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SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING AND FINANCE

FINANCIAL MANAGEMENT POLICIES AND PRACTICES IN GHANA EDUCATION SERVICE. A STUDY OF NKAWKAW SENIOR HIGH SCHOOL, EASTERN REGION.

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THE AWARD OF MASTERS IN BUSINESS ADMINISTRATION

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FINANCE

BY

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DECLARATION

I hereby affirm that with the exception of special quotations and ideas credited to specified sources, this submission is my own work towards the EMBA and to the best of my knowledge, it enclose no material previously published by another person or material which has been accepted for any other degree of the University.

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ABSTRACT

Currently, there have been frequent reports on financial irregularities persisted in a lot of Senior High Schools in Ghana simply because of negligence in controls and disregard of financial rules, regulations and practices. Financial Management control practices are aimed at achieving desired return on investment. Heads of institutions use financial statements such as budget and other financial tools to exert financial controls in the form of applying policies and procedures established by institutions for managing, documenting and reporting of financial transactions. The study was undertaken to ascertain the financial policies and practices in Ghana Education Service, a study of Nkawkaw Senior High School in Eastern Region. It explored the main sources and usage of funds in the Senior High Schools, the financial control system utilization, and identified the financial management challenges in public schools. Five sets of questionnaires were designed. The first set of the questionnaire went to the Headmaster and Assistant Headmasters. The second set was apportioned to the Accounts Officers, another set also went to the Board of Governors, the fourth set of the questionnaire went to the PTA executives and lastly the final set also went to the student executives. To the other side of these, a deeply interactions with the respondents and the researcher was enhanced. The survey brought to light two main sources of funds for the school, the government of Ghana budget line account and internally generated funds (IGF). The School has instituted effective control practices such that financial transactions were supported by the appropriate supporting documents. It is recommended that, there should be periodic in-service training for the account personnel to improve knowledge, skills and abilities, a budget committee be instituted in the school.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The evolution of formal education in Ghana since its beginnings in the nineteenth century involved all levels of education from pre-school, primary, middle (Junior Secondary), Secondary School and teacher training to tertiary. Owing to a large expansion of basic education, there was a policy to expand secondary education to absorb the large number of middle schoolleavers. This policy emphasizes the importance of quality which the government places on Senior High School education. Quality can be considered from three perspectives, namely: effectiveness in meeting the needs and expectations of stakeholders, efficiency and ethical use of resources, and compliance with applicable professional financial and regulatory standards requirement.

According to Domelevo (2006), strong financial management in the public sector is not a luxury but a necessity. In an era of increased demand for accountability and transparency in government, the stakeholders of the public sector are demanding more effective and efficient use of public resources. Citizen confidence in government and public institutions is sharply affected by the degree to which resources are managed. This requires shaping government policy on fighting corruption and prevention of leakages and waste of public resources. One agency responsible in curbing corruption and promoting internal control in the public sector is the Internal Audit.

1.2. Statement of the Problem

According to the Auditor General's Report in 2006 many Senior High Schools were saddled with financial challenges. These relate to general reports of misappropriation of funds by heads of Schools, accountants or bursars which is affecting the development of education in Ghana. It is thought that school funds are not being spent for the intended purposes. School fund totaling one hundred and forty three thousand Ghana Cedis (GH¢143, 000.00) were misappropriated during the 2005 financial year. The Internal Audit Unit of the Ghana Education Service also discovered misappropriation of Two thousand Ghana Cedis (GH¢ 2,000.00) at one Senior High School. The misappropriations occurred as a result of breaches of rules and procedures on cash control and the absence of effective supervision in the institutions.

It is said that proper records are not being kept and good internal accounting controls measures are lacking. There is also a challenge of good financial management. This has to do with qualified and skill staff to carry out the responsibilities. It has also been observed that some institutions made payment without providing the relevant document such as invoices, official receipts, claims forms, store receipts vouchers, local purchase orders, job cards etc to support the respective payment vouchers (Auditor General's Report 2006).

Again, there seems to be irregularities in the public procurement of goods and services in the institutions. These irregularities may arise from the failure of the institutions to follow procurement process of obtaining a minimum of three quotations from suppliers' and nonutilization of the tender committee for the review of procurement transactions. (Auditor Generals Report 2006).

Judging from the above concerns, perceptions, challenges and assertions, there seems to be ineffective financial management practices in public institutions with regards to accounting practices and financial controls. The study will be undertaking to ascertain whether there are good accounting practices and effective financial management in public institutions in Ghana. The researcher will use selected Senior High School in the Eastern Region under the Ghana Education Service as a unit of analysis.

1.3. Objectives of the study

The objectives of the study are:

1. To identify the main sources and usage of funds in the Senior High Schools.
2. To assess the financial control system for utilization of funds.
3. To identify the financial management challenges in public schools.

1.4. Research questions

1. What are the sources of funds in Senior High Schools?
2. How are funds used in the Senior High Schools?
3. Are the financial controls in the Senior High Schools effective?
4. What are the financial management tools in the Senior High Schools?
5. What are the financial management challenges facing the Managers of the School funds

1.5. Scope, Context and Spatial

The study will be limited to Nkawkaw Senior High School in the Eastern Region under the Ghana Education Service. It will be centered on Internal Controls and Financial

Management Policies and Practices put in place to check fraud, misappropriation of funds and compliance to procurement procedures and financial regulations in the Senior High Schools.

1.6. Justification of the Study

The study will bring to light financial management policies and practices in Senior High Schools and ways of improving them. The output from the study would provide inputs for policy makers and educational administrators. This work is also to enable the educational policy makers to grapple with the need to release grants and subsidies due to various second cycle schools in time for the smooth running of the institutions. The report would be valuable as a document for students and researchers who want to conduct further research work on Financial Management Policies and Practices in Senior High Schools. The study conducted was along the line of public senior high schools and Nkawkaw Senior High School was chosen as a case study because it is the only Governmnet or Public Senior High School in Nkawkaw.

1.7. Limitations

The main problems faced were time and the difficulty in getting the headmasters and accountants of school due to their busy schedules which led to a delay in gathering the information needed for the research.

1.8. Organization of the Study

The study will be organized into five chapters. Chapter one will be of the background of the study, Statement of the Problem, Objectives of the Study, Research Questions, and Significance of the Study. Chapter two will deal with review of related literature. This chapter forms the basis of the whole research. Chapter three will deal with the various methods which will be employed in carrying out the study. This chapter describes the research design, population for the study, sample and sampling techniques, and research instruments. Chapter four will present analysis and discussions of findings. It deals with the responses of respondents for the study and analysis of data. Finally, chapter five also will present summary, conclusion and recommendations of the study.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Financial management in the public sector focuses on the prioritization and use of scarce resources, ensuring effective stewardship over public money and assets, and on achieving value for money in meeting the objectives of Government (Burger, 2008:28). Financial management forms part of the total operation of an organization and it relates to the other functional disciplines in the organization, as well as across various managerial levels (Correia, Flynn, Uliana & Wormald, 2003:20-9). Pauw, Woods, Van der Linde, Fourie and Visser (2002:133) clarify the goal of financial management in government as to ensure the safeguard and use available funds and other scarce resources in the best interest of the people. It is very clear that financial planning and control are an important part of the overall management process.

As stated by Hendrickse (2008), financial management ought to comprise keeping an accurate record of all financial dealings, relating the budget to the institution's strategic and operational plans. Financial Management as stated by Secondary Education Improvement Project (SEIP) is a process which brings together planning, budgeting, financial reporting, accounting, internal control, auditing, procurement, disbursement and physical performance, of the work with the aim of managing project resources properly to achieve the Project's development objectives. Financial management further requires that management accounts should be created in order for the managers to compare their institution's growth against the budget and then prepare decisions about the future.

Again, financial management indicates that there ought to be internal controls or checks and balances in areas with the aim of safeguarding the institution's assets, and also to manage risk. Also, there ought to be an audit committee or auditor that aid in making sure the quality and dependability of financial information is employed.

Money Related Administration has been a note worthy issue in both private and public sectors. Directors in a route need to anticipate misappropriation of assets, abuse of asset, extortion and misfortunes and along these lines put set up measures to capture the above issues.

2.2 Money Related Administration and Control

Numerous writers have composed on money related controls as to money related administration. There are numerous literary works on the subject outside the nation. There are researchers in the country who have likewise contributed such a great amount on money related control and money related administration. It should however be underscored that a percentage of the writing identifies with particular nation and not Ghana.

In his book "Essentials of Monetary Administration" Pandey (2004) conceded that "Budgetary Administration is that administrative action which is worried with the arranging and controlling of the company's money related assets" (p.3)

Macintosh Menamin, (1999); and Van Horne and Wachowize (2001) have characterized Monetary Administration as the determination, securing, allotment, and usage of benefits budgetary assets, typically in light of a general objective. It can be reasoned from the above definition that monetary administration manages the elements of speculation, financing, and resource administration (Andrew and Gallagher, 2003; Keown, Martin, Unimportant and Scott, (2002); Van Horne and Wachowicz, 2001). MacMenamin (1999) again built up this definition by expressing particularly that budgetary administration is about: "dissecting monetary circumstances, settling on money related choices, setting monetary destinations, planning money related arrangements to accomplish those targets, and giving viable frameworks of budgetary control to guarantee arranges progress towards the set goals"

Piece and Geoffrey (2008) described Budgetary control as the methodology intended to secure resources and guarantees that every single money related exchange are recorded to avoid and lessen mistakes and extortion.

Money related arrangement is to give a general directing structure to a sound and proficient administration asset in all establishments. The objective of having a solid arrangement of monetary strategy is to elevate the foundations capacity to achieve its destinations. Budgetary control additionally offers foundations in giving solid money related information, some assistance with safeguarding resources and records, assessing operational proficiency through spending plan, hierarchical control and urging adherence to recommended approaches and regulations.

Money related Control

The control as a foundation framework has a key part in the management of risks that are huge to the satisfaction of its operational objectives. It encourages the adequacy and productivity of operations which guarantees the unwavering quality of internal and external reporting and helps consistence with laws and regulations. It also guarantees that the foundation is not pointlessly presented to shirking monetary risks and the money related data utilized inside of the business and for distribution is dependable. This is additionally made conceivable by viable money related controls including the upkeep of legitimate bookkeeping records are a critical component of internal control.

Walters and Dunn (2001) expressed that, acquiring adequate learning of the internal monetary controls, both data innovation (IT) controls and application controls are expected to encourage the determination of the review technique and the completing of ensuing steps.

Monetary control exercises are the approaches and methodology that guarantee mandates of administration are properly completed

As indicated by Walters and Dunn, 2001, monetary controls are all the strategies and methods embraced by the chiefs. The administration of all elements to help with accomplishing their goals of, guaranteeing similarly as practicable, the systematic and adequate behavior of its business, including adherence to inside arrangements. The state guarding of advantages, the counteractive action and discovery of misrepresentation and blunder, the exactness and culmination of the bookkeeping records and the auspicious readiness of dependable money related data are enhance by monetary controls.

2.3 Pubic Division Bookkeeping

Pubic division bookkeeping is not the same as business part or business bookkeeping since public segment administration is generally not the same as business segment administration. While there is a gainfulness center in business division or business administration, the heart of public division bookkeeping has been on popularity based control of open cash.

Some number of schools in Ghana including the one under study falls under general society part. Public division bookkeeping is the "procedure of representing the monetary exercises of the general population within year". The real target in public division bookkeeping is to guarantee that, quality for cash is achieved through production and spread of unit expense and insights got from published final accounts. (Oduro, 2009)

Ghorman (2010) expressed that, "money related organization exercises in training are the combination and reconciliation of a few subjects in bookkeeping which constitute monetary organization in instruction".

