td>185,588.03</td>
<td>9,842.00</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td>7</td>
<td>Renovation of Vice Chancellor's residence</td>
<td>18/03/2019</td>
<td>MESSRS JPP Construction and service Ltd</td>
<td>56,552.10</td>
<td>5,282.00</td>
<td>No justification for the utilisation of contingency &amp; provisional sums</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>47,915.80</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
802. Failure on the part of management to ensure that utilisation of the contingency and provisional sums conformed to laid down procedures caused the lapse.

803. Consequently, the University lost the sum of GH¢47,915.80 which could have been used to finance other activities.

804. We recommended to management to provide justification for the utilisation of the contingency provisions, failing which the amount should be recovered and paid to the University's account.

805. Management responded that all the contracts were admeasurement contracts and that the contingencies and provisional sums were used to pay for actual works

**Award of Contracts without ETC’s Approval – GH¢1,380,058.40**

806. Section 18 of the Public Procurement Act, 2003, Act 663, as amended by Section 6 of the Public Procurement Act, 2016, Act 914 regulates that the head of entity shall refer to the Entity Tender Committee for approval a procurement valued over GH¢100, 000 (Goods & Services) and GH¢150,000 (Works).

807. The Second Schedule of the Public Procurement Act 2003 (Act 663) as amended provides thresholds for approving authorities for every procurement transaction. Every procurement transaction requires approval from the appropriate authority for award and execution.

808. On the contrary, we observed that the University awarded three different contracts without obtaining the appropriate approval from the Entity Tender Committee.

Details are stated below:
Contracts without ETC approval

<table>
<thead>
<tr>
<th>Date</th>
<th>Contract Details</th>
<th>Name of Contractor</th>
<th>Contract Sum (GH¢)</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>22/07/2019</td>
<td>Construction of drains sealing and pavement of campus roads</td>
<td>MESSRS POKO WADU Ltd</td>
<td>582,058.40</td>
<td>Did pavement &amp; drainage instead of the road sealing &amp; surfacing approved</td>
</tr>
<tr>
<td>2/8/2019</td>
<td>Supply of Desktop computers</td>
<td>Sparkx (SM) Ghana Ltd</td>
<td>798,000.00</td>
<td>No evidence of ETC approval</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>1,380,058.40</strong></td>
<td></td>
</tr>
</tbody>
</table>

809. The irregularity occasioned as a result of management’s failure to seek a new approval from the ETC after limiting the initial contract for works to only pavement, instead of surfing, pavement and drainage. The lapse occurred again due to management’s failure to wait for the ETC to conclude deliberations on the supply of desktop computers.

810. This practice could lead to management committing the University to decisions and contracts that might be contrary to the overall interest of the University.

811. We recommended that management should provide reasonable justification for not complying with the provision of the Act or be sanctioned in accordance with section 92 of Act 663 as amended for breach of procurement requirements.

812. Management insisted that the required Entity Tender Committee’s approval was obtained and that the terms of Contract were adhered to but failed to provide evidence to support their claim.

813. We therefore reiterated our recommendation for compliance.
Payments for Work not done – GH¢101,336.00

814. Regulation 78 of the Public Financial Management Regulations mandates that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy, and legality of the claim for the payment and that evidence of service received, certificate for work done and any other supporting documents exists.

815. We observed from our review of the Bills of Quantities and our subsequent inspection of project that management paid for contract provisions valued at GH¢101,336.00 which were not delivered. We further noted that though the Bill of Quantities for items to be supplied for both phase I and II of the project were the same their payment certificates showed different quantities supplied for the two phases to execute the project. We also observed that the number of Air conditioners installed on the project was different from the number provided in the contract agreement and paid for on the payment certificates.

816. The irregularity was caused by the failure on the part of the project manager and the inspection team to ensure that quantities quoted on the bill of quantities corresponded with the quantity supplied and quoted on the certificates.

817. This could lead to misappropriation, misapplication and diversion of public funds for private purposes.

818. We recommended to management to recover the amount from the contractor and the project manager.

819. Management in its response stated that items were supplied as shown in the payment certificates. It also said that the ground floor and first floor have different architectural arrangement hence accounting for the difference in quantities. It further mentioned among others that the phase I and phase
II were awarded separately thus, the presence of preliminaries and general provisions in both contracts.

820. Management’s response was not confirmed by the bill of quantities and we therefore reiterated our recommendation for compliance.

**Additional Bills of Quantities not appropriately approved – GH¢402,962**

821. Regulation 78 (1) of the Public Financial Management Regulations requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy, and legality of the claim for the payment and that evidence of service received, certificate for work done and any other supporting documents exists.

822. Section 87 (1) of the Public Procurement Act 2003, (Act 663) provides that amendments on contracts shall be approved by the relevant Tender Committee.

823. We noted from our review of the payment certificates on the phase I of the construction of the four storey building at Adako Jachie, that the Contractor was paid additional bills amounting to GH¢402,962.00 which was not contained in the bills of Quantities approved by the Entity Tender Committee.

824. The irregularity was caused by the failure on the part of the project manager to ensure that the contractor followed the provisions of the contract or obtained the required approval for variations or additional works.

825. This anomaly could result in unapproved changes in contract prices and bills of Quantities which would lead to loss of funds to the University.

826. We recommended to management to provide justification for the payment of the additional bills and evidence of the approval from the Entity
Tender Committee before the payment was made failure of which the amount should be recovered from the contractor or in default, officers who authorized the payments should be held accountable.

827. Management responded that the contractor submitted quotation to the Project Manager and was assessed. It further stated that such process was very much in line with Clause 40.2 of the conditions of contract.

828. Management however failed to provide evidence to the claim above. We therefore reiterated our recommendation to recover the total payments of GH¢402,962.

**Excessive Variations to project Bills of Quantities – GH¢578,343.00**

829. Regulation 78 (1) of the Public Financial Management Regulations states “A Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy, and legality of the claim for the payment and that evidence of service received, certificate for work done and any other supporting documents exists.”

830. Our review of the Bills of Quantities and payment certificates on the construction of the four storey building at Adako Jachie phase I, revealed that management paid for net variations and additional bills amounting to GH¢578,343. We noted varied variations of 50% to 300%, which in our opinion was excessive, given that there was no substantial change to the structure of the project. We observed that the variations and additional bills paid for constituted 21.38% of the contract sum and there was no evidence of it being approved by the Entity Tender Committee as required by Section 87 (1) of the Public Procurement Act. Details attached as Appendix “E”

831. This anomaly could lead to payments for work not done and denies the university value for money.
832. We recommended to management to provide justifications for the excessive variations in the Bills of Quantities and evidence of approval by the Entity Tender Committee.

833. Management responded that the project witnessed considerable changes not only in the structure, but also the specifications as well. It further stated that, the variations which were approved by the Entity Tender Committee utilised the contingency and provisional sums provided within the contract. The total contract sum was therefore not affected.

834. Management however failed to produce for our scrutiny, the variation orders and evidence of approval from the ETC.

**Fuel Not Accounted For – GH₵100,767.76**

835. Regulation 78 (1) of the Public Financial Management Regulations requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy, and legality of the claim for the payment and that evidence of service received, certificate for work done and any other supporting documents exists.

836. Our audit revealed that fuel purchased to the tune of GH₵100,767.76 was not logged in the various vehicle log books.

837. We attributed the lapse to poor monitoring and supervision of the duties of the University drivers by the Transport Officer.

838. Failure to ensure that all fuel supplies are traced into vehicle log books could create avenue for misappropriation of funds, payment of fuel for private use and payment for fuel not supplied.
839. We recommended that management should account for the fuel paid for or in default the acting Finance Director and the Head of transport should refund the amount to the University’s account.

840. Management provided a report from Total Gh. Ltd on fuel supplied which is yet to be reviewed.

**Unearned Salary – GH¢4,650.00**

841. Regulation 92 (1) of the Public Financial Management Regulations states that the Principal Spending Officer of a covered entity shall ensure immediate stoppage of payment of salary to public servants and notify the Controller and Accountant General in circumstance (a) to (f) of this regulation.

842. On the contrary, we observed during our audit revealed that Mr. Linus Gyireh who was deceased in October 2019 continued to draw salary to January 31, 2020 amounting to GH¢4,650.00.

843. Management’s failure to notify the Controller and Accountant General’s Department and the bankers of the deceased caused the irregularity.

844. Consequently, the state lost the sum of GH¢4,650.00.

845. We recommended that, management should write to Mr. Linus Gyireh bankers to transfer the unearned salaries to the suspense account of the Controller and Accountant General.

846. Management responded they received official confirmation on the demise of Mr. Linus Gyireh on 27 February 2020 which accounted for the delay in taking action to delete his name from the payroll. They added that Mr. Gyireh’s name has now been deleted from the payroll and his bankers duly notified of his demise.
Operating Without Approved Policies Documents

847. Section (6) (b) of the Technical Universities Act 2016, Act 922 states “The Council of a Technical University shall determine the strategic direction of the Technical university.”

848. We however realised that all the policies of the University were in draft and not approved by Council. Below are a list of 15 draft policies cited:

a. Human Resources Policy  
b. Staff Development Policy  
c. Transport Policy  
d. Strategic Plan  
e. Medical policy  
f. Investment Policy  
g. IT Policy  
h. Corporate Plan  
i. Accounting Manual  
j. Administrative Manual  
k. Human Resource Policy  
l. Asset and Inventory Policy  
m. Investment Policy  
n. Finance and Administration Policy  
o. Insurance Policy

849. The use of the draft policies could result in the operations being carried out contrary to the Strategy of Council for the operations of the University.

850. We recommended to management to ensure that Council approved the draft policies to make them enforceable.

851. Management indicated that 16 out of the 29 policies have been approved and the remaining 13 are expected to be approved at the next sitting of the University Council.

System Lapses of the Institutional Services Portal (ISP) Application

852. Section 7 (2) of the Public Financial Management Act 2016, Act 921 requires among others that the principal spending officer of a covered entity should establish appropriate internal control measures on resources and transactions of the entity.
853. We noted that the Institutional Services Portal (ISP), used for the sale of admission codes and collection of school fees, was deficient in meeting the needs of the University regarding the following issues:

i) The University could not establish its student debtors because the ISP application does not keep record of details of persons/students who make payments. The University did not also keep students’ ledgers in the ISP Application or any other Application for accounting purposes.

ii) The ISP Application provided information on prospective applicants without a means to verify the actual number of admission forms sold by vendors. Therefore codes soled but not used for applications for admission was not known.

iii) The ISP did not differentiate codes sold to foreign students, Ghanaian students and other categories that attract different costs and this led to our inability to certify that codes sold had been fully accounted for.

854. The above deficiencies may have occurred because of Management’s failure to seek the Auditor-General’s approval to ensure that relevant and appropriate software have been procured and could serve the University’s needs.

855. The University therefore might not have gotten value for money for the use of the ISP Application due to the issues identified. Furthermore, revenue fraud may not be detected early for appropriate redress.

856. We therefore recommended that management should ensure that all weakness identified in the ISP Application are resolved to guarantee that the purpose for the purchase of the Application would be achieved.

857. Management responded that it had signed a one-year contract with the ISP consultant to upgrade the system to deal with all the deficiencies raised and has commenced the process of engaging a new service provider at the end of the current contract.
Grant of Scholarships with Defective Bond Forms

858. Section 78(1) of the Public Financial Management Regulations, 2019 (L.I 2378) requires among others that, a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for the payment.”

859. We noted during our review of the personal files of four(4) lecturers who were awarded scholarships by management of the University, the following anomalies:

a. Bond forms were not completed
b. The forms does not specified the category of persons who qualify as guarantors
c. There were no Seals on the bond forms

860. This anomaly could lead to the school not being able to enforce the terms of the bond in the event of a lecturer failing to honor the terms of it.

861. We recommended to management to ensure the content of the bond forms were reviewed to ensure the bonds signed by beneficiaries were effective and enforceable.

862. Management accepted to implement our recommendation.

Failure to Comply with Scholarship Condition

863. Section 78(1) of the Public Financial Management Regulations, 2019 (L.I 2378) requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for the payment.

864. We observed on our review of the personal file of Bernard Adjei-Frimpong, a Lecturer, that he was granted study leave with pay with effect
from September 2016 to August, 2020 to pursue a PhD in Electrical Engineering at the University of Technology and Economics in Hungary.

865. The scholarship was given subject to the officer ensuring that his Institution/supervisor submits an attestation of satisfactory progress report of his studies every academic year with a caution to the officer that the sponsorship was liable to be terminated in the event of misconduct and unsatisfactory progress in his study among others.

866. We noted that the officer had not submitted any progress report even after being reminded by the registrar to do so in 2018.

867. Management’s failure to ensure that the terms of the scholarship were adhered to caused the irregularity.

868. This anomaly could lead to payment of salaries to officers who may have abandoned their post under cover of studying abroad.

869. We recommended to management to provide us with the academic progress reports of Mr. Bernard Adjei Frimpong, failure of which his scholarship should be annulled and salaries paid to him for the period of absence retrieved.

870. Management responded that Mr. Bernard Adjei-Frimpong has now submitted his academic progress report from 2016 to 2020

**Opening of Bank Accounts without written Approval from Controller**

871. Section 51(1) of the Public Financial Management Act, 2016(Act 921) provides that a bank account shall not be opened for any covered entity without the written approval of the Controller and Accountant- General.
872. On the contrary we noted that the University operates 32 accounts without obtaining written approval from the Controller and Accountant-General for these accounts.

873. The irregularity occurred due poor management supervision and control over the duties of the Director of Finance which led to the failure to strictly comply with the financial regulations.

874. This anomaly could lead to fraudulent transactions being made using unapproved and undisclosed accounts.

875. We recommended to management to ensure that the University obtained written authorizations from the Controller and Accountant-General for the operations of the various accounts.

876. Management indicated that it had written to Controller and Accountant–General to seek the required approval.

**Failure to prepare Financial Statements on accrual basis**

877. Regulations 208 of the Public Financial Management Regulations, L. I. 2378 of 2019 directs that the accounting basis of a covered entity for the record of revenue, expenditure, assets and liabilities shall be on accrual basis of accounting or as determined by the Controller and Accountant-General. Also, the International Public Sector Accounting Standard (IPSAS 1) on modified accrual requires that revenue is recognized when cash is received or its receipt can be measured reliably.

878. Our review of the Financial Statements for the year ended 31st December, 2019 showed that student’s indebtedness was not disclosed in the Financial Statement as required.

879. The Director of Finance indicated that the University treated school fees as a cash item and is recognised when received.
880. Omission of students’ debtors from the Financial Statements was material and thus affected the true financial position of the University.

881. We recommended that the Council should direct the acting Director of Finance to prepare the financial records on accrual basis to avoid qualification of the University’s Financial Statements in future.

882. Management accepted our recommendation for compliance.

**Failure to declare Assets and Liabilities**

883. Article 286 (1) of the 1992 Constitution states “A person who holds a public office mentioned in clause (5) of this article shall submit to the Auditor-General a written declaration of all property or assets owned by, or liabilities owed by, him whether directly or indirectly.

(a) within three months after the coming into force of this Constitution or before taking office, as the case may be,

(b) at the end of every four years; and

(c) at the end of his term of office.”

884. The essence of this is to minimize conflict of interest and to promote accountability and transparency in public finance management and procurements.