2.3.1 Motivation behind Public Division Bookkeeping

Oduro, (2009), argued that experts have plot four fundamental purposes of public division bookkeeping and these include: serving as a premise for planning and control, a premises for decision making, source of government incomes and indicates how things of government expenditures will be sponsored.

It can be clarified from the above that, there is a contrast between public division bookkeeping and private division as a result of the yielding in their goals. The primary goal of a private division is to exchange to make benefit while the fundamental capacity of a public division is to direct the nation and to render different administrations.

2.4 Meaning of Internal control

This segment communicates what internal control frameworks or method include in organizations. It also shows the need to get and assess for authoritative effectiveness through the use of hierarchical assets to support smooth operation of the numerous second cycle establishments under the Ghana Education Service. Internal control in bookkeeping and inspecting is characterized as "a procedure affected by an association's structure, work and power streams, individuals and administration data frameworks, intended to help the association's assets coordinated, and measured". The internal control framework is broadly portrayed as "the arrangement of strategies or methodology which a substance's administration builds up and uses to protect its advantages, give solid bookkeeping data, urge adherence to administration approaches and guarantee operational efficiency"(Whittington and Pany 2004).

At the authoritative level, there must be a very much characterized hierarchical structure demonstrating how obligation and power are designated. This implies a foundation's authoritative power and limits of obligation. This gets ready cheats undetected in zones of obligation.

Isolation of obligations is critical in the matters of internal control as Millichamp (2002) portrays isolation of obligations as: Nobody individual being in charge of the recording and handling of a complete exchange. The inclusion of a few individuals in the execution of obligations diminishes the danger of purposeful control or incidental blunder and expands the component of checking of work. Article 15 of “Systems and Standards on Internal control and Ex-Stake Money related control" shows that obligations of the approving officer and bookkeeping officer can't be given to the same individual. At the particular exchange level, internal control alludes to the moves made to accomplish a particular goal (Anderson, 2008). The arrangement of internal control involves the entire arrangement of controls, information set up by administration keeping in mind the end goal to defend resources, advances effectiveness, check the precision and unwavering quality of hierarchical money related information and to urge adherence to endorsed administration approaches.

As per the advisory group of supporting associations, commission of sponsoring organizations (COSO), an internal control is a procedure, influenced by the element's top managerial staff, administration and other work force, intended to give sensible affirmation identifying with the accomplishment of objectives in the following segment; Dependability of financial reporting, viability and productivity of operations, and conformity with appropriate laws and regulations.

Whittington and Pany 2004, in their book disclosed COSO was built up to locate a typical definition for internal control and give norms to its appraisal. Rittenberg, (2001) likewise characterized internal control as "a procedure, affected by an element governing body, administration, and other work force, intended to give sensible certification with respect to the accomplishment of objectives in the following segment ": dependability of financial reporting, conformity with appropriate laws and regulations, and viability and productivity of operations and safeguarding of assets.

Safeguarding of assets as it is critical to note incorporate controls intended to ensure against robbery and unapproved use, obtaining or transfer of assets. The techniques and arrangements of internal control are intended to guarantee all records are recorded in the right time period and esteemed accurately and that assets are sufficiently safeguarded. It likewise should be intended to give criticism on the general viability of its control techniques to administration.

2.5 Exactness and Reliability of Monetary Information

As indicated by Iddrisu and Anang (2010), precision and dependability of money related information implies that control measures ought to be placed, set up by management to guarantee that exchange are recorded totally and precisely. It includes the following: Keep up aggregate record, to give a free general control over records to which they relate. This strategy realizes fulfillment and arithmetical precision of presenting on point by point records. Also putting control measures involves nifty gritty checking of one archive or bookkeeping records again by another, holding files, examples, a list of dealings of originating bookkeeping record is maintain and items are detected from the list of files as processing is completed and this result incompleteness in control.

Again, the control measures include approval of records for examination and checking by a technical individual before any further preparing happens. This strategy guarantees the legitimacy of exchange and the exactness of the records. Also checking records with confirmation from outside sources, for example, the general examination of the money book explanation, and taking out occasional trail equalization to check the arithmetical exactness of the accounting which gives precision in control.

2.6 Consistence with Appropriate Laws and Regulations

Ghana, taking after the declaration of upgraded (Public Financial Management) PFM laws and regulations lately has a well-manufactured authoritative structure for public money related administration.

The Constitution links unmistakably the monetary parts of the official, authoritative and legal branches and gives the premise to the raising of assets and their consumption. The

Constitution within its structure has the laws administering the administration of public assets which incorporate the Financial Administration Act (FAA) and the Inspector General Demonstration of 2000. These Demonstrations are supplemented by the Financial Administration Regulation (FAR).

The authoritative and management system traces the principal spending plan and responsibility structures, including: the prerequisite that all incomes, credits and allowances might be paid into the Consolidated Fund (CF), out of which just lawfully endorsed consumptions can be made; suitable slips by Parliament; intelligible proclamation of the forces and obligations for the key players, including Ministry of Finance and Economic Planning (MoFEP), the Controller and Accountant General's Department of expertise (CAGD), Municipal and District Assembly (MDAs), and the Attorney General (AG); the assignment of obligation and responsibility for public assets to people through the framework; and clear and all around recorded parts and obligations regarding all partners.

The obligation of keeping public records lays on the CAGD which is the Head Bookkeeping Officer of the Administration. The Workplace of the Attorney General is made by the Constitution and it requires the workplace to review and write about people in general records of the state and every single public office. The time allotment of audits, obligations and the extent of the Attorney General is determined by the Audit Service Act (2000). The endorsement of the Public Procurement (2003) by Parliament was to permit the Demonstration sets up an Open Obtainment Board to make authoritative and institutional plans for open acquirement in a reasonable, straightforward and non-separate way. Additionally the Internal Audit Agency Act (2003), set up the Internal Audit Agency to co-ordinate, encourages and gives quality affirmation to internal audit units being built up in the MDAs and MMDAs.

2.7 Safeguarding of Assets

Millichamp (2002) states that, permitting assets to be broken, lost or stolen is inadmissible and methods are constantly concocted to defend them. Samples are bolts and keys, the keeping of a plant register, consistent surveys of indebted individuals' parity and so forth. Part of this which is regularly ignored is that payment where no assets have been gotten as payment for piece work not done, or the setting up of liabilities where no asset has been gotten as in fraudulent purchase and consequent misappropriation of products by representatives, are both illustrations of inability to protect resources.

Thus, safeguarding of assets allude to measures taken by administration to ensure the assets of the establishment against a huge number of conceivable misfortunes differing from misappropriation to such causes as inability to buy from the most minimal cost supplier and inside and out burglary

2.8 Payments

As per Millichamp (2002), the point of internal control over cheque and other bank operations is to keep unapproved payments being made from bank accounts. An officer, unaccounted with whatever is left of the accounting bookkeeping, ought to be placed responsible for the guardianship and fuse of cheque books. Before cheque is issued, the officer ought to check the requests and the receipts and stamp 'paid with cheque No… " with date to avoid being paid more than once. At least two officers out of small group of authorized document ought to sign the cheques. An autonomous authorities ought to be depended with the bank reconciliation and any inconsistencies be examined.

In consistence with Ghana Education Service's regulations, the following officers should exercise control over spending: the Leader or Head of the foundation/unit;

The Bursar/Treasurer (or on account of salaries and allowances in the Service) it is the obligation of the Leader or Head of an establishment to approve Vouchers for payment. In such an obligation, he might be considered mindful that: the payment is in appreciation of and inside of the provision for services included in the approved variation thereof; the work indicated have been properly performed; the costs charge are either as indicated by contract or affirmed scales, or are reasonable and sensible as per the nearby rates; the calculations and casting are numerically right; the persons named on the vouchers are those qualified for payment; each payment might be upheld by the first of a voucher, which should contain full specific of the service for which payment is being made and the thing or record to which is to be charged; and if the original document has been lost, a second copy shall be obtained which shall be certified by the authorizing officer to ensure that he has taken all possible steps to ensure that no payment has been made on the original document.

2.9 Receipts

As per Millichamp, (2002), all money and cheques should be sent to the bank, ought to be gone into a paying in slips and into the cash book.

Monetary and bookkeeping directions for auxiliary schools indicate at part five of the financial and accounting instruction for secondary schools that all sums got by an institution should be upheld by the issue to the payer of a unique counterfoil receipt. Then interim receipts and every single other type of receipts are restricted; counterfoil receipts should be imprinted in copy, bound in book structure and serially numbered; the copy of a counterfoil receipt should dependably be a duplicate of the first, which might be filled in just with permanent pencil or ink. Twofold sided carbon should be utilized; the duplicate has been effectively embedded into a receipt book or if a mistake has been made in setting up a receipt, the first and copy of the Receipt should scratched off by composing over the face "wiped out" in strong letters

When a receipt has been crossed out the first and copy should be safeguarded in the receipt book, the copy of a receipt might not be expelled from the book in which it is bound, if application is made for an affirmed duplicate in receipt the specific might be entered in typescript on a sheet of paper and embraced "confirmed genuine duplicate". Under no circumstances might a further unique receipt be issued, demands for the supply of the receipt of this part might be set with the Administration Printer or whatever other respectable printer.

Demands for the supply of the receipt of this part might be set with the Administration Printer or whatever other respectable printer, on landing, all receipts books might be deliberately checked by the Treasurer/Treasurer with the relating demand. The Treasurer might promptly answer to the supplier any blunder either in the numbering or the amount supplied and should in the meantime come back to him under enrolled cover any books in which mistakes have been found. Inability to complete this technique might bring about the Treasurer being held obligated for any resultant misfortune in the institution.

The supply of unissued receipt books must be kept carefully guarded by the Treasurer. All receipt books should be independently tackled charge in a stock register in numbered succession. The Treasurer should be in charge of guaranteeing that all subtle elements of receipt issued are quickly entered in the stock Register. Register books required by Accounts Clerks should be access by them individually from the Bursar, all issues must be marked for and care must be taken to guarantee that issues are made in numerical arrangement.

No Bursar or Account Clerk should have more than one receipt book in his ownership at any one specific time. All complete receipt books must be given back to the Bursar immediately and he should be in charge of finishing the significant sections in the stock register. Complete receipt books must be deliberately safeguarded carefully and locked until required for review purposes. From that point it is destroyed under Audit Supervision. The Treasurer must be in charge of guaranteeing that there is dependably a sufficient load of receipt books accessible. The load of unissued receipt books should be checked quarterly by the Treasurer against the parity in the stock register. Where cash is gotten through the post as money, cheques, postal requests, cash requests or stamps, a Register of cash got under spread must be kept by the Bursar.

The record will be reviewed at any rate week after week by the Head of Institution or his appointee who will see that all cash got through post has been represented in the correct way. This direction does not make a difference when a receipt is issued quickly and hand to the individual who brought the cash.

2.10 Money Collection

The targets of internal control over money collections is to guarantee that all money which the firm is qualified for is gotten, represented, kept money expeditiously and in place, and entered precisely in the books (Millichamp, 2002).

As per the "Ghana Education Service directions for Secondary Schools" the Leader of an establishment shall guarantee that satisfactory provision is made for the sheltered guardianship of money by method for giving a safe to the bursar. Safes shall be set in concrete or incorporated with an inward divider. Money in excess of instant requirement or in excess of the authorized limit shall be saved with the bank at a station where there is a bank or banked without delay at a station where there is no bank.