885. Contrary to the above provisions, we noted that eligible officers of Kumasi Technical University failed to declare their assets and liabilities. There is the risk these officers may amass wealth at the expense of the University and for that matter the State without being found.

886. We requested that management should ensure the provision of the Constitution is complied with to avoid sanctions.
887. Management stated during exit conference that they were in a process of declaring.

**WA POLYTECHNIC**

**Introduction**

888. This report relates to the audited accounts of the Wa Polytechnic for the period 1 January 2019 to 31 December 2019.

**Operational Results**

889. The operations of the Wa Polytechnic for the financial year, 2019 ended with an income surplus of GH¢1,251,476.12 representing 65.15% decrease in the surplus of the previous period of GH¢3,591,293.37. Details are provided below:

### Income and Expenditure for the year 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Change</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Income:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Subventions</td>
<td>12,006,988.23</td>
<td>14,525,688.65</td>
<td>2,518,700.42</td>
<td>17.34</td>
</tr>
<tr>
<td>Other income (IGF)</td>
<td>1,926,534.99</td>
<td>1,624,794.44</td>
<td>301,740.55</td>
<td>18.57</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>13,933,523.22</strong></td>
<td><strong>16,150,483.09</strong></td>
<td><strong>2,216,959.87</strong></td>
<td><strong>13.73</strong></td>
</tr>
<tr>
<td><strong>Expenditure:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation for Employees</td>
<td>9,915,757.62</td>
<td>9,280,827.58</td>
<td>634,930.04</td>
<td>6.84</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>2,766,289.48</td>
<td>3,278,362.14</td>
<td>-512,072.66</td>
<td>15.62</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>12,682,047.10</strong></td>
<td><strong>12,559,189.72</strong></td>
<td><strong>122,857.38</strong></td>
<td><strong>0.98</strong></td>
</tr>
<tr>
<td><strong>Income Surplus/ (Deficit)</strong></td>
<td><strong>1,251,476.12</strong></td>
<td><strong>3,591,293.37</strong></td>
<td><strong>2,339,817.25</strong></td>
<td><strong>65.15</strong></td>
</tr>
</tbody>
</table>

890. Total Income for the Polytechnic decreased by 13.73% from GH¢16,150,483.09 in 2018 to GH¢13,933,523.22 in 2019. The above decrease is mainly attributed to a decrease in Government Subvention by 17.34% from GH¢14,525,688.65 in 2018 to GH¢12,006,988.23 in 2019.

891. Total Expenditure has increased slightly by 0.98% from GH¢12,559,189.72 in 2018 to GH¢12,682,047.10 in 2019. This was largely
due to a 6.84% increase of GH¢634,930.04 in expenditure on Compensation of Employees from 9,280,827.58 in 2018 to GH¢9,915,757.62 in 2019.

Financial Position

892. The Financial Position of the Wa Polytechnic as at 31 December 2019 is as shown in table 21.

Financial position as at 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Changes</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GH¢</td>
<td>GH¢</td>
<td>GH¢</td>
<td>Change</td>
</tr>
<tr>
<td>Non-Current Assets</td>
<td>16,757,701.28</td>
<td>17,833,363.09</td>
<td>-21,075,661.81</td>
<td>-6.03</td>
</tr>
<tr>
<td>Current Assets</td>
<td>1,305,175.79</td>
<td>1,059,746.76</td>
<td>245,429.03</td>
<td>23.16</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>486,477.61</td>
<td>2,568,186.51</td>
<td>-2,081,708.90</td>
<td>-81.06</td>
</tr>
<tr>
<td>Net Assets</td>
<td>17,576,399.46</td>
<td>16,324,923.34</td>
<td>1,251,476.12</td>
<td>7.67</td>
</tr>
<tr>
<td>Current ratio</td>
<td>2.68</td>
<td>0.41</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

893. Non-Current Assets decreased by 6.03% from GH¢17,833,363.09 in 2018 to GH¢16,757,701.28 in 2019. This was due to non-current assets overstated by GH¢294,904.10 in 2018 now eliminated in 2019.

894. Current Assets had increased by 23.16% from GH¢1,059,746.76 in 2018 to GH¢1,305,175.79 in 2019. This was due to an increase in Cash and Cash Equivalent from GH¢94,174.34 in 2018 to GH¢247,989.93 in 2019.

895. Current Liabilities had decreased by 81.06% from GH¢2,568,186.51 in 2018 to GH¢486,477.61 in 2019.

896. The liquidity ratio of 2.68:1 in 2019 means that the Polytechnic has the ability to meet its current liabilities as they fall due 2.68 times.
MANAGEMENT ISSUES

Overdue Salary and Rent Advance - GH¢139,462.89

897. Regulation 46 of the Public Financial Management Regulation 2019, LI 2378, requires that a Principal Spending Officer of a covered entity shall ensure the efficient collection and lodgement of revenue due the entity

898. We noted during the audit that salary and rent advances granted to five officers totaling GH¢139,462.89 from January 2016 to June 2018 were not recovered as at 31 December 2019. Details are provided below:

<table>
<thead>
<tr>
<th>Name of Staff</th>
<th>Staff ID</th>
<th>Date loan was taken</th>
<th>Description</th>
<th>Amount taken GH¢</th>
<th>Amount paid</th>
<th>Outstanding balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Guido Zagaana</td>
<td>-</td>
<td>1/1/16</td>
<td>Salary advance</td>
<td>216.78</td>
<td>-</td>
<td>216.78</td>
</tr>
<tr>
<td>John J. Kunkumah</td>
<td>-</td>
<td>1/1/16</td>
<td>Salary advance</td>
<td>442.98</td>
<td>-</td>
<td>442.98</td>
</tr>
<tr>
<td>Naah Bayor</td>
<td>767241</td>
<td>1/1/16</td>
<td>Salary advance</td>
<td>430.00</td>
<td>-</td>
<td>430.00</td>
</tr>
<tr>
<td>Prof. Marfo Owusu</td>
<td>1243666</td>
<td>1/1/18 to 30/1/18</td>
<td>Salary Advance</td>
<td>161,763.43</td>
<td>14,390.30</td>
<td>137,373.13</td>
</tr>
</tbody>
</table>

Sub-total: 162,853.19  138,462.89

| Abdulai Watara | 755708   | 31/07/18            | Rent Advance         | 2,500.00         | 1,500.00    | 1000.00             |

Total: 165,353.19  15,890.30  139,462.89

899. Management’s failure to ensure that the deductions were done at source and failure to ensure that salary advance granted could be recovered within recommended period of 12 months caused the lapse. The outstanding amount if not recovered, would mean loss of University funds and deny other staff from benefiting same
900. We recommended to management to ensure that the necessary inputs are Compiled and sent to the controller and Accountants General’s Department to make the necessary deductions.

901. Management responded that with regard to Guido Zagaana and John J. Kunkumah, the Audit Committee recommended that management should consider writing their debts off and which had been initiated. Naa Bayor has since paid GH¢100.00 whilst Prof. Marfo Owusu’s Book and Research benefits was used to defray part of his debt and would pay the balance when his starts receiving his salary. Finally, Abdulai Watara had duly paid off his outstanding amount of GH¢1,000.00.

**Under deduction of Rent on staff accommodation GH¢22,104.06**

902. Regulation 46 of Public Financial Regulation 2019, LI 2378, provides that a Principal Spending Officer of a covered entity shall ensure efficient collection of revenue due.

903. Article 14.0 of the Condition of Service for Senior Staff and Senior Members of Polytechnic Teachers Association of Ghana (POTAG) provides that an employee shall be provided with accommodation if available, and shall be required to pay rent at the prevailing government rate. In addition, Ministry of Finance Circular No. 133385/05/06/MTR CAGD of 15 June 2006 directs all occupants of government bungalows/flats/quarters to pay 10% of their basic salary as rent.

904. We noted during our audit that 12 officers occupying the Polytechnic’s bungalows paid a fixed amount of GH¢150.00 per annum as rent instead of 10% of their basic salary. Details are shown below:

**Under-deduction of Rent on staff accommodation**

<table>
<thead>
<tr>
<th>No</th>
<th>Staff ID</th>
<th>Name of occupant</th>
<th>Grade of occupant</th>
<th>Bungalow No</th>
<th>Annual Basic salary GH¢</th>
<th>Current deduction GH¢</th>
<th>10%</th>
<th>2019 Arrears GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>812220</td>
<td>Mr. Albert Boata</td>
<td>Accountant, POLY</td>
<td>Bung. 2</td>
<td>42,591.01</td>
<td>150.00</td>
<td>354.93</td>
<td>2,459.10</td>
</tr>
<tr>
<td>#</td>
<td>Account Number</td>
<td>Name and Designation</td>
<td>Employment</td>
<td>Basic Salary</td>
<td>Position Allowance</td>
<td>Other Allowances</td>
<td>Salary Paid</td>
<td></td>
</tr>
<tr>
<td>----</td>
<td>----------------</td>
<td>----------------------</td>
<td>------------</td>
<td>--------------</td>
<td>-------------------</td>
<td>-----------------</td>
<td>------------</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>767222</td>
<td>Mr. James Segtub Dugrah Lecturer (Non-PhD).POLY</td>
<td>Bung. 4</td>
<td>34,810.47</td>
<td>150.00</td>
<td>290.09</td>
<td>1,681.05</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>755336</td>
<td>Mr. Mohamed N Iddrisu Lecturer (Non-PhD).POLY</td>
<td>Bung. 5</td>
<td>41,901.34</td>
<td>150.00</td>
<td>349.18</td>
<td>2,390.13</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>755324</td>
<td>Mr. Thomas O Ocloo Lecturer (Non-PhD).POLY</td>
<td>Bung. 7</td>
<td>34,809.47</td>
<td>150.00</td>
<td>290.08</td>
<td>1,680.95</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>755332</td>
<td>Mr. Salifu Abdul Wahab Lecturer (Non-PhD).POLY</td>
<td>Flt. 2</td>
<td>34,809.47</td>
<td>150.00</td>
<td>290.08</td>
<td>1,680.95</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>767212</td>
<td>Mr. Michael Gbegble Sen.Lecturer (Non-PhD).POLY</td>
<td>Flt. 1</td>
<td>41,901.34</td>
<td>150.00</td>
<td>349.18</td>
<td>2,390.13</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>755420</td>
<td>Mrs. Aliata I. Mumuni Snr.Lecturer (Non-PhD).POLY</td>
<td>Flt. 6</td>
<td>41,902.34</td>
<td>150.00</td>
<td>349.19</td>
<td>2,390.23</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>755421</td>
<td>Mr. Gilbert K. Bedzrah Senior.Technician..POLY</td>
<td>Flt. 7</td>
<td>23,042.13</td>
<td>150.00</td>
<td>192.02</td>
<td>504.21</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>755708</td>
<td>Mr. Abubakari Abdulai Watara Accountant..POLY</td>
<td>Flt. 8</td>
<td>32,280.61</td>
<td>150.00</td>
<td>269.01</td>
<td>1,428.06</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>755338</td>
<td>Mr. Ibrahim Kariyama Snr.Lecturer (Non-PhD).POLY</td>
<td>Flt. 4</td>
<td>41,901.34</td>
<td>150.00</td>
<td>349.18</td>
<td>2,390.13</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>755392</td>
<td>Mr. Makafui Tawia Aseye Lecturer (Non-PhD).POLY</td>
<td>Flt. 3</td>
<td>34,810.47</td>
<td>150.00</td>
<td>290.09</td>
<td>1,681.05</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>755452</td>
<td>Miss Shameema Issahaque Assistant.Registrar..POLY</td>
<td>Bung. 8</td>
<td>32,280.61</td>
<td>150.00</td>
<td>269.01</td>
<td>1,428.06</td>
<td></td>
</tr>
</tbody>
</table>
| **Total** | 1,800.00 | 22,104.06 | 905. We blamed management’s failure to enforce the directive as the cause of this anomaly.  
906. This resulted in under collection of rent amounting to GH¢22,104.06.  
907. We recommended to management to enforce the deduction of the rent at the rate of 10% of the basic salary of the occupants. We also recommended that arrears due for January to December 2019 of all affected officers of the Polytechnic should be recovered failing which the Director of Finance should be sanctioned according to Section 96 of the Public Financial Management Act 2016 (Act 921).
908. In response, management stated that the Polytechnic has directed the Housing and Estate Committee to advice management with regard to our recommendations.

**Expenditure on tripartite partnership without benefits-GH¢49,527.00**

909. Section 7 of the Public Financial Management Act 2016, Act 921, requires that a principal Spending Officer of a covered entity shall ensure the regularity and proper use of resources

910. We noted during examination of paid vouchers that management disbursed a total amount of GH¢49,527.00 on a tripartite partnership agreement between the Polytechnic, University of Kara in Togo and SE–International, a US registered NGO. The partnership is to undertake seven projects to benefit both the Wa Polytechnic and University of Kara. We however noted that, as at June 2020, the Polytechnic is yet to receive any benefit from the partnership. Details of disbursements are presented below:

<table>
<thead>
<tr>
<th>No</th>
<th>PAY DATE</th>
<th>PV No</th>
<th>CHQ No</th>
<th>PAYEE</th>
<th>DESCRIPTION</th>
<th>BOOK VALUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>14/02/19</td>
<td>ISA/02/18</td>
<td>1063</td>
<td>RHODA SAAN</td>
<td>Kara workshop</td>
<td>1,320.00</td>
</tr>
<tr>
<td>2</td>
<td>02-08-19</td>
<td>ISA/08/03</td>
<td>1214</td>
<td>RHODA SAAN</td>
<td>Tripartite Partnership meeting</td>
<td>2,650.00</td>
</tr>
<tr>
<td>3</td>
<td>27/09/19</td>
<td>ISA/09/01</td>
<td>1419</td>
<td>RHODA SAAN</td>
<td>Tripartite Partnership</td>
<td>1,045.00</td>
</tr>
<tr>
<td>4</td>
<td>27/08/19</td>
<td>SSB/08/11</td>
<td>6122</td>
<td>MS RHODA SAAN</td>
<td></td>
<td>7,000.00</td>
</tr>
<tr>
<td>5</td>
<td>04-09-19</td>
<td>SSB/09/07</td>
<td>6142</td>
<td>ALEYAO BINIOUBE</td>
<td></td>
<td>12,622.00</td>
</tr>
<tr>
<td>6</td>
<td>18/11/19</td>
<td>ISA/11/29</td>
<td>1579</td>
<td>MOHAMMED N. IDDRISU</td>
<td></td>
<td>5,000.00</td>
</tr>
<tr>
<td>7</td>
<td>02-09-19</td>
<td>ISA/09/12</td>
<td>1302</td>
<td>PROF. DANIEL A. BAGAH</td>
<td>Tripartite Partnership Launch - Night allowance and fuel</td>
<td>2,450.00</td>
</tr>
<tr>
<td>8</td>
<td>12-03-19</td>
<td>ISA/03/06</td>
<td>1087</td>
<td>DR. HAMIDATU DARIMANI &amp; CO.</td>
<td>Tripartite Partnership meeting</td>
<td>4,020.00</td>
</tr>
<tr>
<td>9</td>
<td>02-08-19</td>
<td>ISA/08/0</td>
<td>1214</td>
<td>RHODA SAAN</td>
<td>Tripartite</td>
<td>2,650.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>02-08-19</td>
<td>ISA/08/05</td>
<td>1215</td>
<td>PATRICK A. BOWAN</td>
<td>Tripartite Partnership meeting</td>
<td>1,250.00</td>
</tr>
<tr>
<td>11</td>
<td>02-08-19</td>
<td>ISA/08/05</td>
<td>1216</td>
<td>FRANK S.N. TEMBILE</td>
<td>Tripartite Partnership meeting</td>
<td>750.00</td>
</tr>
<tr>
<td>12</td>
<td>02-09-19</td>
<td>ISA/09/05</td>
<td>1288</td>
<td>MR. VITUS SONGOTUAH</td>
<td>Tripartite Partnership Launch – fuel</td>
<td>1,400.00</td>
</tr>
<tr>
<td>13</td>
<td>02-09-19</td>
<td>ISA/09/05</td>
<td>1290</td>
<td>MR. MOHAMED N. IDDRISSU</td>
<td>Tripartite Partnership Launch – fuel</td>
<td>2,000.00</td>
</tr>
<tr>
<td>14</td>
<td>02-09-19</td>
<td>ISA/09/05</td>
<td>1291</td>
<td>VITUS SONGOTUAH</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>900.00</td>
</tr>
<tr>
<td>15</td>
<td>02-09-19</td>
<td>ISA/09/05</td>
<td>1292</td>
<td>MOHAMED N. IDDRISU</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>1,050.00</td>
</tr>
<tr>
<td>16</td>
<td>02-09-19</td>
<td>ISA/09/06</td>
<td>1295</td>
<td>DR. HAMIDATU S DARAMANI</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>750.00</td>
</tr>
<tr>
<td>17</td>
<td>02-09-19</td>
<td>ISA/09/07</td>
<td>1297</td>
<td>SAMUEL YANKAH</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>450.00</td>
</tr>
<tr>
<td>18</td>
<td>02-09-19</td>
<td>ISA/09/08</td>
<td>1298</td>
<td>JOHN K. KPIEPAALA</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>450.00</td>
</tr>
<tr>
<td>19</td>
<td>02-09-19</td>
<td>ISA/09/09</td>
<td>1299</td>
<td>FRANK S.N. TEMBILE</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>450.00</td>
</tr>
<tr>
<td>20</td>
<td>02-09-19</td>
<td>ISA/09/10</td>
<td>1300</td>
<td>MONICA T KPN</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>660.00</td>
</tr>
<tr>
<td>21</td>
<td>02-09-19</td>
<td>ISA/09/11</td>
<td>1301</td>
<td>ABDUL RAHAMAN ZAKARIA</td>
<td>Tripartite Partnership Launch – Night allowance</td>
<td>660.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>49,527.00</td>
</tr>
</tbody>
</table>
911. Madam Rhoda Saan, the focal person for the partnership at the Polytechnic, mentioned that, the project is currently on hibernation awaiting management approval to proceed with partnership activities.

912. As it stands, the Polytechnic has wasted GH₵49,527.00 of its scarce financial resources without any benefit.

913. We recommended that, management should expedite action on the approval needed to ensure that the Polytechnic derives benefits from the partnership before it expires at the end of the 2-year presidential tenure it currently enjoys.

914. Management stated that they had tasked the Tripartite Partnership Programme Coordinator and Management Team to initiate and start the writing of funding proposal for Academic Board consideration.

**Printing of 500 receipt booklets without approval GH₵8,859.38**

915. Regulation 147 of the Public Financial Management Regulation, 2019 (LI 2378) directs that, the Controller and Accountant-General shall specify conditions for the management and safety of value books used by the Polytechnic and shall approve the design, form and content of value books, order the supply of value books, issue guidelines for the management of value books, and approve stock levels of value books to be produced for use by the Polytechnic.

916. This notwithstanding, we noted that Management of the Polytechnic procured 500 carbonated receipt booklets from M-Buk Concept at a total cost of GH₵8,859.38 without approval from the Controller and Accountant-General.

917. The lapse occurred as a result of management failure to compel strictly with the provision stated above.
918. We urged management to seek approval for the printed booklets and desist from such practice in the future. We further recommended the sanctioning of the Principal Spending Officer as stipulated under Section 96 of Act 921 and Regulation 230 of L. I. 2378.

919. Management responded that they had written for the second time for the permission or approval to print the institutional receipt books and are awaiting response.

**Canon Toners Not Put To Use - GH¢ 3,360.00**

920. Section 7 of the Public Financial Management Act, 2016 (Act 921) requires the Acting Rector of the Polytechnic to ensure the regularity and proper use of money appropriated in the Polytechnic.

921. Section 52 of the Public Financial Management Act 2016, Act 921 states among others that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets and preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.

922. Our review of store records and physical stocktaking revealed that, two photocopier toners procured in 2016 at a cost of GH¢3,360.00 have not been used since they were supplied. Details are provided below:

**Procurement of Canon Toners Not Put To Use**

<table>
<thead>
<tr>
<th>Item</th>
<th>Closing Stock Balance as at 31/12/2016</th>
<th>Total Quantity Issued</th>
<th>Balance as at 31/12/2019</th>
<th>Rate GH¢</th>
<th>Value GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canon GPR - 8 Toner</td>
<td>18</td>
<td></td>
<td>18</td>
<td>120.00</td>
<td>2,160.00</td>
</tr>
<tr>
<td>Canon C-EXV -14 Toner</td>
<td>9</td>
<td>1</td>
<td>8</td>
<td>120.00</td>
<td>960.00</td>
</tr>
<tr>
<td>Canon C-EXV -12 Toner</td>
<td>3</td>
<td>1</td>
<td>2</td>
<td>120.00</td>
<td>240.00</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td></td>
<td>28</td>
<td></td>
<td>3,360.00</td>
</tr>
</tbody>
</table>
923. According to the store keeper, this infraction was as a result of the photocopiers not being in use any longer.

924. In our view, poor stock management and inefficient procurement plan resulted in the stock of unused toners leading to lock up of funds which could have been used to achieve other objectives.

925. We therefore advised management to ensure that they apply efficiency in stock management to avoid being saddled with obsolete items. We further recommended that the toners should be disposed of.

926. Management responded that they had constituted a Board of Survey to consider our recommendation and other issues of concern.

**Pension contributions not remitted GH₵7,312.68**

927. Section 3 of the National Pensions Act, 2008 Act 766 directs amongst others that an employer of an establishment shall deduct from the salary of every worker in the establishment immediately at the end of the month, a worker’s contribution of an amount equal to five and half per centum of the worker’s salary for the period, irrespective of whether or not the salary is actually paid to the worker. An employer of an establishment shall pay for each month in respect of each worker, an employer’s contribution of an amount equal to thirteen per centum of the worker's salary during the month. Out of the total contribution of eighteen and a half per centum an employer shall within fourteen days from the end of each month transfer the following remittances to the mandatory schemes on behalf of each worker;

a. thirteen and half per centum to the first tier mandatory basic national social security scheme; and

b. five per centum to the second tier mandatory occupational pension scheme.
928. We noted that the Polytechnic failed to remit total employees pension contributions amounting to GH¢7,312.68 as per the above. Details are shown in table below:

1st & 2nd tiers mandatory pension contributions not remitted

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Monthly wage</th>
<th>5.50%</th>
<th>13%</th>
<th>Total</th>
<th>Period (Months)</th>
<th>Amount GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Mr. Siironaa Imoro</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>2</td>
<td>Ms. Helda Kuuso</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>3</td>
<td>Ms. Robina Dongliee</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>4</td>
<td>Mr. Naa Mumuni</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>5</td>
<td>Mr. Yakubu Mahamadu</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>6</td>
<td>Mr. Saaka Darimani</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>7</td>
<td>Ms. Judith Galyuon</td>
<td>297.00</td>
<td>16.34</td>
<td>38.61</td>
<td>54.95</td>
<td>12</td>
<td>659.34</td>
</tr>
<tr>
<td>8</td>
<td>Mr. Yussif Adams</td>
<td>607.50</td>
<td>33.41</td>
<td>78.98</td>
<td>112.39</td>
<td>12</td>
<td>1,348.65</td>
</tr>
<tr>
<td>9</td>
<td>Mr. Ruudolf</td>
<td>607.50</td>
<td>33.41</td>
<td>78.98</td>
<td>112.39</td>
<td>12</td>
<td>1,348.65</td>
</tr>
</tbody>
</table>

929. The cause could be because of the Acting Director of Finance’s failure to deduct employees 5.5% contribution from their wages/salaries thereby providing the cover not to remit the employers 13% contribution for the employees.

930. The casual staff therefore risks not benefiting from both Social Security pension as well as second tier mandatory pension.

931. We recommended that, management should make necessary arrangement to pay the statutory contributions to the appropriate pension scheme or risk being sanctioned according to Section 3(10) of Act 766 which says an employer who fails to remit total contributions within the time stipulated in subsection (3) commits an offence and is liable on summary conviction to a fine of two thousand penalty units or to a term of
imprisonment for two years or to both. Management agreed to implement our recommendation.

**Delayed Projects - GH¢ 8,487,504.88**

932. Section 7 of the Public Financial Management Act 2016, Act 921 mandates that a Principal Spending Officer of a covered entity shall ensure regularity and proper use of funds appropriated in the covered entity. Also, Section 5 of the manual for Public Procurement Act 2003 prescribes that contracts are to be executed in accordance with the agreement in the contract document and if there is any unforeseen circumstances that would extend the completion date of the project, the contractor(s) would have to notify management in writing for consideration:

933. Contrary to the above, we noted during project inspection that eleven (11) GETFund projects awarded with original total contract sum of GH¢3,633,946.31 and revised to GH¢8,487,504.88 were not completed although their expected completion dates had elapsed.

934. According to the Development officer, funding challenges attributed to the cause of the delay. We believe that the numerous projects being undertaken at the Polytechnic have also contributed to the lack of adequate resources to fund them leading to the delays.

935. The continuous delay of these projects, led to the variation of total contract sum by GH¢4,853,558.57, representing 133.56% of the original total contract sum.

936. We urged Management to coordinate with GETFund to provide budget allocation for the project and ensure its early completion to prevent further cost overrun. We further endorsed the directive from NCTE that required that no new project should be started unless the outstanding ones have been completed.
937. Management responded that Government has released money through NCTE for the academic facility and infrastructure and added that they would still pursue for more allocation to complete the projects to avoid overruns.

**Absence of substantive officers for the polytechnic**

938. In accordance with schedule H of the statutes of the Wa Polytechnic, 2006, the Governing Council is required to set up a search committee to propose suitable candidates for the position of Finance Officer, Internal Auditor, Development Officer, Director of polytechnic Health services and polytechnic Librarian, reference to statute 8 to 13 of the statutes of the Wa Polytechnic on appointment of officers.

939. We noted that for the period under review the positions of Finance Officer, Internal Auditor, Development Officer, Director of Polytechnic Health Services and Polytechnic Librarian are occupied by non-substantive officers.

940. The Ag. Finance Officer explained that the situation was due to delay in obtaining the necessary financial clearance from the Ministry of Finance.

941. The absence of key officers such as these undermines the important roles they are supposed to play to help the council achieve the objects of the polytechnic. Maintaining officers in acting positions for long time breeds insecurity, discontent and erodes confidence which affects their output.

942. We recommended to Management and the Governing council of the Polytechnic to take steps to ensure that either the acting officers are confirmed or a substantive one is appointed within three months when positions become vacant for the smooth running of the Polytechnic.

943. Management responded that financial clearance has been granted for recruitment and management is in the process of recruiting these key officers.
Absence of Service Level Agreement (SLA)

944. Section 52 of the Public Financial Management Act, 2016, Act 921 directs that a Principal Spending Officer shall establish a control system that would ensure that processes, whether manual or electronic, and procedures are in place for the effective, efficient, economical and transparent use of the assets.

945. We noted that Wa Polytechnic failed to sign a service level agreement with Internet Communication Systems, for the use of MySchooApp domain (wapolyadmissions.net) to ensure service quality, efficiency, and responsiveness requirements.

946. We attributed this anomaly to the ignorance on the part of management of the Polytechnic.

947. The lapse may lead to loss of critical service levels during the application, admission and results checking periods and missed critical service levels (downtimes) may go without sanctions.

948. We urged management to put in place a Service Level Agreement between Wa Polytechnic and Finger Spot Enterprise and Internet Communication Systems to ensure service quality is maintained.

949. Management accepted our recommendation and stated that a SLA would be put in place to safeguard and ensure service quality and service responsiveness.

No Risk Management policy and non-maintenance of IT risk register

950. Section 7(2) of the Public Financial Management Act, 2016 Act 921 requires that a Principal Spending Officer shall establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.
951. IT governance requires all organizations to have IT risk management policies and a procedure that requires the conduct of risk assessment, to identify, assess and manage risks that affect business operations (Emphasis mine).

952. We noted that Wa Polytechnic had no IT risk policies and practices in place, and non-maintenance of IT risk register. The ICT Department could not also produce a detailed report on the risks implications of ‘MySchoolApp’ Application Software being run by the Polytechnic. The assessment and management of IT risks must conform to six control objectives as follows: IT Risk Management Framework, Establishment of risk context, Event identification, Risk assessment, Risk response and Risk maintenance and monitoring.

953. Failure to apply the appropriate assessment of threats and vulnerabilities to the Polytechnic’s IT infrastructure, installations and applications, risks may not be timeously identified and treated within reasonable timeframes, hence making Polytechnic’s IT infrastructure, installations and applications vulnerable to continuous threats. Also, in the absence of the Risk Management document, efforts at mitigating risk could be misdirected and ineffective.

954. We recommended to management to ensure that the ICT Department performs risk assessment, document the risk assessment in a risk register, and ensure that the ICT Department periodically review and update the risk register.

955. Management stated that a Committee has been set up to draft a risk management policy for consideration.
ACCRA TECHNICAL UNIVERSITY

Introduction

956. This report relates to the audited accounts of the Accra Technical University for the period 1 January 2019 to 31 December 2019.

OPERATIONAL RESULTS

955. The operational results of the University during the period under review is shown in the tables below:

Income Statement

<table>
<thead>
<tr>
<th>Income</th>
<th>2019</th>
<th>2018</th>
<th>Difference</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Government Subvention</td>
<td>27,917,431</td>
<td>24,253,596</td>
<td>3,663,835</td>
<td>15.1</td>
</tr>
<tr>
<td>Internally Generated Fund(IGF)</td>
<td>31,478,946</td>
<td>33,932,389</td>
<td>(2,453,442)</td>
<td>(7.2)</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>59,396,377</strong></td>
<td><strong>58,185,985</strong></td>
<td><strong>1,210,392</strong></td>
<td><strong>2.1</strong></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation for Employees</td>
<td>32,068,231</td>
<td>27,461,601</td>
<td>4,606,629</td>
<td>16.8</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>21,182,143</td>
<td>17,024,730</td>
<td>4,157,414</td>
<td>24.4</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td><strong>53,250,374</strong></td>
<td><strong>44,486,331</strong></td>
<td><strong>8,764,043</strong></td>
<td><strong>19.7</strong></td>
</tr>
<tr>
<td>Surplus/(Deficit)</td>
<td>6,146,003</td>
<td>13,699,654</td>
<td>(7,553,651)</td>
<td>(55.1)</td>
</tr>
</tbody>
</table>

956. The overall financial performance of the University during the period under review showed that the University's surplus position reduced by 55.1% from GH¢13,699,654 in 2018 to GH¢6,146,003 in 2019. Total income for the period increased by 2.1% from GH¢58,185,985 in 2018 to GH¢59,396,377 in 2019. Total expenditure also increased by 19.7%.

Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Difference</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-current Assets</td>
<td>36,688,078</td>
<td>30,899,377</td>
<td>5,788,701</td>
<td>18.7</td>
</tr>
<tr>
<td>Current Assets</td>
<td>45,079,605</td>
<td>45,663,648</td>
<td>(584,044)</td>
<td>(1.3)</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>81,767,683</strong></td>
<td><strong>76,563,026</strong></td>
<td><strong>5,204,657</strong></td>
<td><strong>6.8</strong></td>
</tr>
<tr>
<td>Current Liability</td>
<td>16,926,821</td>
<td>17,868,166</td>
<td>(941,345)</td>
<td>(5.3)</td>
</tr>
<tr>
<td><strong>Net Assets</strong></td>
<td><strong>64,840,862</strong></td>
<td><strong>58,694,860</strong></td>
<td><strong>6,146,003</strong></td>
<td><strong>10.5</strong></td>
</tr>
<tr>
<td>Current Ratio</td>
<td>2.7:1</td>
<td>2.6:1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
957. Non-current assets has increased by 18.7% from GH¢ 30,899,377 in 2018 to GH¢36,688,078 2019. The change was mainly due to additions in Plants, Machines & Equipment, Computers, Projectors & Accessories and Land & Building.


959. Current liability has decreased by 5.3% from GH¢17,868,166 in 2018 to GH¢16,926,821 in 2019.

960. The liquidity position as depicted by the current ratio of 2.7:1 suggests that the University will be able to meet its short-term obligations as they fall due.

**MANAGEMENT ISSUES**

**High Allowance on Appeal Board for unresolved case- GH¢ 93,160.00**

961. A Principal Spending Officer of a covered entity has a responsibility under section 7 of the Public Financial Management, Act 2016, Act 921, to ensure the regularity and proper use of money appropriated in that covered entity.

962. We noted that the Appeal Board of the University spent an amount of GH¢ 93,160.00 as sitting allowances and refreshment on a case involving Ernest Yaw Apraku (former Director of Finance) and Accra Technical University. The case was referred to the Board by the High Court on May 2019 to attempt settlement in the interest of promoting reconciliation and in the spirit of achieving a speedy resolution on the matter.
963. However, despite the huge payment for sitting and transport allowances, the case was not resolved and had gone back to the High Court of Justice.

964. The lapse is attributed to the absence of defined number of sittings for the committee.

965. The failure to settle the case had rendered the huge expenditure wasteful especially when there is expectant legal cost to be incurred when the case resumes at the High Court. The Appeal Board’s failure to settle the dispute could erode the trust in them as a dispute settlement body.

966. We recommended that in future, the Council should set a limit for the number of sittings for the Appeal Board to resolve an issue in order to eliminate abuse and waste of scarce resources.

Management accepted our recommendation for compliance.

**Large Cash Transactions - GH¢2,480,325.37**

967. Regulations 83 (1 a & b) of the Public Financial Management Regulations, 2019, L.I 2378, demands that payments for expenditure of covered entities shall be made through the Ghana Integrated Financial Management Information System using the electronic fund transfer for third party transactions.

968. Our examination of payment vouchers disclosed that the University made a total cash payment of GH¢2,480,325.37 for main Council and Sub-Council Meeting Allowances instead of the recommended electronic transfers or system cheques. These payment of allowances in cash, contributed to withdrawal of large cash amounts to the office for disbursements.

969. The anomaly occurred due to lack of internal control over cash management which allows the cashier to withdraw any amount without any ceiling.
970. The situation exposed the University to loss of cash through financial improprieties such as misappropriations, unauthorized payments, payments for work not done, diversion of funds for personal use and collusion with payees among others.

971. We recommended to management to determine a threshold for cash payments beyond which the Acting Director of Finance should pay through cheques and electronic transfer systems.

972. Management has identified the risks associated with large cash withdrawals for the payment of claims and has already initiated the process of collecting bank details for all employees including members of the Governing Council and its Sub committees with a view to channelling all claims for payment through their respective banks.

**Failure to Maintain Hostel Facility**

973. Section 52 of Public Financial Management Act 2016 (Act 921) provides that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

974. Our review of the Hostel’s financial records disclosed that total of GH¢1,586,423 was collected as Hostel fees within the period under review. However the University failed to repair and maintain the Hostel facility to provide the needed serenity that would aid teaching and learning.

975. Expenditure on repairs and maintenance of the Hostel was noted to be GH¢204,455, representing 12.9% of the amount collected leaving the Hostel in a deplorable state.

976. During our physical inspection of the hostel facilities we noted the following:
a. Poor sanitation in general  
b. Broken and non-functioning Water Closets  
c. Dangerously exposed cables and wires  
d. Eroded/Broken stair ways  
e. Damaged mosquito nets  
f. Broken lockers  
g. Damaged trap doors  
h. Non-functioning plugs and sockets.

977. The Director of Finance cited payment of huge utility bills as the main cause for the lapse.

978. Failure to undertake repairs and maintenance could lead to misapplication of Hostel fees and this could result in structural defects, further deterioration and possible collapse putting the lives of occupants in danger.

979. We urged management to consider immediate renovation of the hostel to avoid further deterioration and for safety of students to give the students the needed enabling environment they deserve.

980. Management responded that they had begun reactive maintenance of the Hostels and has made allocation in the 2020 approved budget to renovate them. They added that the tendering process has been initiated and hoped to complete the repair works before the commencement of 2020/2021 academic year.

981. Management explained further that, portions of the fees collected for the Hostel facilities were used for the payment of utilities, consumables and provided further routine maintenance even though students were not charged for payment of utilities.

**Under Utilisation of Properties**

982. Section 52 of the Public Financial Management Act, 2016, Act 921, directs that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the
institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

983. We noted that the University was operating only 16 out of a 32-unit Guest house/Lodge with conference hall facility that was completed in 2019 at a cost of GH¢4,879,733.34. We also found that a COTVET funded satellite campus at Mpehuasem, completed in 2017 to reduce congestion on campus, is yet to be fully operational.

984. Failure on the part of management to ensure that access roads are constructed to the satellite campus is the causes of the anomaly.

985. Continuous neglect and underutilization of these facilities would lead to their deterioration and extra funds would have to be committed towards rehabilitation and refurbishment of these facilities. The underutilization is also denying the University the revenue that could have been generated from the lodge to supplement the University’s resources. Furthermore, failure to utilize donor funded projects can discourage donors from giving such assistance to the University.

986. We urged Management to take immediate steps to ensure full utilization to achieve the maximum benefits expected from both facilities and to avoid deterioration, failing which the council and management should be held responsible for any cost or loss attributable to non-utilization.

**Management’s Response:**

**ATU Lodge**

987. On completion of the construction works for the ATU Lodge, management realized there was not enough funds to furnish all the 32 rooms for immediate occupancy. Management therefore decided to use the
available funds to furnish 16 of the rooms for immediate use to generate income which would then be used to furnish the remaining 16 rooms. It is anticipated that the remaining 16 rooms would be furnished for occupancy by the end of 2020. Your recommendation is well noted.

**Mpehuasem Campus**

988. The only structures there are workshops and equipment donated by COTVET. An allocation totalling GH¢1,400,000.00 has been made in the 2018, 2019 and 2020 budgets to help develop the Campus to put it into optimal use.

989. The Development Committee has been tasked by the Governing Council to identify works that could be done to enable the use of the facilities at the campus immediately. Management will also continue to source for funding for facilities such as hostels, classrooms etc.

**Lack of IT Audit reviews by the Internal Audit**

990. Section 83 (3) of the Public Financial Management Act 2016, Act 921 requires that an Internal Auditor of the Internal Audit Unit of a covered entity shall appraise and report on the soundness and application of the system of controls operating in the covered entity.

991. We noted that the Internal Audit Unit had never conducted an IT audit of the University.

992. We attributed the anomaly to lack of capacity to perform such audits.

993. In the absence of independent reviews, there is a risk that approved policies, procedures and controls relating to the IT systems will not be implemented continuously to the detriment of system and data availability, integrity and confidentiality.
994. We recommended to Management to build the capacity of Internal Audit staff to enable them carry out periodic reviews of the University’s IT systems.

995. Management responded that our recommendation was well noted for compliance.

Software Applications not reviewed and approved by the Auditor-General

996. Section 11 of the Audit Service Act 2000, Act 584, demands that the public accounts of all government institutions including computerized financial and accounting systems and electronic transactions shall be kept in such form as the Auditor-General shall approve and shall be subject to review by the Auditor-General. Furthermore, these systems shall be subject to prior approval of the Auditor-General and shall be subject to prior approval before implementation.

997. Section (6) of the same Act states: “Any head of a public institution or other body subject to auditing by the Auditor-General who fails to comply with subsection (5) is liable to be surcharged with the cost of any loss occasioned by defective internal controls of auditing.”

998. During our audit, we noted that iCampus and iApply software applications used in managing students and online admissions respectively had not been reviewed and approved by the Auditor-General.

999. Management’s non-adherence to the Act resulted in this lapse.

1000. The non-compliance by the University has resulted in a breach of Audit Service Act 2000, Act 584.
1001. We recommended that Management should write to the Auditor-General to review and approve the current applications in use without any further delay.

1002. Management responded that it would take the necessary steps to write to the Auditor General for review and approval of current application in use.

**Absence of Strategic Document**

1003. The Council has the responsibility under Section 6 (b) of the Technical Universities Act, 2016, Act 922 to determine strategic direction of the Technical University in order to superintend on provision of higher education in engineering, Science and Technology based discipline, technical and vocational education and any related field that Council may determine in consultation with National Council for Tertiary Education.

1004. We observed during our review of records that, the University has no Strategic plan. The University therefore operates with unstructured and unapproved policy documents.

1005. Absence of strategic document impedes growth and eliminates sense of direction in achieving the purpose of an organisation.

1006. We recommended that, the Council should expedite action in developing and approving a Strategic Plan in order to adhere to the dictates of Act 922 without further delay.

1007. Management responded that it has constituted a Strategic Plan Committee to develop a five-year Strategic Plan for the University from 2020 to 2025. Management anticipates the draft plan to be ready for Council’s consideration at their next regular meeting scheduled in December, 2020.
Absence of a Business Continuity Plan

1008. Section 90 of the Public Financial Management Act, 2016, Act 921 provides that the governing body of a public corporation or state-owned enterprise shall establish and maintain

   i) policies,
   ii) procedures,
   iii) risk management and internal control systems, and
   iv) governance and management practices,

to ensure that that public corporation or state-owned enterprise manages its resources prudently and operates efficiently in accordance with the objectives for which the public corporation or state-owned enterprise was established.

1009. We found that the University does not have a Business Continuity Plan to ensure continuity of operations and protection of lives in the event of any disaster or disease outbreak. Our physical inspection of the main campus revealed a continuous expansion and increased students’ population without any established plan resulting in virtually absence of an emergency assembling point.

1010. The University may not be able to undertake adequate measures to safeguard its resources and to recover vital information and continue operations without delay in the event of disasters. The congestion could also pose a challenge with sanitation and containment of an outbreak of diseases.

1011. We recommended to management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operations in case of systems failure and/or disaster. We further recommended that, Management should consider citing their new projects at the Mpehuasem satellite campus to ease congestion on the main campus.
1012. Management responded that our recommendation and advice is well noted. Management shall as a matter of urgency, draft a policy for approval and implementation.

**Absence of IT strategic plan and approved security policy**

1013. Section 7 of the Public Financial Management Act, 2016, Act 921 requires that a Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

1014. An information technology strategy and driving security policies are critical documents needed to explain how technology should be utilized as part of an organization's overall corporate strategy.

1015. We noted that the Accra Technical University does not have an IT strategic plan and an approved IT security policy.

1016. Management’s lack of adequate capacity in IT activities may have resulted in the lapse.

1017. The absence of an IT strategic plan could result in ad hoc IT spending and could have an adverse effect on the University’s cash flow.

1018. We recommend that Management should as a matter urgency develop and approve an ICT strategic plan. Management should also update and approve the University’s IT Security policy to ensure protection of the IT infrastructure and operations.

1019. Management responded that it will initiate steps to develop the IT Strategic Plan and Security policies for the University.
TAKORADI TECHNICAL UNIVERSITY

Introduction

1020. This report relates to the audited accounts of the Takoradi Technical University for the period 1 January 2019 to 31 December 2019.

Operational Results

1021. The year under review ended with a surplus of GH¢9,221,254.00 representing a 2,570% increase from the surplus of GH¢345,402.00 in 2018. Details of the University’s operational results are shown below:

Income & Expenditure for the year 2019

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Diff</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INCOME</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Government Subvention</td>
<td>47,401,691.00</td>
<td>39,329,594.00</td>
<td>8,072,097.00</td>
<td>20.52%</td>
</tr>
<tr>
<td>Internally Generated Funds</td>
<td>25,609,372.00</td>
<td>20,998,328.00</td>
<td>4,611,044.00</td>
<td>21.96%</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td>73,011,063.00</td>
<td>60,327,922.00</td>
<td>12,683,141.00</td>
<td>21.02%</td>
</tr>
<tr>
<td><strong>EXPENDITURE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Compensation for Employees</td>
<td>49,360,559.00</td>
<td>45,381,237.00</td>
<td>3,979,322.00</td>
<td>8.77%</td>
</tr>
<tr>
<td>Goods and Services</td>
<td>14,429,249.00</td>
<td>14,601,283.00</td>
<td>(172,034.00)</td>
<td>-1.18%</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>63,789,808.00</td>
<td>59,982,521.00</td>
<td>3,807,287.00</td>
<td>6.35%</td>
</tr>
<tr>
<td><strong>INCOME SURPLUS / (DEFICIT)</strong></td>
<td>9,221,254.00</td>
<td>345,402.00</td>
<td>8,875,852.00</td>
<td>2569.72%</td>
</tr>
</tbody>
</table>

1022. Total Income increased by GH¢12,683,141.00 representing 21%, from GH¢ 60,327,922.00 in 2018 to GH¢73,011,063.00 in 2019. This increment was primarily due to a 21% and 22% increase in Government subvention and in Internally Generated Funds, respectively.

1023. The increase in Government subvention was largely due to a 100% increase in GETFund income of GH¢4,682,629.83 in 2019 for
infrastructural development and a further 6,589% increase in Income from Goods and Services (GIFMIS) from GH¢6,000.00 in 2018 to GH¢401,328.00. Significant increases in income from School fees, Other Incomes and Use of University facilities accounted for the 22% increase in Internally Generated Funds.

1025. Total Expenditure for the period also increased by GH¢3,807,287.00 from GH¢ 59,982,521.00 in 2018 to GH¢63,789,808.00 in 2019 representing a marginal increase of 6%. A 9% increase in Compensation of Employees accounted largely for the increase in expenditure.