2.11 Avoidance and Identification of Extortion and Mistake

The executives are in charge of finding a way to anticipate and identify extortion. They are likewise in charge of get ready money related proclamations which give a genuine and reasonable perspective. Nonetheless, the Reviewers must arrange and perform their review methods and assess and report the outcomes thereof, perceiving that misrepresentation or blunder might physically influence the money related proclamations. As solid arrangement of internal control will give the Evaluators some confirmation that extortion and blunder are not happening, unless administration are conspiring to beat that framework. (ACCA, 2007)

2.12 Types of Internal Control

Millichamp (2002) states the accompanying as the types of internal control for the reasons of auditing: they are the exercises which are as strategies and systems to accomplish authoritative targets.

Associations: There must be an all around characterized authoritative structure indicating how obligation and power are assigned. That is a substance's authoritative power and limits of obligation. This makes it assigned ranges or to get ready fakes undetected in territories of obligation.

Isolation of obligations: Millichamp (2002) portrays isolation of obligations as takes after: No one person ought to be in charge of the recording and handling of a complete exchange. The contribution of a few individual's decreases the danger of purposeful control or unplanned mistake and builds the component of checking of work. Article 15 of "Procedures and Principles on Internal Control and Ex-Ante Financial Control" says that obligations of the approving officer and bookkeeping officer can't be given to the same individual. The individuals who convey internal monetary control obligation in money related administrations unit might not be doled out any obligation during the time spent arrangement and execution of budgetary choices and exchanges.

Physical: This concerns physical care of assets and includes strategies intended to constrain access to approve faculty as it were. Exercises for protecting of records might incorporate keeping up control at all times over unissued reports and also different diaries and records and limiting access to PC projects and information documents.

Approval and Endorsement: All exchanges ought to require approval or endorsement by an appropriate individual. The points of confinement to these approvals ought to be determined.

Work force: Every potential worker ought to be met and their references got and affirmed. This is to guarantee that just qualified and fair staffs are selected.

Supervision: An essential part of any control framework is the presence of supervisory methods by the association. This implies all individuals from staff ought to be administered and their work evaluated to guarantee that work done is of required standard and strategies being held fast to.

Management: These controls practiced by management are outside and well beyond the everyday of the framework. They incorporate general supervisory controls, survey of management records, correlations with spending plans, internal review and whatever other uncommon audit methodology.

Management has a central obligation to create and keep up successful internal control. The best possible stewardship of State assets is a vital obligation of organization directors and staff. State workers must guarantee that State programs work and State assets are utilized proficiently and viably to accomplish desired objectives. Programs must work and assets must be utilized continually with office mission, in consistence with laws and regulations and management.

Robertson and Louwers (2004) expressed that, management is in charge of creating and keeping up viable internal control. Powerful internal control gives confirmation that, critical shortcoming in the configuration or operation of internal control that could unfavorably influence the office's capacity to meet its targets, would be averted or identified in a convenient way.

Internal control, in the broadest sense, incorporates the arrangement of association, techniques and methodology embraced by management to meet its objective. It ought to be intended to give sensible certification with respect to counteractive action of or brief identification of unapproved securing use or disposition of assets.

Suitable internal control ought to be incorporated into every framework set up by association's management to distinguish and manage its operations.

By and large, distinguishing and executing the particular methods important to guarantee successful internal control. Keeping up how to evaluate the adequacy of those controls is left to the carefulness of the associations head while the techniques might shift from association to association. Management ought to have an unmistakable, sorted out system with all around characterized documentation handle that contain a review trail, evident results and indicate archive maintenance periods so someone not associated with the strategies can comprehend the appraisal process.

To guarantee senior management inclusion, numerous associations have set up their own senior management board or gathering, frequently led by the leader of the establishment, to address management responsibility and related issues inside of the more extensive setting of association's operations.

Important issues for such a chamber give management sensible confirmation that the office's arrangements and methodology are actualized and reliably taken after. The internal control arrangement comprise of the considerable number of techniques used to defend

resources, to advance exactness and unwavering quality of the office's bookkeeping information and records, to guarantee consistence with all state laws and regulations, office approaches and methods and to advance the operational productivity of the division.
(Samii, 2004)

2.13 Control Environment and Control Methods

Hohler A. (2005) indicated that internal controls are classified mainly into control environment and control procedures or activities. Millichamp (2002), Rittenberg and Schwieger (2001), Walters and Dunn (2001) do concur that monetary control norms are prepared in five areas which correspond to the five fundamental parts of the internal control: These five interrelated segments are required for internal controls to be successful: Control environment; Hazard appraisal; Control exercises; Data and correspondence; and Monitoring.

Control Environment

Hevesi (2005), measured the control environment to be the attitude in the direction of internal control and control consciousness established and maintained by the management and workers of an organization. Also as indicated by Millichamp (2004), the control environment implies the general state of mind, mindfulness and activities of directors and management with respect to internal controls and their significance in the element. Nature envelops the management style, the corporate culture and values shared by all representatives.

Rittenberg and Schwieger (2001) likewise portray the control environment as the tone of an association by impacting the control cognizance of its kin. In that capacity, it mirrors the general mentality, mindfulness, and activities of the top managerial staff, administration and others concerning the significance of control and its accentuation in the substance. It is the establishment for every single other part of internal control.

The control environment gives the general depictions concurred by above named creators, as it is key that overseers and workers of organization guarantee a positive perspective towards internal control and gangs moral qualities and a honest management approach. This is done to guarantee that obligations and power are assigned out to proficient and skilled persons through joining significance to cost. The performance of the personnel is assessed since control exercises are the approaches and techniques that management builds up to guarantee that its mandates are completed, meeting with inside and outer reviewers and assessing its aftereffect of the every year.

Hazard Appraisal

As per Whittington and Pany (2004), hazard appraisal is utilized to depict management's procedure for recognizing and reacting to business dangers confronted by the authoritative and the after effects of that procedure that incorporate all dangers to accomplishing management's targets. The dangers to the association's targets are taken a gander at in the territories of operations, budgetary reporting, and consistence with laws and regulations.

Hazard evaluation again portrays the procedure set up to distinguish shortcoming in the office's general money related administration forms and the hierarchical structure and its financing to decide how legitimately its structure intended to achieve its merited objectives and results. (Samii, 2004)

Authors do concur that hazard evaluation is an action which is performed by considering the charges happened under existing conditions, which cost – compelling control are intended to alleviate the danger with a specific end goal to accomplish authoritative targets.

Control Exercises

Whittington and Pany (2004) characterize, control exercises as 'approaches and methodology that guarantee that management's orders are done'. These arrangements and techniques advance activities that address the dangers that face the association. Types of control exercises performed in an association include:

Execution surveys which incorporate audits of genuine execution when contrasted with spending plans, gauges and earlier period execution: relating distinctive arrangements of information to each other and performing general surveys of execution.

Data preparing controls: These are assortment of control exercises which are performed to check the precision, culmination and approval of exchange. The two general classifications of data handling control are general control exercises apply to all data preparing systems and application control exercises likewise apply just to one specific action and it guarantees that: just approved finance exchanges are prepared. And approved finance exchanges are prepared totally and precisely. The application control exercises would influence the unwavering quality of finance handling. The vital parts of data handling controls are the best possible approval of a wide range of exchanges.

Additionally, control over data handling is an arrangement of well – outlined structures and archives like the bookkeeping division gets duplicates of internal reports arranged by the business, credit and different offices to appropriately record the exchanges.

A control of wide appropriateness is the utilization of serial numbers on records. Serial numbers give control over the quantities of archives issued. Cheques, tickets, deals receipts, buys orders, stock declarations and numerous different business papers can be controlled in this way.

Also as a type of control exercise performed in an association, physical controls incorporate those that give physical security over both records and different resources. After that defend records incorporate keeping up control at all times over unissued renumbered reports and also different diaries and records and confining access to PC projects and information documents. Just approved people ought to be permitted access to the association's important resources.

Isolation of Obligations

Isolation of obligations is maybe the most major control action. This is in line with Ray and Pany (2001)'s submission of segregation of duties such that no one person should handle all aspects of a transaction in an institution. The idea of fundamental isolation of obligations is that people ought not to be placed in circumstances in which they could both execute and conceal deceitful movement by controlling the bookkeeping records. An appropriate segregation of duties requires that at least two employees be concerned in dealing out a transaction, so that one employee provides an autonomous check on the performance of the other.

The capacities approving an exchange, recording the exchange and physical guardianship of assets ought to be kept separate. Some basic illustrations of isolation of obligations in bookkeeping frameworks include:

The work force office can include representatives and set compensation rates however the finance division should freely handle the finance exchange. The finance division can't include workers and the staff office can't prepare payroll checks.

The information handling division forms exchanges, yet the client offices stays in charge of starting the exchanges and accommodating the information preparing reports with the exchanges submitted for reporting.

The account payable office can approve payment for vendor invoices when getting an accepting slip from the receiving division that gives autonomous confirmation of receipt of the goods and a purchase order from the purchasing department that authorizes the purchase. (Rittenberg and Schwieger 2001).

As indicated by Whittington and Pany (2004), isolation of obligations is a principal idea of control that nobody's office or individual ought to handle all parts of exchange from start to finish. That is nobody or individual ought to perform more than one of the elements of approving exchanges, recording exchanges and keeping up guardianship over resources. The objective is not to keep a person to have inconsistent obligations permitting him or her to both execute and disguise blunders or extortion in the typical course of his or her obligations.

Once more, Robertson and Louwers (2004) likewise consent to it that, an imperative normal for powerful internal control is a fitting isolation of useful obligations which now and then called division of obligations. Four types of utilitarian obligations ought to be performed by various division or if nothing else by various persons on the organization's bookkeeping staff.

Approval to execute exchanges- This obligation has a place with individuals' who have power and obligation regarding starting the recordkeeping for exchanges.

Recording exchanges- This obligation alludes to the bookkeeping and recordkeeping capacity which in many associations is designated to a PC framework.

Guardianship of advantages included in the exchanges- This obligation alludes to the real physical ownership or successful physical control of property.

Occasional compromise of existing resources for record account- This obligation alludes to making examinations at customary interims and bringing proper activities as for any distinctions.

Despite the above clarification of the three Authors, they do concur that the sufficient isolation of undertakings and capacities ought to be ensured. Periodic rotation of the employees and that no opposing tasks be assigned to it in order to reduce the risk of manipulating the financial information or committing crimes.

Direct physical resources might be controlled the utilization of safes, bolts, fences and protects. Additionally intermittent examinations ought to be made between bookkeeping records and the physical resources close by. Subsequently, a wide range of preventive, investigator and remedial control exercises ought to be resolved and connected.

Data and Correspondence

An association's bookkeeping data framework comprise of the strategies and records built up to record, handle, abridge and report a substance's exchanges and to keep up responsibility for the related resources, obligation and value (Whittington and Pany, 2004).

This alludes to the procedure of recognizing, catching and trading data in an opportune manner to the achievement of the associations targets. Whittington and Pany 2004 concur that, a bookkeeping data framework ought to include:

Recognize and record every single substantial exchange; Portray on an opportune premise the exchanges in adequate subtle element to allow appropriate arrangement of exchanges for monetary reporting; Measure the estimation of exchanges in a way that allows recording their appropriate fiscal worth in the money related explanations; Decide the time period in which exchanges jumped out at grant recording of exchanges in the best possible bookkeeping period; Exhibit legitimately the exchanges and related exposures in the budgetary statement.

However, all kinds of information which are required by the management should be recorded and classified accordingly and should be sent in a format and period of time that will allow the concerned persons to fulfill internal control and other responsibilities.

Monitoring of Controls

Monitoring, the final part of internal control is a process to assess "the quality of internal control performance over time." It is of essence to monitor internal control to determine whether it is operating as planned and whether any modifications are necessary.

Whittington and Pany, (2004).