**Financial Position**

The Financial Position of the University as at 31 December 2019 is shown below:

<table>
<thead>
<tr>
<th></th>
<th>2019</th>
<th>2018</th>
<th>Incr /Decr</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>GH¢</td>
<td>GH¢</td>
<td>GH¢</td>
<td>Change</td>
</tr>
<tr>
<td>Non- Current Assets</td>
<td>25,144,481.00</td>
<td>22,866,491.00</td>
<td>2,277,990.00</td>
<td>9.96%</td>
</tr>
<tr>
<td>Current Assets</td>
<td>8,804,633.00</td>
<td>6,800,732.00</td>
<td>2,003,901.00</td>
<td>29.47%</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>33,949,115.00</strong></td>
<td><strong>29,667,223.00</strong></td>
<td><strong>4,281,891.00</strong></td>
<td><strong>14.43%</strong></td>
</tr>
<tr>
<td>Non- Current Liabilities</td>
<td>4,926,307.00</td>
<td>6,701,552.00</td>
<td>(1,775,245.00)</td>
<td>-26.49%</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>5,064,415.00</td>
<td>8,228,532.00</td>
<td>(3,164,117.)</td>
<td>-38.45%</td>
</tr>
<tr>
<td>Current ratio</td>
<td>1.7:1</td>
<td>0.8:1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1026. Non-Current Assets increased by 10% from GH¢22,866,491.00 in 2018 to GH¢25,144,481.00 in 2019. This was primarily due to additions to Property, Plant and Equipment.

1027. Current Assets also increased to GH¢8,804,633.00 in 2019 from GH¢6,800,732.00 recorded in 2018, this represented an increase of 29%. This was mainly due to significant increases of 31%, 59% and 23% in Debtors- Staff & Others, Bank Balances and Short Term Investment respectively.
1028. Non-Current Liability decreased by 26.0% from GH¢6,701,552.00 in 2018 to GH¢4,926,307.00 in 2019. The decrease is due to a reduction of the University’s long term loans from Zenith Bank and United Bank of Africa (UBA) because of repayments made in the 2019.

1029. Current Liabilities also decreased by 38.0% from GH¢8,228,532.00 in 2018 to GH¢5,064,415.00 in 2019. A significant reduction of 81% in Bank overdraft from GH¢3,906,520.00 in 2018 to GH¢726,635.00 in 2019, accounted for this decrease.

1030. The liquidity position represented by current ratio increased from 0.8:1 in 2018 to 1.7:1 in 2019 indicating that the University has increased its ability to meet its short-term obligations as and when they fall due.

**MANAGEMENT ISSUES**

**Inaccurate revenue disclosure-GH¢45,886.11**

1031. Regulation 47 of the Public Financial Management regulation 2019, LI 2378, requires that Principal Spending Officers shall fully disclose collection of revenue due the entity

1032. Our audit review established that the University’s Student Records and Management System (SRMS) was setup to consolidate and track students’ records, from admissions, registration, billing, fee payments, and academic records right to graduation. We established that fees paid by local students at designated banks were automatically captured on the system via an interface or link established with the banks’ system.

1033. We however noted that fee payment by foreign students into the School’s dollar account as well as fees paid for students on scholarship were not linked to the system. Manual entries were made for these students in order to allow them register for their courses on the system. As a result, information captured for foreign students and scholarships were either inaccurate or incomplete and did not reflect the situation on the ground.
1034. For instance, nine (9) foreign students who were billed total foreign fees of US$16,800 and paid a total of US$10,300 into the Zenith dollar account were captured in the system as having paid local fees of GH¢ 11,111 instead of the cedi equivalent of GH¢56,997.11 (i.e. US$1:GH¢5.5337).

The table below shows the details.

<table>
<thead>
<tr>
<th>NO</th>
<th>NAME OF STUDENTS</th>
<th>TOTAL BILL DUE (USD)</th>
<th>PMT IN (USD)</th>
<th>PMTS IN GH¢</th>
<th>PMT Recorded (GH¢)</th>
<th>DIFF IN GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>CHINAGOROM IMMACULATE AMARACHI</td>
<td>1,600.00</td>
<td>1,600.00</td>
<td>8,853.92</td>
<td>1,600.00</td>
<td>7,253.92</td>
</tr>
<tr>
<td>2</td>
<td>BRANDY LARISSA MPON ‘A GAN</td>
<td>1,600.00</td>
<td>-</td>
<td>0.00</td>
<td>0</td>
<td>0.00</td>
</tr>
<tr>
<td>3</td>
<td>ATTE KADJA THYSSEN MELAINE</td>
<td>1,600.00</td>
<td>800</td>
<td>4,426.96</td>
<td>0</td>
<td>4,426.96</td>
</tr>
<tr>
<td>4</td>
<td>COULIBALY WAWOTA SOLO</td>
<td>2,000.00</td>
<td>2,000.00</td>
<td>11,067.40</td>
<td>1,840.00</td>
<td>9,227.40</td>
</tr>
<tr>
<td>5</td>
<td>MADOUNGOU ROLVAIN MOAMBOULA</td>
<td>2,000.00</td>
<td>300</td>
<td>1,660.11</td>
<td>1,840.00</td>
<td>-179.89</td>
</tr>
<tr>
<td>6</td>
<td>DOUCOURE TIDIANI</td>
<td>2,000.00</td>
<td>2,500.00</td>
<td>13,834.25</td>
<td>1,840.00</td>
<td>11,994.25</td>
</tr>
<tr>
<td>7</td>
<td>GUESSEU MICHELLE TCHELIBOU</td>
<td>2,000.00</td>
<td>-</td>
<td>0.00</td>
<td>2,377.00</td>
<td>-2,377.00</td>
</tr>
<tr>
<td>8</td>
<td>COLE DONALD WALTER ERNEST</td>
<td>2,000.00</td>
<td>1,600.00</td>
<td>8,853.92</td>
<td>1</td>
<td>8,852.92</td>
</tr>
<tr>
<td>9</td>
<td>DOUCOURE IBREHIM ALPHA D.</td>
<td>2,000.00</td>
<td>1,500.00</td>
<td>8,300.55</td>
<td>1,613.00</td>
<td>6,687.55</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td><strong>16,800.00</strong></td>
<td><strong>10,300.00</strong></td>
<td><strong>56,997.11</strong></td>
<td><strong>11,111.00</strong></td>
<td><strong>45,886.11</strong></td>
</tr>
</tbody>
</table>

1035. In another instance, there were no payment records of GH¢ 61,841.00 on the SRME for 40 students on various scholarships since their admission into the University even though the required fees have been paid.
1036. This situation occurred as a result of a lack of interface and non-integration of the foreign dollar accounts and of the bank accounts for scholarship payments with SRMS.

1037. This has led to inaccurate financial information on fee collections and student debtors to the extent that the finance department cannot fully rely on the reports from the system for management decisions and preparation of financial statements. As a result, manual entries were made for these students in order to allow them register for their courses on the system.

1038. We recommended that the foreign and scholarship accounts held at the banks should be interfaced with SRMS. The system should be configured such that foreign transactions can be captured.

1039. Management responded that the foreign and scholarship accounts held at the banks has been interfaced with SRMS. The system has also be configured to the accounts for foreign transactions and is available for verification.

**Rent not collected - GH₵201,027.90**

1040. Regulation 46 of the Public Financial Management Regulation 2019, LI 2378, provides that a Principal Spending Officer shall ensure the efficient collection of revenue due the entity.

i) Article 14.0 of the Condition of Service for Senior Members and Senior Staff of the Polytechnic Teachers Association of Ghana (POTAG) provides that an employee shall be provided with accommodation if available, and shall be required to pay rent at the prevailing government rate.

1041. We noted during our audit that 56 officers occupying the University’s bungalows were not paying the prevailing government rate of 10% of basic as rent as required by the Condition of Service above. Rent paid by the
officers ranged between GH¢25.00 to GH¢160.00 leading to a total Rent revenue loss of GH¢171,721.30.

1042. Our further review revealed that 22 out of the 56 officers defaulted on their rent payment to the tune of GH¢29,716.60.

1043. The underpayment of rent happened as a result of Management’s decision to disregard the provisions in the Condition of Service. Management’s failure to put in place effective mechanism to ensure efficient collection of rent also led to the payment default.

1044. The lapses above has resulted in total rent revenue loss of GH¢201,437.90.

1045. We recommended to management to apply the approved rate of rent and ensure efficient collection of same. Meanwhile management should ensure that the officers involved refund the total amount of GH¢201,437.90 being arrears due to the under-deduction and non-payment.

**Management responded as follows;**

1046. Management responded that it has recovered a total of GH¢6,710.15 leaving an outstanding of GH¢194,727.75. They added that the statutory 10% rent deduction from beneficiaries’ salaries has also been effected in August 2020.

**Unsupported Payments-GH¢48,011.00**

1047. Regulation 78 of the Public Financial Management Regulation 2019, (L.I. 2378) requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity that evidence of services received, certificates for work done and any other supporting documents exists.
1048. Contrary to the above Regulation, we noted during our examination of payment vouchers that payments to the tune of GH¢48,011.00 were not supported with official receipts and other relevant supporting documents like signed sheets and invoices to authenticate the payments. Details are provided below:

**Unsupported payments**

<table>
<thead>
<tr>
<th>NO</th>
<th>DATE</th>
<th>PV NO.</th>
<th>PAYEE</th>
<th>DETAILS</th>
<th>AMT PAID (GH¢)</th>
<th>AMT. NOT SUPPORTED</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>4/23/2019</td>
<td>TTU/PRESS/2019/04/03</td>
<td>Kofi Adu Bembah</td>
<td>Accountable imprest for business registration at Registrar General's Department</td>
<td>1,000.00</td>
<td>1,000.00</td>
<td>No receipts, invoice etc</td>
</tr>
<tr>
<td>2</td>
<td>05-10-19</td>
<td>TTU/IGF/BC/105/19</td>
<td>Johnson Yeboah</td>
<td>Release of funds to help in the continuous growth of the University Saloon</td>
<td>5,000.00</td>
<td>5,000.00</td>
<td>No receipts, invoice etc</td>
</tr>
<tr>
<td>3</td>
<td>10/16/2019</td>
<td>TTU29375PV</td>
<td>Prof. Victor K.Bondzie Micah</td>
<td>Investiture-Refreshment</td>
<td>20,910.00</td>
<td>20,910.00</td>
<td>No supporting documents</td>
</tr>
<tr>
<td>4</td>
<td>10/17/2019</td>
<td>TTU28256PV</td>
<td>Emmanuel Yaw Attah</td>
<td>Tuition Fees</td>
<td>22,801.00</td>
<td>21,101.00</td>
<td>Receipts submitted totalled GHS11,700 but only GHS1,700 was paid within the period of approval i.e 2018/2019 – 2020/2021 academic years. Thus issue not resolved</td>
</tr>
</tbody>
</table>

**TOTAL** | 49,711.00 | 48,011.00         |                             |

1049. The irregularity was due to failure on the part of the Director of Finance to demand the relevant supporting documents before or immediately after effecting payment.
1050. In the absence of these supporting documents, we could not authenticate the genuineness of the payments made.

1051. We recommended that the Director of Finance should obtain the official receipts, invoices, signed sheets and any other relevant supporting documents to authenticate the payments or be held liable for the amount involved.

1052. Management responded that the relevant supporting documents were duly attached to their respective payment vouchers and were available for our verification.

**Overpayment on Transaction- GH¢15,534.52**

1053. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I.2378) provides that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for the payment.

1054. We noted that the University made excess payment of GH¢15,534.52 to Global Wings Travel & Tours in respect of air tickets purchased for the V.C – US$1800; Maame Efua – US$800; and SRC President – US$800 totaling USD3,400, The invoice was dated 3/9/19 for an amount of GH¢33,511.00, representing an exchange rate of GH¢9.856 instead of GH¢5.2872 to US$1.00 as at the date of invoice. The amount which should have been paid was therefore GH¢17,976.48 resulting in an over payment of GH¢15,534.52. Details of the payments are below;
1055. The failure of the Vice Chancellor, Director of Finance and the Internal Auditor to scrutinize the documents before approving and effecting payments caused the anomaly.

1056. The University lost funds to the payees due to the overpayments.

1057. We recommended that management should recover the excess payments from Global Wings Travel & Tours and make it available for our verification or be held responsible.

1058. Management responded that it has duly notified Global Wings Travel & Tours for the recovery of the overpayment.

**Payment of Avoidable Judgement Debt- GH¢36,500.00**

1059. Section 7 of the Public Financial Management, Act 2016 (Act921) states that the Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

1060. We noted from our examination of payment vouchers that the University paid avoidable judgment debt in the sum of GH¢36,500.00 to Mr. Atta Mends, the managing director of Glynn Plunners Management Consult, for failing to pay him an outstanding balance of GH¢10,274 for a contract for the landscaping and gardening works at the Applied Arts Block executed

<table>
<thead>
<tr>
<th>DATE</th>
<th>PV NO.</th>
<th>DETAILS</th>
<th>PAYEE</th>
<th>CHQ NO.</th>
<th>INVOICE AMOUNT</th>
<th>AMOUNT PAID (GH¢)</th>
<th>AMOUNT OVER PAID (GH¢)</th>
</tr>
</thead>
<tbody>
<tr>
<td>30/9/19</td>
<td>TTU28386PV</td>
<td>Air tickets</td>
<td>Global Wings Travel &amp; Tours</td>
<td>004145</td>
<td>33,511.00</td>
<td>30,997.68</td>
<td>15,534.52</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>15,723.52</strong></td>
</tr>
</tbody>
</table>
in October 2011. The total contract sum was GH¢18,919.00 out of which GH¢8,645.00 was paid.

1061. We are of the view that the University could have averted the suit, had all parties (AFKOS Company Limited, Glynn Plunners Management Consult and the then Development Officer) brought together to find amicable solution to the impasse once the University agreed that work was done by Atta Mends’ Company.

1062. The University could have restricted the cost to only the outstanding balance of GH¢10,274.00 demanded by Atta Mends, thus saving GH¢26,226.00.

1063. We recommended that the former Vice Chancellor, the former Director of Finance and the then Development Officer should be made to refund the excess payment of GH¢26,226.

Management responded as follows;

1064. “There was no basis for payment since the University did not have contract with Glynn Plunners Management Consult. There was therefore, the need to have valid basis to support any payment. Therefore there was the need to determine the validity and justification for any payment. Hence the legal basis was appropriate.”

1065. In our view, since there was an initial payment of GH¢8,645.00 to the Contractor for the project, the University is estopped from denying the existence of a contract. We therefore reiterate our earlier recommendation.

Unearned Salaries- GH¢188,600.40

1066. Public Financial Management Regulations 2019, Regulation 92 stipulates that the Principal Spending officer shall ensure the immediate stoppage of payment of salary to public servants and notify the Controller and Accountant-General in the following circumstances:
i) on the death of an employee;  
ii) on the conviction of an employee for an offence and sentence of that employee to imprisonment;  
iii) on the dismissal of an employee or relief of post on administrative and other related grounds;  
iv) on the grant of leave without pay to an employee;  
v) on the vacation of post by an employee; and  
vi) on the resignation or retirement of an employee.

1067. We noted during our review of payroll that total unearned salaries of GH¢162,230.11 was paid to Mr. John Asante and Mr. Frederick Sam-Inkoom for the period January 2018 to February 2019 and December 2019 respectively even though their appointments were terminated in January 2018 due to vacation of post.

1068. Furthermore, Mr. Maxwell Amoako, a security officer was paid a total of GH¢26,370.29 unearned salaries for the period October 2016 to January 2019 following his resignation effective 30 September 2016.