Robertson and Louwers (2004) indicated that internal control systems need to be monitored. Management ought to mark the quality of the control performance on a timely basis. Monitoring includes regular management and supervisory activities and other actions personnel take in performing their duties. Mistakes, frauds and internal control deficiencies ought to be reported to help management and to the audit committee of the board of directors. Monitoring helps the continuity of effective operation.

2.14 Some of the Internal control procedures outlined by Ghana Education Service

Some of the internal control procedures indicated by GES include: Keeping custody of cheque books, receipt books; Keeping receipt register; Forming a procurement committee; Forming budget committee to prioritize needs and budget appropriately; Purchasing approved equipment or material based on budget and written memorandum; Submitting transactions with receipts and honoring certificates where there is no receipt; Raising voucher for every payment; Preparation of proper quarterly and annual accounts; and The Accountant and the accounting officers working in accordance with Ghana Education Service financial guidelines.

2.15 Impediments of Internal Control

In spite of all the solid purposes of the internal controls, there are a few impediments or limitation, which should be kept in perspective. These incorporate what has been talked about by the accompanying authors. Eun and Resnick, (2008) Meigs et al, (2005) and Millichamp (2002) presume that an element's arrangement of internal control is by and large intended to give sensible affirmation that assets are appropriately shielded or safeguarded and that the bookkeeping records are solid. The idea of sensible confirmation lays on the reason that the expense of setting up control strategies would not surpass their normal advantages. The human component is additionally an essential variable in each arrangement of internal control. A decent framework can get to be incapable as a result of employees' weakness, remissness or lack of interest or potential human blunder brought about by anxiety of work-burden, liquor, decimation, and cussedness and the misconception of directions.

Sometimes, two or more people might cooperate to get around recommended controls or the likelihood of circumvention of controls either alone or through agreement with gatherings outside or inside the entity. Such collusion can altogether hinder the viability of a framework, since it disposes of the security expected from isolation of obligations.

In the event that a boss and a clerk work together to downplay money receipts, the framework internal control might be negated (in any event in the short run). The under listed are likewise some portion of limitations in the internal controls, for example, misuse of obligation, management override of controls, fraud, cheques in environment making controls inadequate. The extent of business might impose limitation on internal control. In little element, for instance, it might be hard to apply the standards of isolation of obligations and autonomous inside checks. A sound arrangement of internal control in this manner gives sensible, however not total, certification that an association won't be prevented in accomplishing its business goals or in methodical and genuine behavior of its business, by circumstances which might sensibly be anticipated.

The framework of internal control cannot, on the other hand, furnish security with assurance against a foundation. Also security with association neglecting to meet its business objectives or all materials mistakes, extortion or beaches of laws or regulations cannot be furnish by internal control.

However successful and strict adherence to internal control strategies ught to be placed, set up to encourage powerful and productive operations. This can be done by empowering associations to react suitably to huge business, operational money related, consistence and different dangers to accomplishing the organization's targets. This incorporates the defending of assets from wrong utilize or from misfortune and extortion and guaranteeing that liabilities are recognized and managed. This likewise rings the setting of Internal Audit Units to be kept an eye on by Internal Auditors in each organization. The organization dependently on its needs screen the everyday transactions in an expansive range and additionally assessing the arrangement of internal control measures. This helps to chop down the rate of extortion and enhance productivity.

SAS 300 cited from Millichamp (2002), requires that Auditors should dependably perform some substantive tests of material things and also depending on internal controls. The innate limitations of internal controls are the reason. The work of an External Auditor will be expected to keep an eye on the work of the Internal Auditor to guarantee complete consistence on methodology, principles and regulations.

Management of any entity on their part ought to be the turn of execution of the control systems. Management ought to revise every once in a while in view of the report and proposals of Internal and External Auditors to block loopholes that might arise. This ought to be done in the course of time as a result of technological advancement in business practices.

2.16 Audit and Investigation

An Audit is an investigation or a hunt for confirmation to permit an opinion to be created on the truth fairness of financial and other data by a person or persons. Such person or persons is autonomous of the preparer and persons likely to gain directly from the use of the information and the issue of a report on the information with the aim of growing its credibility and therefore its usefulness. (Gray and Manson, 2005).

Rittenberg and Schwieger (2001) additionally characterized auditing as "a methodical procedure of equitably acquiring and assessing proof with respect to affirmations about monetary activities and occasions to find out the level of correspondence and conveying the outcomes to intrigued clients".

The auditing capacity works on the supposition that monetary proclamations and money related information are evident. There is no important long haul struggle between auditors and managers of institution being audited. A potential fleeting clash however might exist. Viable internal control structure diminishes the likelihood of misrepresentation or inconsistencies in an institution.

2.17 Spending Plan and Budgetary Control

The budget is a financial plan for implementing diverse decisions that management has made. The budgets or spending plans for the majority of the different choices are express in terms of cash inflows and outflows and deals incomes and costs. These financial plans are overseen together into single bringing together proclamation of the institution's desires for future periods (Drury, 2001).

Lucey (2003) characterized a financial plan as "a quantitative explanation for a characterized timeframe, which might incorporate arranged incomes, costs, resources, liabilities and money streams".

A financial plan gives a center to the institution, helps the co-appointment of exercises and encourages control. Arranging is accomplished by method for a settled expert spending plan, though control is for the most part practiced through the buddy of genuine expense with a flexible spending plan. As indicated by the Chartered Institute of Management

Accountants (CIMA) as cited by Lucey (2003), "budgetary is the foundation of spending plans identifying with the obligations of executives strategy and the constant correlation of the real with the planned results. This is either to secure by individual activity, the targets of the arrangement or to give essentials to its modification.

That is budgetary control is the foundation of spending plan identifying with the obligations of managers to the requirement of a policy. Managers also have to perform a continuous comparisons of actual or planned results, either to secure by individual activity or the goals of that approach or to give the premise to its update.

2.18 The Primary Uses of Budgetary Control

Budgetary control is utilized to demonstrate with fluctuation or different measures of execution, to guarantee the goals of the institution in general and within the work frame to define the outcomes which division ought to accomplish. This objective ought to be set up not for the budget period but for the budget control period.

Also budgetary control is employed to uncover the degree by which actual outcome has exceeded or fallen short of the budget. It also gives the premise to the modification of the present spending plans or for the preparation of the future spending plan.

Again, it demonstrates the proficiency to which the different exercises of the institution have been co-ordinated. It also builds up the basis for the internal audit work.

2.19 Guideline of Responsibility

For the public sector accounting's foundation is money. This clearly explains that the income is noticed only when money is given, and the expenditure noticed when paid. The money foundation prevents the notice of people owing, nor letting the ones whom people owe money to be thought about. This type of accounting was in progress for ages till the year 2004.

Now, in the public section, it is the stewardship theory that holds. There is no owner, and the accounting is for one's stewardship of the business enterprise and resources provided, not gains attained. Thus, the word Responsibility or Accountability is central to accounting in public sector (Norgah, 2008).

Accountability is "the obligation on a manager to give answers and explanation concerning his or her actions to those who have the right to require for such answers and explanations". So, accountability should be the backbone of accounts/bursars and accounts clerks in the whole (Norgah, 2008).

2.20 Money Related Responsibility

Financial accountability makes certain that a management group should explain the application of the financial resources of the business enterprise to the people who gave the resources. The benchmark of this type of accountability is that financial resources used by the management is either sampled from student by way of school fees, Government grants to maintain only few. (Norgah, 2008).

It is therefore regarded to be on the side or for the gain of the resource giver if any use of where the amounts are put. It is regarded, therefore, that different types of preparations are to be in position to make certain that not only central government accounts for all financial resources but also that all business enterprise inside the public sector accounts for the use of financial resources positioned at their disposal for any allocated time.

In every country structure and procedural matters are established to make certain accountability, especially financial accountability. Financial accountability can only be made certain only there is an organization for protecting records of all legal authorization, commitments, agreements, encumbrances, obligations and expenditures.

2.21 Money Related Responsibility in Ghana

Various business enterprise, validation and procedural orderings have been positioned to certain financial accountability. The regulations include: Parliament and its subcommittees on public accounts and finance; The Controller and Accountant General's Department; The Audit service headed by Auditor-General; The Commission on Human Rights and Administration Justice (CHRAJ); Economic and Organized Crime Office; The Constitution of the Republic of Ghana; The Financial Administration Act, 2004 (Act 654); The Financial Administration Regulation 2004 (LI 1802); The Public Procurement Act, 2003 (Act 663); The Internal Audit Agency Act 2003 (658); and The Audit Service Act 2000 (Act 584).

2.22 Income Generation and the Cash Handling Strategies

Central School Account

The various schools have two sources of income generator to depend its educational and extra-school affairs: School's financial plan line account and the school's central accounts (Auditor-General Report 2005 – 2007). Local and State Government incomes basically run School's financial plan line account. The school's central account; controls the money that pass through various from students, parents and community. The sources of this money vary such student's fees, fund raising activities, special events, lease income and gifts or grants. Establishing of keeping records, making financial plans and management of finances are great for the two accounts. This will eschew the recurrence of misappropriation and irregularities brought up in the institutions financial reports.

The Cash Handling Strategies

It is requested that, all school's receipt should be sent to the money receipt magazine instantly together with all cash put with the school's bursar every day. As it is documented in the Auditor-General's report 2005-2007, that the collection and susceptible to abuse excessive money holdings in the office might lead to robbery and the acceptance of advances not genuine. Certainly, it is suggested for the use of cheques for levels of expenditure and payment of fees should be done through to banker's draft only.

Banking of Income to the School

The Auditor-General's Report (2007) imposes that, Regulation 8 (1) of the Financial Administration Regulation, 2004 (L.I. 1802) gives that money stocks must be kept to the complete minimum persistent with the apt liberation of public enterprises. Therefore, the indication is that money should be deposited at the greatest once a week. The favorable time is to deposit money at the end of the week. It is not a good practice to leave money in the school over the weekend. Money should be deposited in the bank if the school is closed for extended period of time such as holidays or vacation periods.

There must be an indication of an amount deposited and the date of deposit on a deposit slip form. The school bursar receipt showing the amount of cash should not be different from the bank's own. The money receipt magazine should contain information of the cash obtained and put in the bank.

2.23 Roles and Obligations of Money related Administration in Schools

The Board of Governors

Money related service units' of the administrations ought to work as regards to the establishment of internal control system and the implementation and development of standards.

In line with "Financial and Accounting Instruction for secondary schools", it is the responsibility of the head of an institution through the Board of Governors to the Minister of Education, the money related business of that organization. Watching that the level of spending is not increasing at a faster rate as given in their right projections whether to see the growth of spending reduced and maintain with the level given in the recommended projections or whether not able to reduce spending. To approve the rise in spending base on things reassigned for other things; or whether the institution has finished its strength of reassigning in this aspect or whether the financial area of the institution allows, either to advice the Board of Governors to give an application for reassignment or additional projections to the minister: Take into account the assignments and give suggestions to the Board of Governors; The Board is in existence to receive suggestions on investigation on losses; and The Board ensures that monetary issues are dealt with by the head of institutions.

Accounting personnel ought to be liable for maintaining book keeping in line with the significant methods and principles, in an obvious and attainable manner. It is then the prime aim of the Board of Governors of institutions to see to it that the institution educates the pupil of the school to their highest ability as personnel so that they may be efficient people of the community.

The Head Teacher

The head teacher of the institution is directly liable for the upkeep of all institution monetary affairs in line with procedures, roles, and policies. Monetary control authority points to the institutional head, hence it is expected of him or her to oversee the affairs of the bursar, matron and see to it that institution funds are efficiently used.