**Details of unearned salaries to the three former employees are shown below:**

<table>
<thead>
<tr>
<th>Full Name</th>
<th>Staff ID</th>
<th>Grade</th>
<th>Date of Separation</th>
<th>Months Unearned</th>
<th>Unearned Gross Pay</th>
<th>Last Pay Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Maxwell Amoako</td>
<td>754472</td>
<td>Snr. Security Guard</td>
<td>30-09-16</td>
<td>28</td>
<td>26,370.29</td>
<td>31-01-19</td>
</tr>
<tr>
<td>Mr. Frederick Sam-Inkoom</td>
<td>755261</td>
<td>Assistant Lecturer</td>
<td>31-01-18</td>
<td>24</td>
<td>121,828.37</td>
<td>31-12-19</td>
</tr>
<tr>
<td>Mr. John Asante</td>
<td>756007</td>
<td>Senior Instructor</td>
<td>11-01-18</td>
<td>14</td>
<td>40,401.74</td>
<td>28-02-19</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>188,600.40</strong></td>
<td></td>
</tr>
</tbody>
</table>
1069. This resulted from negligence of duty by the Human Resource Unit and Management’s failure to supervise and ensure that the names of the separated officers were promptly deleted from the payroll.

1070. We recommended to Management to pursue recovery of the amount of GH¢188,600.40 from the former officers concerned and pay same to chest, failing which the total amount should be recovered from the validating officers.

**Management response:**

1071. “Letters were written to their respective banks to stop their salaries and further directed the bank to transfer same to the Controller and Accountant General’s Department account at the Bank of Ghana. Subsequently, the termination letter of John Asante was written to officially terminate the appointment and to hold his salary until otherwise directed.

1072. On Kakraba Sam, a letter was written to the bank to hold his salary until otherwise directed. A copy of the letter to the bank and copy of the money’s transferred to the Bank of Ghana is attached for your verification.”

**Completed Projects not in Use-35,648,428.14**

1073. Section 52 of the Public Financial Management Act, 2016 (Act 921) stipulates that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution and shall ensure that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.

1074. We noted that five projects/facilities at the Akatakyie Campus of the University, completed in 2018 and funded by the African Development Bank at a total cost of GH¢35,648,428.14 have not been put to use. Details are shown below:
1075. Management explained that the non-usage was due to poor access roads and lack of student hostels on that campus.

1076. To prevent deterioration of the projects, we urged Management to ensure that the necessary steps are taken to put the above projects to use for the intended benefits of the students and the University as a whole.

**Management responded as follows;**

1077. “The road has been awarded on contract and the contractor will move to site in September 2020. Hostel facility work will also commence by Hanisa Company Ltd. All equipments are on site ready for installation.”
Abandoned Project-GH¢252,495.00

1078. Section 52 of the Public Financial Management Act, 2016 (Act 921) stipulates that a Principal Spending Officer of a covered entity shall be responsible for the assets of the institution and shall ensure that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.

1079. We noted during our audit that, Management awarded a contract to Messrs SteveMenn Construction Limited for the construction of the official Rector’s Residence in 2008 at cost of GH¢182,975.32. Total payments made so far on the project was GH¢252,495.00. The project which is at 75% level of completion has been abandoned by the Contractor for the past two years. Details are below:

<table>
<thead>
<tr>
<th>No</th>
<th>Project Description</th>
<th>Fund Source</th>
<th>Original Contract Sum GH¢</th>
<th>Level of Completion</th>
<th>Period of abandonment</th>
<th>Total Payment</th>
<th>Reasons for abandonment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Construction of Rector’s residence: Windy Ridge Takoradi</td>
<td>GET FUND</td>
<td>182,975.32</td>
<td>75% completed</td>
<td>2 years</td>
<td>252,495.00</td>
<td>Delayed Payments</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td><strong>182,975.32</strong></td>
<td></td>
<td></td>
<td><strong>252,495.00</strong></td>
<td></td>
</tr>
</tbody>
</table>

1080. The cause of the abandonment was attributed to delay in payments of Interim Payment Certificates (IPCs) from the GETFUND secretariat.

1081. The continued abandonment could result in further deterioration, leading the University to incur additional cost to complete the project.

1082. We urged Management to immediately follow up with the GETFUND Secretariat to ascertain the reason for the abandonment so that necessary steps would be taken to complete the project.

1083. Management indicated that Samrak Limited has been awarded the contract to complete the project.
Printing of Receipt Books without Approval

1084. Public Financial Management Regulations 2019, Regulation 147 enjoins that Controller and Accountant-General shall specify the conditions for the management and safety of value books used by a covered entity by approving the design, form and content of value books and ordering their supply and maintaining stock levels.

1085. We noted during our audit that, Management of the University printed receipt booklets without seeking for approval from the Controller and Accountant General’s Department. These receipts books are being used for collection of revenue for the University.

1086. This infraction was a result of Management’s failure to adhere to the above regulations.

1087. Without approval and proper control from the Controller and Accountant General’s Department over receipt booklets, Management could abuse it’s usage to the detriment of the University.

1088. We advised management to seek approval from Controller and Accountant General’s Department before continuing the usage of the receipt booklets. Management responded that they had taken steps to rectify the anomaly.

Absence of Tenancy Agreement with Banks

1089. Public Financial Management Regulations 2019, Regulation 32 requires Principal Spending Officers of each covered entity to take effective and appropriate steps to collect money due to the covered entity.

1090. We noted from our audit that four banks namely, Ghana Commercial Bank Ltd, SG (GH) Ltd, Ecobank Ghana Limited and United Bank of Africa (UBA) were operating their Automated Teller Machines (ATMs) on the University’s campus.
1091. Upon request to Management for the tenancy agreements between the University and the banks, we realized that only SG Ghana Limited had a formal tenancy agreement with the University; Management did not sign any form of agreement with the other three banks to indicate the responsibilities of both parties in terms of rental payments, expiration of rent period etc.

1092. As a result we could not confirm the authority by which the three banks were operating on the University's campus. The University cannot also hold any claim against them in the event that the tenants failed to pay rent. In addition, rent revenue that could have accrued to the University has been lost.

1093. We recommended to management to sign tenancy agreements with the three banks without further delay, and collect any rent overdue from them as soon as possible.

1094. Management responded that they had written to the banks to request for payment.

SUNYANI TECHNICAL UNIVERSITY

Introduction

1095. This report relates to the audited accounts of the Sunyani Technical University for the period 1 January 2019 to 31 December 2019.

Operational Results

1096. The operations of Sunyani Technical University for the financial year, 2019 ended with a surplus of GH¢3,026,624 as compared with a surplus of GH¢104,546.00 for the previous year 2018 representing 2,795% increase. Details provided below:
Income and Expenditure for the year 2019

<table>
<thead>
<tr>
<th>Incomes</th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>Diff. GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GoG Subvention</td>
<td>27,672,036</td>
<td>25,503,874</td>
<td>2,168,162</td>
<td>8.50</td>
</tr>
<tr>
<td>GETFUND</td>
<td>250,000</td>
<td>1,611,616</td>
<td>(1,361,616)</td>
<td>(84.49)</td>
</tr>
<tr>
<td>Internally Generated Fund</td>
<td>13,063,014</td>
<td>11,246,348</td>
<td>1,816,666</td>
<td>16.15</td>
</tr>
<tr>
<td><strong>Total Incomes</strong></td>
<td>40,985,050</td>
<td>38,361,838</td>
<td>2,623,212</td>
<td>6.84</td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Employees Compensation</td>
<td>28,075,016</td>
<td>26,652,561</td>
<td>1,422,455</td>
<td>5.34</td>
</tr>
<tr>
<td>Use of Goods &amp; Services</td>
<td>9,883,410</td>
<td>11,604,730</td>
<td>1,721,320</td>
<td>14.83</td>
</tr>
<tr>
<td><strong>Total Expenditure</strong></td>
<td>37,958,426</td>
<td>38,257,292</td>
<td>(298,866)</td>
<td>(0.78)</td>
</tr>
<tr>
<td>Income Surplus/Deficit</td>
<td>3,026,624</td>
<td>104,546</td>
<td>2,922,078</td>
<td>2,795</td>
</tr>
</tbody>
</table>

1097. Total Income for the Technical University increased by GH¢2,623,212 representing 6.9% from GH¢38,361,838 in 2018 to GH¢40,985,050 in 2019. The above increase was due to increase in GoG Subvention by GH¢2,168,162 representing 8.5% from GH¢25,503,874 in 2018 to GH¢27,672,036 in 2019. However, income from GETFUND decreased by 84.5% over the period.

1098. Total Expenditure also decreased by GH¢298,866 representing 0.8% from GH¢38,257,292 in 2018 to GH¢37,958,426 in 2019. This was largely due to decrease in Goods and Services.

**Financial Position**

The Financial Position of the Technical University as at 31 December 2019 is shown below:
### Financial position as at 31 December 2019

<table>
<thead>
<tr>
<th></th>
<th>2019 GH¢</th>
<th>2018 GH¢</th>
<th>Increase/Decrease GH¢</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current Assets</td>
<td>16,856,059.00</td>
<td>17,140,393</td>
<td>(284334)</td>
<td>(1.66)</td>
</tr>
<tr>
<td>Current Assets</td>
<td>10,231,822</td>
<td>7,290,771</td>
<td>2,941,051</td>
<td>40.34</td>
</tr>
<tr>
<td>Total Assets</td>
<td>27101,214</td>
<td>24,431,164</td>
<td>2,670,050</td>
<td>10.93</td>
</tr>
<tr>
<td>Non-Current Liabilities</td>
<td>3,930,378</td>
<td>4,723,144</td>
<td>(792,766)</td>
<td>(16.78)</td>
</tr>
<tr>
<td>Current Liabilities</td>
<td>7,845,485</td>
<td>7,409,293</td>
<td>436,192</td>
<td>5.89</td>
</tr>
<tr>
<td>Accumulated Fund</td>
<td>15,325,351</td>
<td>12,298,728</td>
<td>3,026,623</td>
<td>24.60</td>
</tr>
<tr>
<td>Current ratio</td>
<td>1.30:1</td>
<td>0.98:1</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1099. Non-Current Assets decreased by GH¢284,334.00 or 1.66% from GH¢17,140,393 in 2018 to GH¢16,856,059 in 2019, even though there were additions during the year amounting to GH¢871,770.04.

1100. Current Assets however increased by GH¢2,941,051.00 representing 40.43% from GH¢7,290,771.00 in 2018 to GH¢10,231,822 in 2019. This was due to increase in Accounts Receivable and cash at bank.

1101. Non-current liabilities also decreased by GH¢792,766 representing 16.28% over the period. The decrease was largely due to servicing of loans.

1102. Current liabilities increased by GH¢436,192 from GH¢7,409,293.00 in 2018 to GH¢7,845,485 in 2019 representing an increase of 5.89%.

1103. The liquidity position as measured by a current ratio is 1.3:1 in 2019 as compared with 0.98:1 in 2018 financial year. The University’s ability to meet its short-term obligations as and when they fall due has improved.
MANAGEMENT ISSUES

Unbudgeted expenditure—GH¢ 90,401.86

1104. Regulation 78 of the Public Financial Regulations, 2019 (L.I. 2378) requires that Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity,

a. the validity, accuracy and legality of the claim for the payment;

b. that evidence of services received, certificates for work done and any other supporting documents exists;

c. that the commitment for the payment has been approved in accordance with these Regulations through the local Purchase Order being generated under the Ghana Integrated Financial Management Information System; and

d. that there is a sufficient unspent amount of an appropriation for making the payment.

1105. We noted that the University paid a total of GH¢90,401.86 from IGF to three sub-contractors who completed part of a delayed GETFund project that was originally awarded to ASIB Company Limited in the year 2000.

1106. The re-awarding of the sub-contract was in consultation with ASIB Company Limited and was necessitated by the urgent need of the items to facilitate operations in the University. The Director of works indicated that the University would recover the amount from ASIB Company limited when the interim certificate is paid by GETFund Secretariat.

Details of the payments are provided in table

**Payments from IGF to three sub-contractors**

<table>
<thead>
<tr>
<th>DATE</th>
<th>ID</th>
<th>COMPANY</th>
<th>ITEM</th>
<th>CHEQUE NO</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>15/07/19</td>
<td>20019</td>
<td>Pat Hayford Ent.</td>
<td>Construction of LV Line</td>
<td>657803</td>
<td>28,035.93</td>
</tr>
<tr>
<td>14/10/19</td>
<td>29502</td>
<td>Pat Hayford Ent.</td>
<td>Construction of LV Line</td>
<td>25186</td>
<td>28,035.93</td>
</tr>
</tbody>
</table>
1107. The situation above presents a risk of recovery of the IGF amount from the ASIB Company Limited should payment from GETFund delay. The payment, which was not budgeted for, resulted in the failure to execute the construction of a 2-Storey Store block with an approved budget of GH¢113,016.

1108. We recommended to the Vice Chancellor and Director of Finance to ensure that the GH¢ 90,401.86 is recovered from ASIB Company Ltd and same paid into the University’s account. Management should also pursue GETFund for allocation of funds to complete the project and should also ensure that expenditures of the University including Capital expenditures are based on the approved budget to avoid sanctions. We also recommended that management should seek for supplementary approval for unbudgeted by essential expenditures in future.

1109. Management accepted our recommendation and indicated that ASIB Company Ltd would refund the money when GETFund Secretariat pays his certificate. They added that management would pursue the GETFund, as well as the Contractor, for the refund.

**School fees configuration irregularities- GH¢ 118,629.01**

1110. Section 46 of the Public Financial Management Regulation 2019, (LI 2378) requires that, a Principal Spending Officer of a covered entity shall ensure efficient collection of revenue due.

1111. We found that configuration challenges resulted in 364 students being allowed to register without paying expected fees of GH¢ 118,629.01 owed by them.
1112. We attributed the irregularity on the failure of the schedule officer to ensure that only students who paid the required 50% (Regular students) or 60% (Bachelor of Technology weekend students) of fees due are registered.

1113. We recommended to Management to ensure that the outstanding fees are immediately collected. Management should also ensure that school fees configuration into the systems is properly activated and effectively operated as early as possible. We further recommended that the schedule officer should ensure that only students who had paid the required percentage of fees due are registered.

1114. Management indicated that the University has difficulty with enforcing payment plans due to the peculiarity of the financial situation of the students. ‘Once a while there is the need for Management to give concessions to some genuine needy students and those on scholarships whose payments delay’. They added that the outstanding fees had been recovered and records are available for verification.

**Overdue National Health Insurance Claims-GH¢31,285.79**

1115. Regulation 46 of the Public Financial Management Regulation, 2019, (LI 2378) 38(1) of the National Health Insurance Regulations, 2004 (L.I. 1809) provides among other things that a claim for payment of health care service rendered which is submitted to a scheme shall, unless there is any legal impediment, be paid by the scheme within four weeks after the receipt of the claim from the health care facility. Also, it is required of every head of department to ensure that debts owed the Institution are recovered without delay.

1116. Our review of the records and accounts of the University’s Clinic disclosed that, the National Health Insurance Scheme owed the Clinic a total amount of GH¢31,285.79. The debt related to drugs and services claims for 2019 financial year. The details are as follows:
219. The anomaly is attributed to Management’s inability to enforce the National Health Insurance Regulation as quoted above to recover the amount from the National Health Insurance Office.

218. The delay in recovering these claims could result in a strain on the finances of the University’s Clinic.

219. We urged Management to pursue the Scheme Manager to recover the amount without further delay.

220. Management responded that the outstanding claims had been recovered from NHIS.

**Overdue salary advances GH¢ 47,800.00**

221. Article 13 (13.3) of the Unified Condition of Service for Unionised Staff of the Polytechnics in Ghana state that, two months gross salary advance may be granted to employees on application recoverable within a period of 12 months, subject to availability of funds.

222. We noted that the Director of finance failed to recover an outstanding total advances of GH¢47,800 owed by 18 officers. The advances were granted in 2018 and 2019 financial years and were to be recovered within a period of 24 months. Details provided in table below:

<table>
<thead>
<tr>
<th>MONTH/YEAR</th>
<th>SERVICE GH¢</th>
<th>DRUGS GH¢</th>
<th>TOTAL GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>SEPTEMBER,2019</td>
<td>7,674.16</td>
<td>6,451.77</td>
<td>14,125.93</td>
</tr>
<tr>
<td>OCTOBER,2019</td>
<td>11,442.49</td>
<td>5,717.37</td>
<td>17,159.86</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>31,285.79</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Unpaid salary advance

<table>
<thead>
<tr>
<th>NAME</th>
<th>BAL (2018)</th>
<th>DATE OF NEW LOAN</th>
<th>ADDITION</th>
<th>TOTAL</th>
<th>PAYMENT DATE</th>
<th>AMT PAID</th>
<th>BAL. (DEC 2019)</th>
</tr>
</thead>
<tbody>
<tr>
<td>DR. S. RAJALINGAM</td>
<td>NIL</td>
<td>JAN,MARCH, APRIL 2019</td>
<td>8,000.00</td>
<td>8,000.00</td>
<td>NIL</td>
<td>8,000.00</td>
<td></td>
</tr>
<tr>
<td>JOAN NSOAH</td>
<td>500</td>
<td>JAN,MARCH,APRIL 2019</td>
<td>1,300.00</td>
<td>1,800.00</td>
<td>Aug-19</td>
<td>800</td>
<td>1000</td>
</tr>
<tr>
<td>ANDOH KWAKU CONDUAH</td>
<td>NIL</td>
<td>Feb-19</td>
<td>2,000.00</td>
<td>2000</td>
<td>NIL</td>
<td>2000</td>
<td></td>
</tr>
<tr>
<td>SAFROADU AMANKWATIA</td>
<td>1500</td>
<td>Apr-19</td>
<td>2000</td>
<td>3500</td>
<td>Jul-19</td>
<td>600</td>
<td>2900</td>
</tr>
<tr>
<td>FREDERICK KWASI DARTEH</td>
<td>NIL</td>
<td>Apr-19</td>
<td>1500</td>
<td>1500</td>
<td>NIL</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>RICHARD KOFI BOAHEN</td>
<td>NIL</td>
<td>Jul-19</td>
<td>1000</td>
<td>1000</td>
<td>Aug-19</td>
<td>500</td>
<td>500</td>
</tr>
<tr>
<td>YAW ANTWI BOASIAKO</td>
<td>NIL</td>
<td>Aug-19</td>
<td>1000</td>
<td>1000</td>
<td>NIL</td>
<td>1000</td>
<td></td>
</tr>
<tr>
<td>ISAAC ADDO LARTEY</td>
<td>NIL</td>
<td>Oct-19</td>
<td>1500</td>
<td>1500</td>
<td>NIL</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>EMMACULATE BILSON MENSAH</td>
<td>NIL</td>
<td>Oct-19</td>
<td>1500</td>
<td>1500</td>
<td>NIL</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>ASAMOAH ROBERTA</td>
<td>NIL</td>
<td>Oct-19</td>
<td>1500</td>
<td>1500</td>
<td>NIL</td>
<td>1500</td>
<td></td>
</tr>
<tr>
<td>EVELYN AMA RICHARDSON</td>
<td>5000</td>
<td>NIL</td>
<td>NIL</td>
<td>5000</td>
<td>NIL</td>
<td>5000</td>
<td></td>
</tr>
<tr>
<td>BAFFOE MOSES</td>
<td>2000</td>
<td>NIL</td>
<td>NIL</td>
<td>2000</td>
<td>NIL</td>
<td>2000</td>
<td></td>
</tr>
<tr>
<td>ADADE FOSTER</td>
<td>3000</td>
<td>NIL</td>
<td>NIL</td>
<td>3000</td>
<td>NIL</td>
<td>3000</td>
<td></td>
</tr>
<tr>
<td>NICHOLAS AGYEPEONG</td>
<td>3000</td>
<td>NIL</td>
<td>NIL</td>
<td>3000</td>
<td>NIL</td>
<td>3000</td>
<td></td>
</tr>
<tr>
<td>STEPHEN LOMBETEY</td>
<td>400</td>
<td>NIL</td>
<td>NIL</td>
<td>400</td>
<td>NIL</td>
<td>400</td>
<td></td>
</tr>
<tr>
<td>TACHIE-DJANG JOSEPH</td>
<td>3000</td>
<td>NIL</td>
<td>NIL</td>
<td>3000</td>
<td>NIL</td>
<td>3000</td>
<td></td>
</tr>
<tr>
<td>BOAKYE YEBOAH SAMUEL</td>
<td>6000</td>
<td>NIL</td>
<td>NIL</td>
<td>6000</td>
<td>NIL</td>
<td>6000</td>
<td></td>
</tr>
<tr>
<td>ERIC TETTEH MENSAH</td>
<td>4000</td>
<td>NIL</td>
<td>NIL</td>
<td>4000</td>
<td>NIL</td>
<td>4000</td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td>47,800.00</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1123. We attributed this lapse to Management’s failure to enforce the agreement quoted above on the beneficiaries.

1124. We could not therefore assure ourselves that the salary advance of GH₵47,800.00 standing in the financial statements could be fully realised, which then would indicate that the debtors figure in the financial statements had been overstate.

1125. We advised Management to take the necessary steps to recover all outstanding advances from the officers by the end of the year 2020 and ensure that future advances granted are recovered within the agreed period. Management should also ensure full recovery of old advances before granting additional ones.

1126. Management accepted our recommendation and has initiated action to recover the advances.

**Unearned Salary - GH₵64,565.60**

1127. Regulation 92 of the PFMR, 2019 demands that, the Principal Spending Officer of a covered entity shall ensure the immediate stoppage of payment of salary to public servants and notify the Controller and Accountant-General in the following circumstances:

a. On the death of an employee,

b. On the conviction of an employee for an offence and sentence of that employee to imprisonment,

c. On the dismissal of an employee or relief of post on administrative and other related grounds,

d. On the grant of leave without pay to an employee.

e. On the vacation of post by an employee: and

f. On the resignation or retirement of an employee.
1128. (2) The head of a covered entity shall take the necessary action to retrieve any unearned compensation occasioned by any of the occurrences under sub regulation (1).

1129. (3) The amount retrieved under sub-regulation (2) shall be credited to the Consolidated Fund.

1130. We reviewed 22 personnel files submitted in relation 2019 GOG active payroll Data and noted that, two employees of the University, Kusi Ankrah Bonsu (Lecturer) and Foster Adade (Lecturer) who vacated post after their study leave with pay had expired were paid a total amount of GH₵ 63,555.60 from March 2019 to December 2019.

1131. We also noted that Mr. Anthony Boateng Addai, a former employee of the University who became separated by way of Study Leave without pay, was paid one month salary of GH₵ 1,010.00 after his separation, bringing unearned salary payments to GH₵ 64,565.60.

The details shown in table.

<table>
<thead>
<tr>
<th>Name</th>
<th>Staff ID</th>
<th>Institution of study</th>
<th>Period of study/duration</th>
<th>Expected month of return</th>
<th>Months overstayed</th>
<th>Salary per month GH₵</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Kusi Ankrah Bonsu (Lecture)</td>
<td>142796</td>
<td>Nanjing University of Post and Telecommunication, China</td>
<td>September, 2016 – July, 2019 (3 years)</td>
<td>August, 2019</td>
<td>Aug-19</td>
<td>3,916.74</td>
<td>19,583.70</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sep-19</td>
<td>3,916.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>October 2019</td>
<td>3,916.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>November 2019</td>
<td>3,916.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Dec-19</td>
<td>3,916.74</td>
<td></td>
</tr>
<tr>
<td>Sub total</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>19,583.70</td>
<td></td>
</tr>
<tr>
<td>Mr. Foster Adade (Lecture)</td>
<td>752818</td>
<td>Cyprus International University</td>
<td>18 Feb. 2015 – 18 Feb. 2019 (4 years)</td>
<td>March, 2019</td>
<td>Mar-19</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>April, 2019</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>May,2019</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>June,2019</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>July,2019</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aug-19</td>
<td>4,397.19</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Sept. 2019</td>
<td>4,397.19</td>
<td></td>
</tr>
</tbody>
</table>
223


<table>
<thead>
<tr>
<th>Name</th>
<th>Staff ID/Type of separation</th>
<th>Date of separation</th>
<th>Unearned salary month</th>
<th>Date of deletion</th>
<th>Months unearned</th>
<th>Amount/Net GH₵</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Anthony Boateng Addai</td>
<td>1249926/Study Leave without pay</td>
<td>01-Sep-19</td>
<td>01-Sep-19</td>
<td>October, 2019</td>
<td>1 months</td>
<td>1,010</td>
</tr>
<tr>
<td><strong>GRAND TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>64,565.60</strong></td>
</tr>
</tbody>
</table>

1132. Delay in notifying the Controller and Accountant General for deletion of the affected former employees from the payroll accounted for this lapse.

1133. The University and the state had lost a total of GH₵64,565.60 as unearned salary paid to the officers if not recovered.

1134. We recommended that management should recover the monies paid to the affected staff and pay same to chest.

1135. Management indicated that Mr Kusi Ankrah Bonsu has resumed duty and provided evidence of his hospitalisation in China during the period of absence. Management added that it has placed embargo on the salaries paid to the bank accounts of Mr Foster Adade and also instructed the bank to pay the unearned salaries to the Controller and Accountant General’s Salary Suspense Account. Finally, they had written to Mr. Anthony Boateng Addai to immediately refund the unearned salary to Government.

**Non Redemption of Bond- GH₵ 431,328.56**

1136. Section 5.4 of the Sunyani Technical University sponsorship/scholarship policy provides that applicants who benefit from scholarship, or sponsorship for their studies and are to return to serve the Technical University shall serve the bond as specified by the Government of
Ghana Scholarship Regulations and Conditions of Service of the Technical University. Failure would attract a penalty of the full cost of the sponsorship plus interest. This shall be done by way of signing a bond before the applicant is allowed to take the sponsorship.

1137. In reviewing personal files of the Sponsored staffs, we noted that the University sponsored Dr Eric Nsiah Gyabaah, a Lecturer at the Accountancy Department to pursue a PhD programme in Business Administration at the Argosy University, Dallas for the period September 1, 2011 to 30 June 2017. We however, noted that the officer only served the University for two out of the required six years after completing his studies and subsequently, vacated post in July 2019.

1138. In another development, Mr Adade Foster, a Lecturer with Department of Accountancy was granted study leave with pay from 18/2/2015-18/2/2019 to pursue PhD in Business Administration (Accounting Option) at the Cyprus International University, North Cyprus for fours (4) years. He requested for an extension of study leave on 9/September/2019 for one year till December 2020 after returning to work from September 2017 to April 2018. Management did not approve his extension request. He therefore vacated post on 18/2/2019.

1139. Moreover, Mr Kusi Ankrah Bonsu, a Lecturer with Department of Electrical/Electronic Engineering was granted study leave with pay from September/2016-July/2019 to pursue a three (3) years PhD in Information and Communication Engineering at the Nanjing University of Post and Telecommunication, China. He however, did not return to serve his bond after the programme.

1140. According to the bond agreement, the officers were to serve the University for a period of six and five years respectively after completing the courses, or refund all expenses plus interest incurred on their studies. The officers are therefore, indebted to the University to the tune of
GH¢431,328.56 in respect of salaries paid to them throughout the programmes. Details provided in table below:

<table>
<thead>
<tr>
<th>NAME</th>
<th>YEAR</th>
<th>PERIOD OF BOND</th>
<th>YEARS OF BOND SERVED</th>
<th>UN-SERVED BOND</th>
<th>AMOUNT PER YEAR GH¢</th>
<th>TOTAL AMT. GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dr Eric Naiah Gyabaah</td>
<td>SEPT 2011-JUNE 2017</td>
<td>6 YEARS</td>
<td>2 YEARS</td>
<td>4 YEAR</td>
<td>35,781.27</td>
<td>143,125.00</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NAME</th>
<th>YEAR</th>
<th>PERIOD OF BOND</th>
<th>PERIOD OF BOND SERVED</th>
<th>YEARS OF BOND SERVED</th>
<th>UN-SERVED BOND</th>
<th>NO OF MONTH</th>
<th>AMOUNT PER MONTH GH¢</th>
<th>TOTAL AMOUNT GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mr. Adade Foster</td>
<td>2015</td>
<td>1/3/2015-31/12/2015</td>
<td>6 YEARS</td>
<td>8 MONTHS</td>
<td>5 YEARS AND 4 MONTHS</td>
<td>10</td>
<td>3,505.80</td>
<td>35,057.00</td>
</tr>
<tr>
<td></td>
<td>2016</td>
<td>1/1/2016-31/12/2016</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
<td>3,640.74</td>
<td>43,688.88</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>1/1/2017-30/8/2017</td>
<td></td>
<td></td>
<td></td>
<td>8</td>
<td>3,869.62</td>
<td>30,956.96</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>1/5/2018-31/12/2018</td>
<td></td>
<td></td>
<td></td>
<td>8</td>
<td>4,096.21</td>
<td>32,769.68</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>1/1/2019-1/2/2019</td>
<td></td>
<td></td>
<td></td>
<td>2</td>
<td>4,397.19</td>
<td>8,794.38</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>151,266.90</td>
<td></td>
</tr>
<tr>
<td>Mr Kusi Ankrah Bonsu</td>
<td>2016</td>
<td>1/9/2016-31/12/2016</td>
<td>6 YEARS</td>
<td>NIL</td>
<td>5 YEARS</td>
<td>4</td>
<td>3,639.01</td>
<td>14,556.04</td>
</tr>
<tr>
<td></td>
<td>2017</td>
<td>1/1/2017-31/12/2017</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
<td>3,849.10</td>
<td>46,189.20</td>
</tr>
<tr>
<td></td>
<td>2018</td>
<td>1/1/2018-31/12/2018</td>
<td></td>
<td></td>
<td></td>
<td>12</td>
<td>4,064.52</td>
<td>48,774.24</td>
</tr>
<tr>
<td></td>
<td>2019</td>
<td>1/1/2019-31/7/2019</td>
<td></td>
<td></td>
<td></td>
<td>7</td>
<td>3,916.74</td>
<td>27,417.18</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>136,936.66</td>
<td></td>
</tr>
<tr>
<td>GRAND TOTAL</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>427,232.35</td>
<td></td>
</tr>
</tbody>
</table>

1141. Lack of the beneficiaries’ commitment to the provisions on the bond forms and inability on the part of management to enforce the condition of the bond agreement resulted in the anomaly.