As per the "Financial and Accounting instructions for Secondary Schools", it is the obligation of the head of a school to: supervise the activities of school bursar and other acting personnel; ensure proper book keeping in relation to proper accounts and monetary records being kept; supervise and ensure that adequate quarterly and yearly accounts are executed; encourage quickly consideration and response to issues raised in the audit report; ensure the preparation of yearly c budget; ensure that revenues are mobilized in line with the approved budget; ensure that debtors collection period and creditors payment periods are reduced; and make sure that rules are enforced.

School Bursar /Accountant

Much essence must be attached to schools in recognition that, the School Bursar, Accountant or other officer assigned is accountable to the head teacher for accumulating all school funds, ensuring proper monetary records and following money handling procedures as stated.

(Financial Administration Regulation, 2004, Sect 39 Sub-sect 1 and 2)

It is the duty of the school bursar or assigned officer at the end of each month to report all centralized accounts record for every particular student activity. Government and nongovernment gifts and grants to schools are dealt with by the school bursar with the assistant of the head teacher. The school bursar's office also ought to have a central pool of ready source of funds and all revenue mobilized.

The School Bursar ought to be liable for seeing that there is always an enough stock of receipt books available. The School Bursar, before raising entries for payment has the responsibility: of assessing the details outlined in the following: that he will held liable for the payment is in respect of and within the provision for services entailed in the approved budget or approved variation thereof; of ensuring effective performance of specified services; of ensuring that the cost are either in line with the assignment or are understandable based on the local rates. The officers for the payment slip are those assigned for the payment; and of refusing payment slips which are not up to requirement.

CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter points on the activities and processes designed for undertaking the study. It shows activities of data collection and processed into a research document. The methodology for a research into any field must be scientific. That is, the process of the research must be organized, accurate and impartial. Sometimes, statistical errors may occur and in order to guard against such potential errors, related and correct data collection instruments and models was adopted to arrive at accurate results. This chapter mainly comprises research design, population, the sampling technique and sample size, types of data and method of data analysis.

3.2 Research Design

Research design is the outline or framework for undertaking a significant research. It places the outline for compilation, measurement and analysis of data. Research design provides the bond that binds the research work together. A design is adopted to arrange the research, to bring out how all of the main parts of the research project - the samples, measures, treatments, and methods of task work together to try to deal with the vital research questions. The chosen research design helped the researcher to assess the existing state of the financial management practices of Nkawkaw Senior High School.

The research is intended to productively extract facts on the financial management practices in Nkawkaw Senior High School in the Eastern region and how it is being effectively adhered to. A case study is used. The case study strategy has significant ability to produce answers to the question ‘why?’ as well as the ‘what?’ and ‘how?’ questions. With the adoption of a case study, the survey method of data collection was employed to collect data. Respondents were to give appropriate answers to the structured questionnaire prepared for them.

3.3 Methodology

Mouton (2001:56) states that research methodology focuses on the research process and the kinds of tools and procedures to be used. Methodology focuses on the individual steps in the research process, and the primarily objective procedures to be employed. Exploratory study is an important means of finding out 'what is happening; to seek new insights; to ask questions and to assess phenomena in a new light' (Robson 2002:59). In an exploratory study, in-depth interviews can be very helpful to 'find out what is happening and to seek new insights' (Robson 2002:59). Exploratory research was used for this study. This type of research used descriptive statistics to look into the financial management practices in Nkawkaw Senior High School.

3.3.1 Qualitative and Quantitative

Qualitative research is a form of scientific research which combines an examination that seeks answers to a question, analytically uses a predefined set of measures to answer the question, assembles facts, and produces results that are not predetermined. When undertaking an exploratory study, or a study that includes an exploratory element, it is likely to include non-standardized (qualitative) research interviews in your design (Cooper and Schindler 2008). Also Qualitative field studies can be used successfully in the description of groups, small communities and organizations (Welman & Kruger, 2001:178).

Quantitative research is an educational research in which the researcher decides what to survey; asks precise narrow questions; collects quantifiable data from participants; and analysis numbers using statistical tools and conducts the analysis in a balanced objective manner.

3.3.2 Probability and Non-Probability Sample

Probability sample is the possibility, or probability, of each case being chosen from the population known and is usually equal for all cases. This indicates that it is practicable to answer research questions and to get objectives that require you to estimate statistically the characteristics of the population from the sample. Consequently, probability sampling is often associated with survey and experimental research strategies.

Non-probability sample is the possibility of each case being selected from the entire population not known and it is not practicable to answer research questions or to deal with objectives that entail you to make statistical inferences about the characteristics of the population.

3.4 Population

According to Mason et a1. (2007), the population of a study is the collection of all possible individuals, objects or measurements of interest. Ofori and Dampson (2011), in their views explain population in research as "basically, the universe of units from which the sample is to be selected" pp. 19. Therefore, Population explains the entire total of cases that meet a designated set of criteria. The target population of the study is the Head Teacher, Assistant Head Teacher, School Accountant/Bursar, Account Clerks, Members of the Board of Governors, Executives of Student Representative Council (SRC), and members of the Parent and Teachers Association (PTA).

3.5 Sampling Frame

In selecting the respondents, both purposive and simple random sampling methods were used to select from the different categories of people. Maxwell (1997) defined purposive sampling as a type of sampling in which, ‘‘particular settings, persons, or events are deliberately selected for the important information they can provide that cannot be gotten as well from other choices’’ (p. 87). Purposive sampling was adopted having the purpose of the research in mind and to select the sample that will give the best information to meet the research objective. For example a purposive sampling strategy was adopted to select the School Accountant /Bursar, Head teacher, Assistant Head teacher and the SRC executives.

Randomizer (2008) in his book indicated that simple random sampling involves selecting the sample at random from the sampling frame using either random number tables, a computer or an online random number generator, such as Research. Simple random sampling is best adopted when there is an accurate and easily accessible sampling frame that lists the entire population. Simple random sampling method was employed for the Board of Governor and PTA.

3.6 Sample Size

It is very rare in research to study the entire member of the population involved. However, in a situation where the population is very small and also scattered, most researchers do overcome this constraint. It is sometimes a challenge to access to the entire population, representative samples are thus approved and accepted in any scientific study. A sample is a set part of a statistical population whose features are assessed to get information about the whole. It can be defined when dealing with people as a set of respondents chosen from larger population for the purpose of a study.

A sample can refer to a set of people or objects chosen from a larger population in order to represent that population to a greater extent (Mason et al, 1997). Hence, the size of the study sample and the mode in which it is selected will definitely have implications for the assurance in the outcome and the degree to which generalizations can be made. A sample size of 50 was drawn from a target population of Nkawkaw Senior High School, Eastern Region.

3.7 Data and Types of Data

Data collection will be both primary and secondary for the study. Data collection will entail personal interviews to further explain some information in the questionnaire. Primary data was obtained from the staff (Head/Assistant Head Teacher, Accountants/Bursars/Account Clerks, Board of Governor, SRC and PTA) of Nkawkaw Senior High School. The other source of information was secondary data. Secondary data will be obtained from the school's accounts records, Auditor General's report, textbooks, particularly in Financial Management, Journals and existing research works conducted in this field for other purposes. These shall be raised and collated through electronic sources: online articles, books and journals. A non-probability technique with the purposive sampling techniques will be properly used.

3.8 Instrument of Data Collection

The researcher used both close-ended and open-ended questionnaires. The open-ended questionnaires helped respondents to freely express themselves, and the close-ended questionnaires permitted the respondents to react to common responses.

In collecting primary data, close-ended questionnaires were prepared and sent to the sampled students, staff, and members of the Parents and Teachers Association of Nkawkaw Senior High School. From the questionnaires, appropriate different questionnaire were designed for the target groups of the teaching, non-teaching staff, students and the Parents and Teachers Association.

3.8.1 Data Collection

The class of data to be collected will enhance the data collection design. However, in this research study both primary and secondary data were used. The methods of data collections employed were as follows:

3.8.2 Questionnaire

Questionnaire is a succession of questions asked to individuals to get statistically helpful information about a given subject or issue. Questionnaires tend to be an important instrument by which statement can be made about specific groups or entire populations when the questionnaires are appropriately constructed and responsibly administered.

Questionnaires are important method of obtaining a wide variety of information from a large number of individuals, frequently referred to as respondents. The success of a survey to a larger extent depends on the adequate constructive nature of the questionnaire. Out of place questions, wrong ordering of questions, false scaling, or bad questionnaire format can make the survey insignificant, as it may not exactly mirror the views and opinions of the respondents. A very important way for inspecting a questionnaire and making certain it is accurately capturing the anticipated information is to pre-test among a smaller division of target respondents. So therefore the researcher pre-tested the questionnaire at Nkawkaw Senior High School.

The questionnaires were self-administered to the target group. The questionnaire involved both closed-ended and open-ended questions. The open-ended questions in a way wanted to persuade respondents to contribute as much information as possible in an unrestrained way. The closed-ended questions, on the other hand, also have "questions" that were answered by simply marking a box or circling the appropriate response from a set of alternatives that was given. The closed-ended questions although allow for easier analysis of the data due to standardized questions, their major limitation is that it in a way permit the researcher to ascertain only what the respondents are doing and not how or why they are doing it.

3.8.3 Interviews

An interview is a discussion in which the interviewer questions the interviewee in order to get information. Interviews can be formal or informal, structured or unstructured. They can be conducted on one-to-one or in groups, face to face or by telephone.

Interviews are a very familiar research tool in the social sciences, and as such, draw a great deal of explanation and discussion.

Some information in the questionnaire was further explained through the interview technique and also some particular information from \the respondents was examined during the interview.

3.9 Data Analysis and Interpretation

Data obtained from respondents was analyzed using the Microsoft Excel software. The data was shown by way of using tables and bar charts. Descriptive statistics were employed to clarify the research work of the data collected.

3.10 Ethical Considerations

The principal researcher observed all the necessary procedures and officially sought the permission of all respondents. A formal letter was sent to Nkawkaw Senior High School by the researcher to inform the authorities of the school about the researcher's interest to conduct a study in their institution.

The researcher made sure that information gathered from respondents was handled with a high degree of confidentiality and care.

3.11 Profile of Nkawkaw Senior High School

The Ghana Education Service (GES) was established as piece of the Public Service of Ghana in 1974 by NRCD 247 and afterward amended by NRCD 252, 357 and SMCD 63. Nkawkaw Senior High School was in earlier times a Teacher Training College and its beginning traces back to the year 1965. The institution was functioning in temporary premises at a place called "Tobacco" owned by one Mr. W.A. Wiafe, a renowned businessman, industrialist, politician and traditional ruler. The institution was converted into Secondary School in 1969 and co-existed together with the Teacher Training College until the latter gradually phased out. In 1974, the school moved to its present site located on a hill beside the Accra-Kumasi rail line which is south of a Nkawkaw suburb called Domeabra. The school is nick named “Kwasec”.

In line with the New Education Reforms Programme, on September 1st, 2007, it took the new name “Nkawkaw Senior High School” and its first headmaster was Mr. V.B. Nartey Tokoli.

The school is a co-educational Day and Boarding school in the public system. The boarding segment is well organized and ideal for habitation devoid of bullying or maltreatment while the Day system is a good-natured for student life. The school as an institution has general rules that govern the conduct of its staff and students to permit smooth running of the school.

Vision of the School

The Vision of Ghana Education Service (GES) is to make an enabling environment in all educational institutions and management positions that will uphold effective teaching and learning in schools and encourage management efficiency within the education service. Nkawkaw senior high school which is under the education service also share the vision of making enabling environment that will uphold effective teaching and learning in school. However the school’s aim is derived from its motto: “Education For Service” hence the school aims at training student not only to acquire knowledge but also to employ the knowledge acquired to serve the community and the nation as a whole. The school also aims at providing sound, moral and physical training for all its students.