1142. In effect, the University has been deprived of the benefit that could have been derived from skills acquired by the beneficiaries. Besides, the
state would lose GH¢ 431,328.56 to the advantage of the beneficiaries if not retrieved.

1143. We were provided with a letter dated 1/11/2019 indicating that Dr Eric Nsiah Gyabaah had agreed in writing to pay for the un-served bond period but has since reneged on his promise.

1144. We recommended that management should pursue the officers and their guarantors for the sums of money expended on them in the sum of GH¢431,328,56 together with interest at bank of Ghana prevailing rate as early as possible, failing which Management should take legal action against them.

1145. Management responded that Mr Nsiah Gyabaah had accepted to refund the amount owed and has subsequently requested for the amount owed. With regard to Mr Kusi Ankrah Bonsu, he provided Management with evidence of his hospitalisation for the period of absence. Mr. Adade Foster’s appointment has been officially terminated and his bankers has been informed to return all unearned salaries paid to him.

Payment of Avoidable Health charges -GH¢8,761.70

1146. Section 7 of the Public Financial Management Act, 2016 (Act 921) stipulates that a principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

1147. We noted that the University paid a total of GH¢8,761.70 as medical bills for 203 students who were not registered with the National Health Insurance.

1148. This occurred due to management’s failure to ensure all students were registered because the NHIS registration fee is a component of the school
fees of Sunyani Technical University. Details of the payments are shown below:

<table>
<thead>
<tr>
<th>CLAIM DATE</th>
<th>TRANSACTION DATE</th>
<th>NAME OF STUDENT</th>
<th>NO OF STUDENTS</th>
<th>FOLDER NO</th>
<th>AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>10/05/19</td>
<td>01/04/19-04/19</td>
<td>Adinkra Henrietta &amp; others</td>
<td>23</td>
<td>STU20956/19-STU21262/19</td>
<td>1,576.00</td>
</tr>
<tr>
<td>19/06/19</td>
<td>05/04/19-29/05/19</td>
<td>Dassah Augustine &amp; others</td>
<td>82</td>
<td>SP23046/17-STU21100/19</td>
<td>2,805.00</td>
</tr>
<tr>
<td>10/10/19</td>
<td>07/09/19-30/09/19</td>
<td>Kwakye Gideon &amp; others</td>
<td>32</td>
<td>STU23142/19-STU23324/19</td>
<td>1,659.70</td>
</tr>
<tr>
<td>06/11/19</td>
<td>02/10/19-25/10/19</td>
<td>Blala Paul &amp; others</td>
<td>19</td>
<td>SP23193/19-SP20756/17</td>
<td>1,033.00</td>
</tr>
<tr>
<td>05/12/19</td>
<td>05/12/19-28/11/19</td>
<td>Boatemaa Mariam &amp; others</td>
<td>27</td>
<td>STU23810/19-STU24516/19</td>
<td>883.00</td>
</tr>
<tr>
<td>27/12/19</td>
<td>02/12/19-20/12/19</td>
<td>Seidu Hasnna &amp; others</td>
<td>20</td>
<td>STU24582/19-STU24369/19</td>
<td>805.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td>203</td>
<td></td>
<td>8,761.70</td>
</tr>
</tbody>
</table>

1149. This led to the payment of avoidable medical expense of GH¢8,761.70 to the University which could have been used to undertake other beneficial activities.

1150. We urged Management to ensure that all the students are registered with the National Health Insurance Scheme, to enable the University derive the full benefit of the scheme.

1151. Management indicated that the University has already put in place measures for all students to benefit from the National Health Insurance Scheme. They added that the amount paid had been added to refund claims to NHIS for payment.

**Outstanding book and research allowance - GH¢11,836.93**

1152. Section 7 of the Public Financial Management Act, 2016 (Act 921) stipulates that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.
1153. Our review of Book and Research allowances paid to staff showed that, GH¢11,836.93 is still outstanding in the ledgers as unclaimed. Our further enquiry indicated that GH¢7,542.05 out of the amount belongs to Opoku-Antwi George Lord, now deceased, and Management is yet to pay the money to the family. The remaining GH¢4,294.88 was a deduction made to cover salary overpayment of two other beneficiaries which has not been transferred into the Consolidated Fund.

Details provided in the table below:

**Unclaimed book and research allowances**

<table>
<thead>
<tr>
<th>NAME</th>
<th>STAFF ID</th>
<th>GRADE</th>
<th>UNCLAIMED AMT</th>
<th>DETAILS</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opoku-Antwi George Lord</td>
<td>751385</td>
<td>Senior Lecturer(PhD)</td>
<td>7,542.05</td>
<td>Deceased</td>
<td>Not yet paid to the family</td>
</tr>
<tr>
<td>Anoah Elizabeth Baafi</td>
<td>1207139</td>
<td>Lecturer (Non-PhD)</td>
<td>1,697.44</td>
<td>Unearned salary</td>
<td>Not yet transferred to consolidated fund</td>
</tr>
<tr>
<td>Turkson Elizabeth H.</td>
<td>882890</td>
<td>Lecturer (Non-PhD)</td>
<td>2,597.44</td>
<td>Unearned salary</td>
<td>Not yet transferred to consolidated fund</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>11,836.93</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1154. Laxity on the part of the Director of Finance caused the delay in transferring the unearned salary to the consolidated fund. The Scheduled Officer indicated that the beneficiary of the deceased is yet to be identified.

1155. The Government and the family of the deceased have been deprived of GH¢4,294.88 and GH¢7,542.05 respectively. There is also a risk of misapplication and/or misappropriation when payments to beneficiaries delay unnecessarily.

1156. We advised Management to immediately transfer the unearned salary of GH¢4,294.88 into the Consolidated fund, and step up efforts to locate the
family of Mr. Opoku-Antwi and pay his entitlement to them without further delay.

1157. Management responded that the University is processing the death benefits of Late Dr. Lord Opoku- Antwi and said the amount would be added to his benefits that would be paid to his beneficiaries. They added that the salary overpayment of GH¢4,294.88 had been paid into the Consolidated Fund and evidence is available for verification.

**Failure to acquire ownership documents - GH¢30,726.25**

1158. Section 52 of Public Financial Management Act, 2016 (Act 921) directs that a Principal Spending Officer of a covered entity, state owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets’

1159. The University acquired 142 acres of land at Amaasu and an additional 55 acres at Duayaw Nkwanta in 2016. We noted that the University is yet to register both parcels of land even though an amount of GH¢30,726.25 had been paid for a cadastral for the land at Amaasu.

1160. The Director of works indicated that the registration of the two parcels of land was in process and that, lack of finance had resulted in the delay in the registration.

1161. The University stands a risk of losing the properties in the event of litigation regarding the ownership of unsecured lands.

1162. We advised Management to speed up the process to enable it obtain the Title deeds to secure ownership of the lands.
1163. Management accepted our recommendation and indicated that they had already initiated land documentation for all University acquired lands and to expedite action to ensure that such titles to all lands and properties are duly secured.

**Underutilisation of software acquired - GH₵ 20,000.00**

Section 7 (a) of the Public Financial Management Act, 2016 (Act 921) states that a Principal spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.

1164. Our audit revealed that the University paid GH₵20,000 to TOPNIK Ghana Ltd for installation of Accounting Software in July 2019. We however noted that the Fixed Asset Register, Inventory management and Budget modules which have direct control in the creation of commitment accounts were yet to be implemented.

1165. The delay in fully implementing the modules was as per the advice of the owners of their accounting software to implement them gradually.

1166. The expenditure control which the software sought to provide prudent expenditure and assets management control could not be achieved in the absence of the aforementioned modules.

1167. We advised Management to expedite action to have all modules or services implemented under the contract.

1168. Management accepted our recommendation and promised to expedite action in the implementation of all the modules. Management added that, the owners of the accounting software advised the University to implement the modules in bits. Finally, the University would not make further payments in respect of the roll out of the rest of the modules.
Computer multimedia laboratories not in use-GH¢24,407.31

1169. Section 7 of the Public Financial Management Act, 2016 specifies that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity; Manage the resources received, held or disposed of by or on account of the covered entity.

1170. Our review of documents, interviews conducted and verification done revealed that two laboratories have been installed at the University’s Science Park; a 40-seater computer multimedia laboratory and hands on machinery simulation training laboratory. We also noted that the multimedia laboratory has a software which could enable students initiate their own self tuition, troubleshoot, fix error, design and quiz themselves with minimal supervision of technicians or lecturers.

1171. However, the multimedia laboratory with all the software has not been put to effective use as a result of non-availability of manage switch and fibre pig-tail. These two items were to be provided under the contract for construction of fiber optic at Science Park but the contractor did not provide them though the full contract sum of GH¢ 24,407.31 had been paid to him. Details of the payment shown in table:

<table>
<thead>
<tr>
<th>Date</th>
<th>Cheque No</th>
<th>Detail</th>
<th>Amount GH¢</th>
</tr>
</thead>
<tbody>
<tr>
<td>01/08/2019</td>
<td>657860</td>
<td>Half payment for construction of fiber optic at Science Park</td>
<td>12,203.66</td>
</tr>
<tr>
<td>14/10/2019</td>
<td>2582</td>
<td>Final payment for construction of fiber optic at Science Park</td>
<td>12,203.66</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>24,407.32</strong></td>
</tr>
</tbody>
</table>

1172. Our physical verification showed that the computers and other equipment in the Laboratory are not under extensive care. We further noted that a network switch wall mount rack connected with computers was fixed on a floor in another room. We also observed that most of the newly swivel chairs are infested with mold, a development that defeats the maintenance policy of the University.
1173. The lapse is attributed to non-provision of Manage Switch and Fibre Pig-tail by the contractor and lack of upkeep of the equipment.

1174. Value for money has been undermined for not making the multimedia laboratory readily available on time for students. The multimedia laboratory not under extensive care has led to the deterioration of the swivel chairs and could lead to inefficient functioning of the machines and the computers.

1175. We entreated Management to ensure that Manage Switch and Fibre Pit-tail are provided by the contractor as early as possible for the Multimedia to be made available to students. The facility should also be kept under extensive care.

1176. Management responded that the contractor has replaced the faulty Main Switch and the Fibre Pig-tail to enable the University use the facility.

**Computerised financial and accounting system deployed without approval from the Auditor-General**

1177. Section 11 (1) and (3) of the Audit Service Act, 2000, (Act 584) gives the Auditor-General the mandate to approve the form in which computerized financial and accounting systems and electronic transactions shall be kept for his review.

1178. We noted that Management deployed two critical computerised financial and accounting systems in 2015 and 2019 without approval from Auditor –General.

<table>
<thead>
<tr>
<th>No</th>
<th>Name</th>
<th>Purpose</th>
<th>Year of deployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>online School Management System</td>
<td>Online sales of forms and students registration- (Revenue)</td>
<td>2015</td>
</tr>
<tr>
<td>2</td>
<td>TOPNIK Accounting</td>
<td>Financial Management Information System use.</td>
<td>2019</td>
</tr>
</tbody>
</table>
1179. This lapse is attributable to Management’s failure to seek Auditor-General’s approval before implementing the software.

1180. The lapse could result in the procurement of pirated, unlicensed or non-user friendly applications. We were also unable to ascertain and vouch for the efficiency and effectiveness of inbuilt controls in these computerised financial and accounting systems.

1181. We recommended to management to seek approval from the Auditor-General to regularize the use of the application. We also recommended to management to ensure compliance in future to avoid sanctions.

1182. Management indicated that they had written reminder letters to the two approving authorities and is still waiting for their response.

**Failure to sign bond forms**

1183. Paragraph 4.25 of the Human Resource Policy for Public Servants provides that the grant of study leave with pay shall be subjected to the singing of a bonding agreement by the employer and the applicant among others.

1184. In reviewing personal files of the Sponsored staff, we noted that three staff failed to sign bond forms after granting them study leave with pay for the period 2016-2022 to pursue various courses. The completion of a bond form is a condition made in the approval letters when requesting for study leave with pay. Details provided in table:
1185. The omission was due to oversight on the part of management to ensure that all sponsored officers have completed the bond form before leaving for their programmes.

1186. Failure to bond the beneficiary officers may deprive the University benefit to be derived from the investment made on its Human Resource capacity building if after completion of the programmes the beneficiaries decide to resign from the University.

1187. We recommended that the three officers should be made to complete bond forms before they complete their programmes. Subsequently, beneficiaries of study leave with pay should be made to complete and submit bond forms before they leave to pursue their courses. This could serve as a guarantee for the University in recouping its investment in human capacity building.

1188. Management accepted our recommendation and added that they would write to them to sign their bond forms.
Insufficient Risk Assessment Management

1189. Section 83(3) (a-b) of Public Financial Management Act 2016, Act 921 states “An Internal Auditor of the Internal Audit Unit of a covered entity shall;

(a) Appraise and report on the soundness and application of the system of controls operating in the covered entity;

(b) Evaluate the effectiveness of the risk management and governance process of a covered entity and contribute to the improvement of that risk management and governance process”.

1190. We noted that the Internal Audit Division’s risk assessment did not comprehensively address ICT governance of the University. We could not therefore verify the role of the internal audit functions in monitoring access log and change log control for users access on the University’s IT systems.

1191. This lapse is as a result of management’s failure in training the staff of Internal Audit Division to acquire the needed skills.

1192. As a result, the Internal Audit Division could not track the activities of all users and could not tell who created, modified or deleted transactions when it was done on the systems.

1193. In line with current technological trends, we urged Management to build the capacity of the Internal Audit staff to enable them perform periodic risk assessment that covers the University’s critical IT systems.

1194. Management accepted our recommendation and indicated that the Internal Auditor has been informed and advised on our recommendation.

Absence of ICT Strategic Plan and outdate ICT Policy

1195. Council of a Technical University shall determine the strategic direction of the Technical University. Further, ICT governance is a subset discipline and an integral part of Corporate Governance and it is the
responsibility of Management to provide the required leadership, policies and procedures to ensure that the University's ICT sustains and help delivers the organization’s business and objectives. A proper ICT governance arrangement will ensure adjustment of ICT with the organization’s business needs.

1196. We noted through documents reviewed that the objectives and strategies for ICT have been highlighted in University’s Strategic Plan for 2015-2020 dated September 2015. However, we observed that the University has no well-structured ICT governance framework from the appropriate ICT Directorate to mainly address critical issues pertaining to ICT. We also reviewed the Draft ICT Policy dated April 2009 and noted that the Policy could not be used to address the current trends in ICT management because it is outdated.

1197. Management’s inability to appreciate and enforce IT governance which is critical in Corporate Governance accounted for the lapse.

1198. Without ICT Strategic Plan and Policy, the University is at risk of having inefficient and ineffective ICT structure. Besides, lack of ICT Strategy could result in system failures and creating uncoordinated automation.

1199. We advised Management to ensure that the Draft ICT Policy document is reviewed and approved, having in view the transformation processes and technological trend. Management should also ensure that, ICT Strategic Plan is formulated, approved and aligned with the University's Strategic Plan.

1200. Management accepted our recommendation and indicated that the University is in the process of reviewing the policy.
Mission Statement

The Ghana Audit Service exists

To promote

- good governance in the areas of transparency, accountability and probity in Ghana’s public financial management system

By auditing

- to recognized international standards, and reporting our audit results

And

- reporting to Parliament