Mission of the School

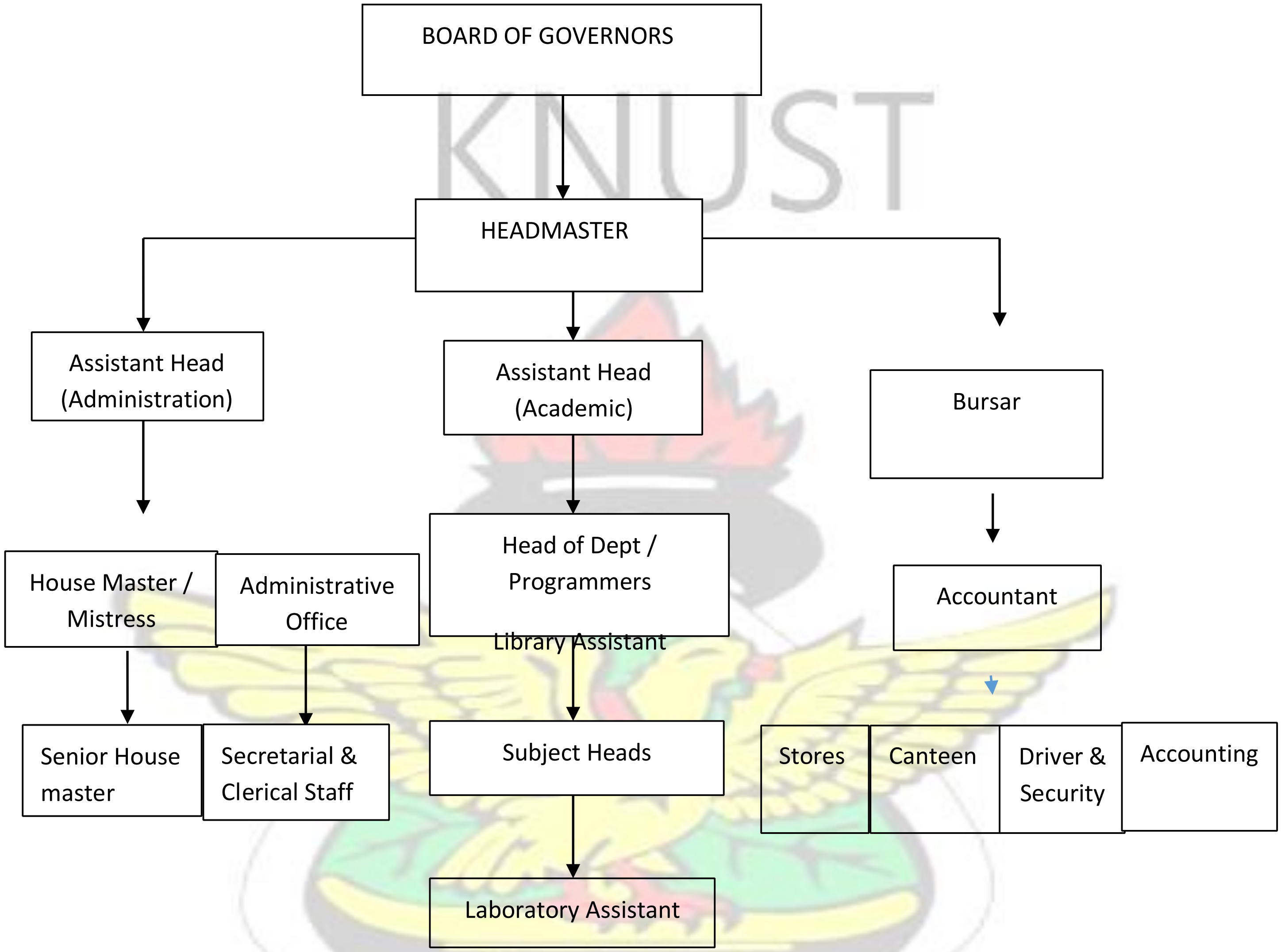
The Ghana Education Service GES is entrusted with the duty of implementing pre-tertiary education policies of government. This is to make sure that all Ghanaian children of schoolgoing age are being provided with value or quality formal education and training. Nkawkaw senior high school also shares the same mission of GES.

Functions of the School

The Ghana Education Service (GES) is obliged with the implementation of approved national policies and programmes concerning pre-tertiary education. Nkawkaw senior high school is also responsible for the implementation of approved national policies and programmes relating to secondary education. Its therefore have some functions which are as follows: to provide and deliver quality secondary education, to prepare the students to meet the future, to register, supervise and inspect students of the school, to submit to the Ghana Education Service, recommendations for educational policies and programmes, to promote or support the efficiency and full development of talents among the teaching and non-teaching staff of the school, to ask for teachers when necessary and to keep an up-todate register of all teachers in the school, to maintain professional standards and the conduct of its teachers, and To carry out other functions specified by GES to the attainment of the functions of Ghana Education Service.

3.12 Organogram of Nkawkaw Senior High School

Fig: 3.1 Organogram of the School



Source: Author, 2016

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

This chapter brings out information on the findings and analysis of the data gathered by the researcher through questionnaires administered to the various respondents for the study.

4.2 Educational Background of Management Staff

Table 1. Qualification of Respondents

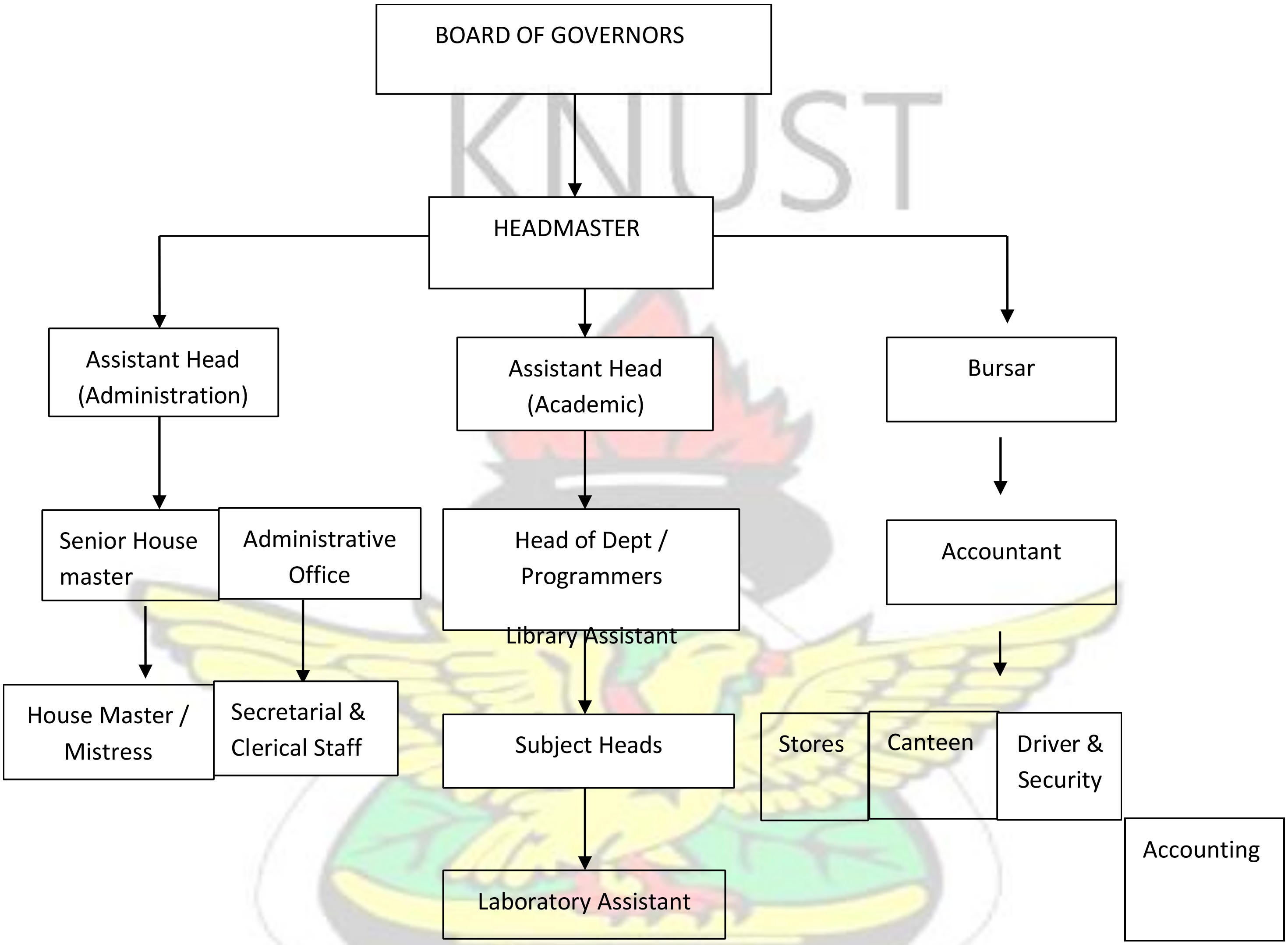
Highest Qualification	**Frequency**	**Percentage**
Masters	2	18.18
First Degree	3	27.27
Higher National Diploma (HND)	6	54.55
Total	11	100

Source: Field survey (June, 2016)

This analysis was limited to the Headmaster, Assistant Headmasters, Bursar, Accountant and Account Clerks. When the above respondents were asked about their highest qualifications, the responses were as follows: (2) responded of having Masters, (3) having First Degree and (6) having Higher National Diploma.

4.3. The School Administrative Structure

Fig: 4.1 The School Administrative Structure



Source: Author's 2016

4.4 Duties of Accountants

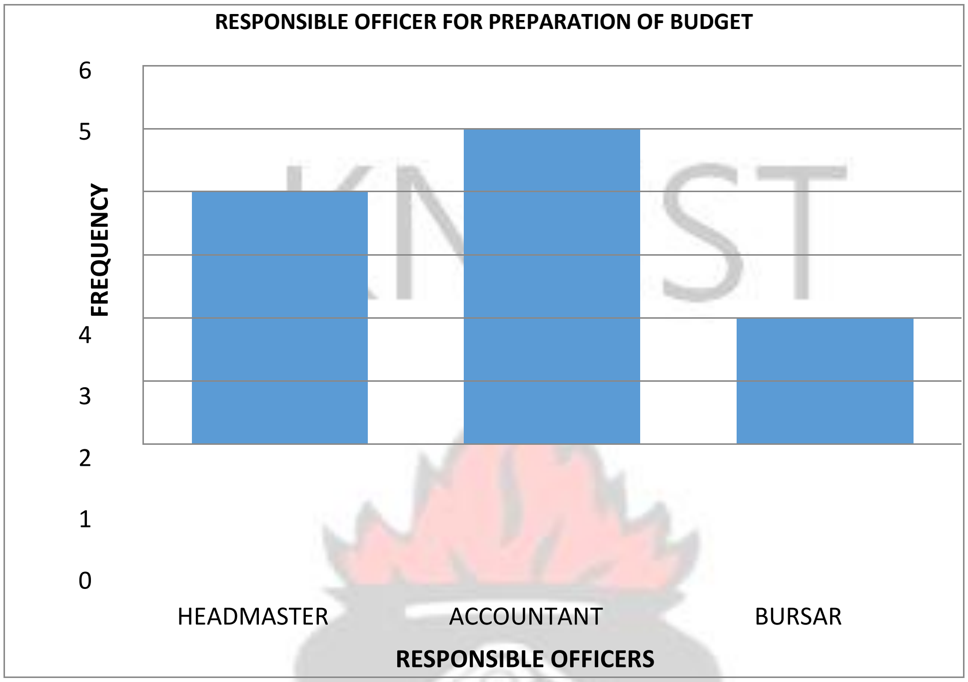
The effectiveness of any internal control measure depends on the accounting staff. It is the accounting staff who implements internal control measures that have been designed by management. Among the duties of Accountants working in senior high schools are: Collection of monies, Issuing of receipt for cash received, Authorization of transaction, Preparing students bill, and Posting of Payment into Student Ledgers.

4.5 Preparation of Budget

Though financial management frameworks consist of a number of policies, the budget is the main framework around which the schools operate its financial policies. The budget shows the income and expenditure for the school within a specific period. Budgetary process is very important in every institution. Every budget goes through a process before it is approved and implemented. Every head of department of the school prepares and submit his or her budget to the management of the school. Management in a meeting discuss the various budgets presented and consolidate them into one budget for the entire school. The consolidated draft budget is submitted by management to the Board of Governors of the school for review and approval.

Managing finance is very vital in every institution and one of the tools or object for managing that is the budget. As a tool, it is mostly prepared by individuals connected or linked with financial matters. Budget helps institution to achieve their very objective and establishes the grounds for audit work. Budget also provides a system whereby the resources of the school are used in the most efficient manner.

Fig:4.2. Responsibility for Preparation of Budget



Source: field survey (June, 2016)

When respondents were asked about who is responsible for the preparation of the school's budget, Figure 1, indicates that out of the eleven (11) responses, five (5) indicated that it is the Accountant, representing (45.46%). Four (4) responses identified the Headmaster/Assistant Headmaster as been responsible, representing (36.36%), and Two (2) responses indicated that it is the Bursar representing (18.18%).

From the above graph, it can be deduced that the School's budget is prepared by the Headmaster/Assistant Headmaster, Bursar and the Accountant. Nevertheless, through an interview with some members of the Board of Governors, the Board receives draft budget from the school where the Bursar and Accountant make estimates and with SRC input being added in the draft budget.

It was further revealed through an interview that, the most important school financial planning and control measures is to draw up the school budget, which is normally expressed in monetary terms and reflects activities of the school for a particular period in the future. The school budget is therefore the management tool by which the school management team and the school governing body make estimates, plans, coordinates, monitors , evaluates and utilizes the allocated school financial resources.

4.2.1 Approving of budget

When respondents were asked about who is responsible for the approval of the school's budget, it was observed that, out of the eleven (11) responses, seven (7) indicated that it is the Board of Governors, representing (63.64%). Four (4) responses identified the Headmaster as been responsible, representing (36.36%).

From the analysis above, it can be deduced that the School's budget is approved by the School's Board of Governors and the Headmaster.

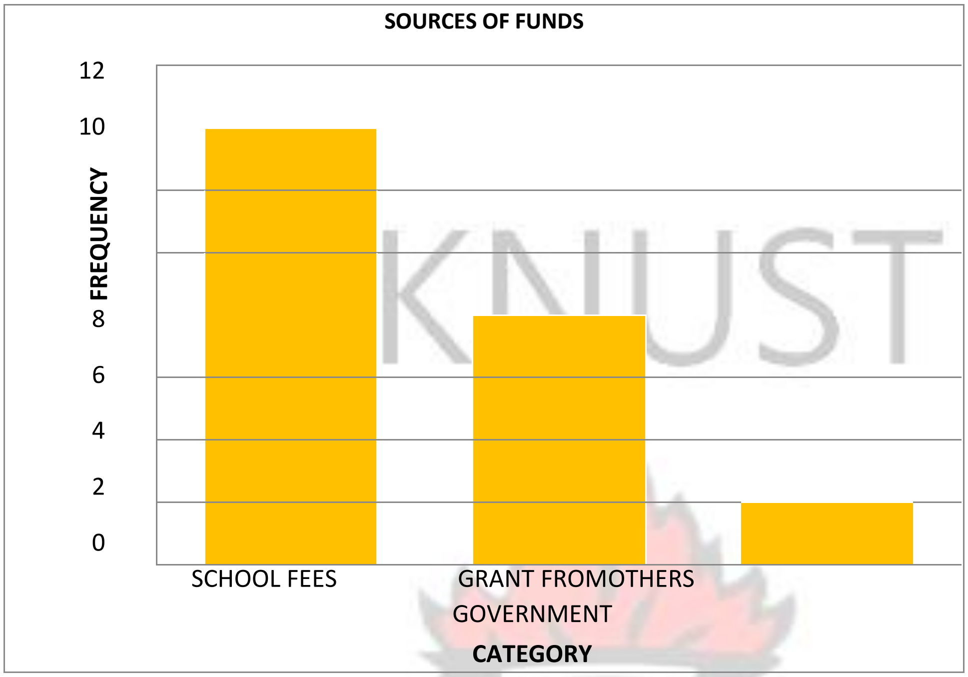
4.5.2 Implementation of the budget

From the responses of respondents on who is responsible for the implementation of the school's budget, it was analyzed that out of the eleven (11) responses, three (3) indicated that it is the Finance Committee, representing (27.27%). Two (2) responses identified the Headmaster as been responsible, representing (18.18%) and six (6) respondents indicated that the Bursar is responsible for the implementation of the budget, representing (54.55%)

From the above analysis, it can be expressed that the School's budget is implemented by the School's Finance Committee, the Headmaster and the Bursar.

4.6 Sources of funds available to school

Fig: 4.3. Sources of Funds



Source: field survey (June, 2016)

Funds are very important to schools since they enhance smooth running of the school. It will be very difficulty to run or operate a school without available or needed source of funds. The researcher required respondents to come out with the main sources of funds for the school. This subject was restricted to the Headmaster, Assistant Headmasters, Bursar and Accounting Staff. From the figure it can be deduced that the main source of funds available to the school is School fees representing 55%, followed by Grant from Government representing 35% and Others representing 10%.

In the lead of further questions, it was disclosed that the sources of funds available to Senior High Schools include, GETFUND, PTA Dues, Old Students Dues and other fees charged in respect of usage of School facilities by outsiders. These sources can be termed in accounting terms as Internally Generated Funds (IGF) and Government Budget Line Account. The School's Internally Generated Accounts is a cash management system established to deal with the cash flows in the school from students, parents and community whereas revenue from Government budget line is frequently used for administrative activities.

4.7 Payment of School Fees

Every senior high school receives payment from students in a form of fees for each term in an academic calendar. As all schools under the Ghana Education Service (GES) are being directed by the governing body to encourage payment of fees and other monies to schools through bankers draft or money order since it is one of the effective measure for the payment of school fees.

Table 2. Means by which Fees are paid to the Schools

Means of Payment	Percentage
Bankers Draft/Money Order	77.27
Through Cheque	13.64
Cash	9.09
Total	100

Source: field survey (June, 2016)

When the respondents were asked by which means are school fees paid, it was revealed that 77.27% of the student pay fees through Bankers Draft/Money Order, 13.64% through cheque and 9.09% through cash.

The table shows that many students pay their fees by Bankers draft or Money order which is good for better accounting practices. Nevertheless, 9.09% pay by cash and this situation may serve as grounds for misappropriation of funds.

4.8. Uses of School funds

Funds for schools are used according to the source. Funds from government are spent according to the intended purposes spelt out in the financial regulations; that in no situation should the school spend above what the school has budgeted for.

Table 3. Uses of School Funds

Income / funds	***Uses***
Government: Government grants , Administrative grants , Service grants, GETFUND/HIPC fund	**Personal Emolument:** Establishment post, social security fund, Travel allowances, Transfer grant, car maintenance allowance, overtime allowance, stationery, postage charges, minor repairs of school sports and cultural.
Internally Generated Funds: School Boarding and user fees, Dues from PTA and Old Students Association, and others	Electricity, postal charges, sanitation, first aid material, advertisement, running cost of official cars, feeding cost, school text/library books, school laboratory and chemicals
Donations and others	Minor repairs of residential building, refreshments, tuition fees or courses and seminars

Source: field survey (June, 2016)

It was revealed that funds recieved are recorded and deposited into the accounts of the schools and are utilized as and when the need arises.

4.9 Financial controls

The Financial and Auditing Instructions (FAI) section 15, indicates that daily reconciliation of cash with Cash Book balance, monthly balance of Cash Book and Bank reconciliation are means of ensuring effective controls.

4.9.1 Auditing of School Accounts

In the public sector, internal audit is an extra safeguard for proper financial control. When respondents were asked whether they have audit department in the school for effective internal checks and ensuring adherence of internal controls, the answer was "No".

This implies that the schools as institutions do not have its own internal audit department to check for the adherence to government and school regulations. It can also be deduced from the responses that the school's account is audited by the Auditor from the District Education Office quarterly. Again, it was indicated that External Auditors audit the school accounts once a year. The school audit report when fetched by the Auditors is addressed to the Headmaster. The Headmaster in consultation with management present the audit report before the board of governors for discussion.

4.9.2 Effectiveness of Financial Practices in the School

Table 4. Effectiveness of Financial Practices in the School

Opinion Type	Rank	Frequency	Weighted Rank
Very Effective	5	2	10
Effective	4	7	28
Average	3	-	-
Not Effective	2	2	4
Less Effective	1	-	-
Total	15	11	42

Source: field survey (June, 2016)

4.9.3 Effective Control Measures

The total analysis revealed that the School has instituted control measures. They include accounting for unused receipts. Again, it was revealed that receipts printed and received by the School were entered into the stock registers which are audited. As part of the control measures, the Headmaster signs before receipts are issued and dated for appropriate purposes.

4.10 Disbursement of funds

Disbursement of funds as a means of enriching internal controls helps every institution to effectively manage its internal controls. Monies are disbursed or released in schools in various ways. These are; stationeries, provision for the day to day running of the school, repairs and maintenance of school facilities, school projects, fuel or vehicle maintenance and practical materials for science or technical.

It was gathered from the interview that, the disbursement of the funds is done based on laid down procedure. The Board of the school needs to give approval for the disbursement of funds for specific purposes. Once the approval is given, the headmaster and bursar/accountant of the school, who are signatories to the account must sign for the withdrawal of funds. This procedure is instituted to ensure dual consent on all withdrawals.

4.11 Control Measures to Check Mismanagement and Embezzlement of Funds.

The study revealed that control measures have been instituted to check mismanagement and embezzlement of funds. Some of the control measures include: recording of transaction, authorization of transactions, cross-checking bank payment against receipts, issuance of receipts, made of payments to the school, and periodic audit of accounts by the responsible officers.

Respondents were further made to give the frequency or rate at which the control measure activities indicated above are done.

Table 5 presents their responses

Control Measure Activities	How Often

Authorization and approval of Transaction	Weekly
Cross-checking bank Payment against receipt	Monthly
a. Issuing of receipt b. Recording of Transaction	Daily
Auditing of accounts	Annually

Source: field survey (June, 2016)

From table, it can be observed a control measures exist to check fraud or misappropriation and embezzlement of funds. This is because if bank payments are not cross-checked with receipts weekly and further preparation of bank reconciliation it gives more room for misappropriation of funds. In sum measure for controls are, among others, Preparation of Financial Statement, Preparation of Bank reconciliation, Preparation and Review of Budget, and Regular audit by Internal Auditor.

4.12 The School's Auditing System

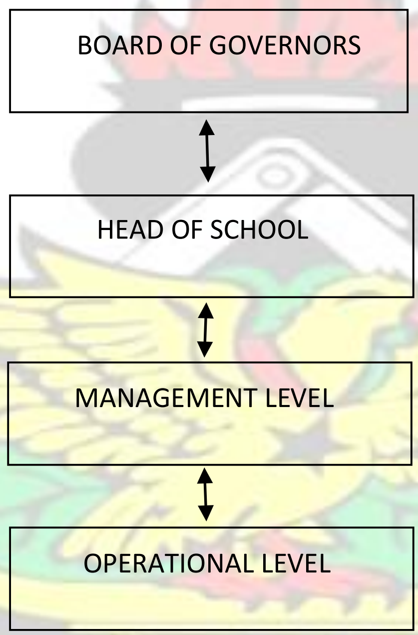
The auditing system deals with the school's audit which indicate the audit department of the school. The system also includes Ghana Education Service Audit. This deals with the audit perform by the Auditor from Ghana Education Service. The school is audited annually by the Ghana Audit Service which forms part of the school's auditing system. The study revealed that, the school do not have an internal audit department as part of the auditing system. Internal Audit Department of every school help strengthen the internal controls of the school. It was clear that, the auditor's report is addressed to the headmaster. Since the headmaster is part of spending officers, it is a mistake on the part of Auditors to report to them (Management). The external auditor is supposed to report to the Board of Governors, or any higher authority. If not this act can lead to high rate of collusion and fraud.

4.13 Control Measures on Expenditure

The study indicated that the Financial Administration Act and Procurement Act in their usage help in checking expenditure. The respondents also expressed that, receipts are issued for all payment made and the receipts are serially numbered. Respondents expressed that periodic auditing and preparation of budget also helps in checking expenditure.

4.14 School Structure of Control.

Fig: 4.4 School Structure of Control.



Source: Author's 2016

4.15 Procurement of Goods and Services

The Public Procurement Act, 2003 (Act 663) is an act endorsed to control all Public Procurements of goods and services. It instructs how much each authority can procure, the condition for which level of procurement and sanction allowed for those who disregard it.

Effective procurement in schools is the planning and a proper getting hold of of goods and/or services that signify value for money, for the benefit of the education and well being of students. The respondents indicated that procurement process, is initiated by the Assistant Headmaster. It was also realized that the Accountant together with the Storekeeper keep custody of receipts. It was furthermore gathered that the Storekeeper keeps custody of items. Again, it came to light that majority of the duties of keeping records of the items in the stores ledger rest on the Storekeeper thereby leaving a little duty on the Accountant.

4.16 School Policies on Control

The school as an institution has policy on control which stipulate: ensuring all procurements which are connected to the school are in line with the necessary receipts and subsequently entered in the right books of accounts for records. Again, the school as part of enhancing a strong internal control system, a committee must be set up to ensure that all disbursement are carried out as proposed or budgeted without any misappropriation or misapplication of funds. As a control policy of the school, a routine checks on school assets can be carried out by the school head and his assistants in areas like disposed asset, stock on stationery as well as other listed property of the institution and see to how they are efficiently managed.

4.17 Analysis of financial management challenges in public schools

Though financial management aims to improve financial administration and improve value for money, it is troubled with a number of challenges. The researcher sought to identify the financial management challenges in public schools.

First, the interview revealed that one major challenge facing the financial management of the selected school is the lack of financial skills of the head teachers. Increasing duty is placed on the shoulders of head teachers and individuals who have little or no skills in financial management. Majority of the respondents cited this as a major challenge affecting the financial management of the schools.

The second major challenge identified is the lack of independence by the schools to effectively implement their own financial management program. The interview with the heads of the school revealed that the central government has a great influence on the way the schools collect and manage their revenues.

Third, almost all the respondents agreed that the government subvention which forms a major part of the school's revenue are not recieved on schedule which sometimes throws the entire budget out of gear. According to the respondents the delays influence the effective implementation of the schools financial management plan.

The findings also show that the budget is mainly on paper but its actual implementation is a challenge due to factors such as late receipt of funds from the government as well as late payment of school fees by students.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter captures the summary of the findings from the study conducted. It also gives conclusion and recommendations relied on the study conducted. The study required to look into the financial management control practices in Nkawkaw Senior High School. The main aim of the study was to identify the main sources and usage of funds in the Senior High Schools, to assess the financial control system for utilization of funds, and to identify the financial management challenges in public schools. As part of the analysis, frequency tables; percentages, Microsoft Excel, Pictorial graphs, and bar charts were used in evaluating the data to clarify certain point where necessary.

5.2 Summary of findings

The analysis from chapter four revealed that, the preparation of the school's budget was done by the Accountant, Headmaster, the Bursar with little or no input from other stakeholders. The study further found that school budget is the most important school financial planning and control measure used to manage the funds of the schools. The school budget appears to be the management tool by which the school management team and the school governing body estimate, plan, utilize, coordinate monitor and evaluate the allocated school financial resources.

Analyzing the sources of funds available to the school indicated that, the main sources of funds as category available to the school was the School's budget line account sources and the school's internally generated funds. Data collected and interview conducted brought to light the various two main category sources of funds. The Schools budget line account sources comprises grants from Government of Ghana (GoG) and Ghana Education Trust Fund (GETFUND) and the School's Internally Generated Funds (IGF) include fees from students, donations, PTA dues and other funds from institutions or private individuals who use the facilities of the school, for example churches, WAEC, Institute of Distance Education (IDE).

Again, the analysis from chapter four indicates the use of funds in the school as follows; personal emoluments, transportation allowance, transfer grants, car maintenance allowance, utilities, feeding cost, minor repairs of residential buildings.

Also from the analysis the school collects its school fees mainly through Banker's draft, Money orders and with few cases cash and personal cheques.

It was also revealed that procurement laws are being followed in terms of school purchases of goods and services. The students also established the fact that receipts are issued to them for payment made and the receipts have been serially numbered. Also, it was identified that receipts books that are used were accounted for and unused once were kept in locks. It was brought to light that external Auditors from Audit Service and Auditors from Ghana Education office had been assigned to audit school accounts periodically.

Also, the findings revealed that a major challenge facing the financial management of the selected school is the lack of financial skills of the headmasters, increasing responsibility is placed on the shoulders of headmasters and individuals who have little or no skills in financial management.

Again, the findings showed that almost all the respondents agreed that the government grants which forms a major part of the school's revenue are not received on schedule which sometimes throws the entire budget out of gear. The findings also showed that the budget is mainly on paper but its actual implementation is a challenge due to factors such as late receipt of funds from the government as well as late payment of school fees by students.

It was noticed that, the school sticks on regular Bank reconciliation to deal with any disagreements in cash records. It was again revealed that, there were further divisions of duties in the accounts department or section. These made it impracticable for persons or department to single handedly perform all transactions. It was indicated that financial control measures are enhanced because the following measures have been instituted;
Making daily entries in the ledger books, Sending monies to banks daily or weekly and Calling for bank statements regularly.

5.3 Conclusion

The study revealed that, the main sources of funds available to the Nkawkaw Senior School were the schools budget line account sources and the internally generated funds (IGF).
The research also brought to light that, there were effective control practices instituted to prevent misappropriation and embezzlement of funds in the school. Auditor from the Ghana Education Service Office and one from the Ghana Audit Service Office (External Auditors) visit the school to audit the account periodically.

It was also exposed that, one of the GES measures to manage fraud or embezzlement of funds to schools was to give directives to Senior High Schools to disallow students make payment of fees and others in cash but rather through Banker's draft or Money orders. Also, fraud prevention control measures discovered in the study included: making daily entries in the books of Accounts, sending monies to banks daily or weekly and periodic requesting for bank statement.

Finally, it was revealed in the study that, the delay of the government grants and scholarships pose challenges in sticking to the school's budget since prices would have risen at the time government releases the grants and scholarships. Also, failure and delay of students' payment of fees hinder the financial management of the school.

5.4 Recommendation

In every institution, the process of improving effective financial management control practices is very important and no institution in addition to school can perform well without strong financial management controls. The idea of financial management controls affects all the assets and liabilities of an organization, the revenues and expenditures and every aspect of operations. This is for the reason that, effective financial management control practices help check waste, fraud, and abuse and also assists to establish internal control measures in the institution.

From the data gathered for the study, analysis made and views expressed by respondents, the under stated suggestions and recommendations were made to ensure the success of financial management control practices in the second cycle institution under Ghana Education Service.

Workshops and seminars in the areas of auditing, procurement, and budgeting should be encouraged for deserving staff in similar functional areas to enhance performance. Also, the authoritative heads of the school must seek to find various means to improve their financial management competences. A typical example is reading newspaper publication which emphasis on finance and it management as well as other media programs aired on television and on radio.

Also, an internal audit department of the school headed by a competent internal auditor should be set up to ensure school compliance with the regulations and enhance effective internal control system. Again, the school should form its own internal audit committee to ensure that previous audit issues are rectified and also to check the expenditure rate of the school to ensure that the school spends within its budget. Also, the internal auditor when appointed should report to the school's Board of Governors.

Although the study revealed that procurement regulations are obeyed and followed, there should still be strict compliances with the provisions of the Public Procurement Act. This suggests every transaction should be accompanied by an evidence of receipts. Also, a procurement committee should be formed in the school to encourage and maintain effective procurement of goods and services.

Again, government should release funds for schools on time in turn to prevent problems associated with increase in prices of goods and services. Also to ensure effective running of the school, the school should adopt means that will encourage parents to make prompt payment of fees and others. The school should firmly ask parents during PTA gatherings and students to pay their fees using only Banker's draft and Money orders to avoid any cash payment. The Headmasters together with his management can encourage some of the banks to open an outlet on campuses to ease congestions during payment of school fees when school re-opens.

The school should increase the effectiveness of its internal controls by considering the structuring of transfers so that one staff does not remain at one station for more than four or five years to reduce collusion and fraud based on familiarity.

Finally, it was discovered in the study that slight knowledge was known by the Accounting staff on Financial and Accounting instructions for secondary schools, training Colleges and Educational Units. It is recommended that, the school should provide copies to the Headmaster, Assistants, the Bursar and the Accounting staff in addition to the following recommended text, Financial Administration Act, 2003 (Act 654), Financial Administration Regulation, 2004, and Public Procurement Act, 2003 (Act 663).

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APPENDIX

KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI (KNUST)

QUESTIONNAIRE FOR ACCOUNTANT/BURSAR/ACCOUNT CLERKS

Dear Respondent,

I am a final year student of KNUST EMBA programme and I am undertaking a study on the financial management policies and practices in the Ghana Education Service, a study of senior high schools in Eastern Region. Nkawkaw Senior High School was selected for this study and as a key stakeholder you have been selected to contribute in the survey. It will be of great honour if you could complete this questionnaire by ticking (√) in the space provided where applicable. It is solely an academic purpose and any information provided will be treated as confidential.

Thank you.

1. What is your highest qualification? DBS ( ) HND ( ) First Degree ( ) other (please specify)……………………………………………………………………………………..…...
2. How long have you worked in the school? 1-5yrs ( ) 6-10yrs ( ) over 10yrs ( )

3. What are your main duties? (Please tick as many as applicable)

i. Collection of monies ( ) ii. Issuing of

receipts for cash received ( ) iii.

Authorization of transactions ( ) iv.

Preparing students bills ( )

Others please specify ……………………………………………………………………

4. What are the main sources of funds available to the school? a. School fees ( ) b. Government grants ( ) c. Others ( ) specify …………………………………………………….

5. What are the other sources of revenue to the school?

…………………………………………………………………………………………………

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6. How do you make cash deposits at the bank? a. Daily ( ) b. Weekly ( ) c. Monthly ( )

7. How do students make payments?

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8. Who is responsible for preparing the budget? (Please you can select more than one)

a) Accountant ( ) b) Headmaster ( ) c) Bursar ( ) d) Others ( )

Specify……………………………………………………………………………………..……

9. Who is responsible for approving the budget?

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10. Who is responsible for ensuring that the budget is implemented?

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11. How does the school use budget as a control instrument?

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12. Who provides receipts for cash payments? Government ( ) the school ( ) Others ( )

(please specify) ………………………………………………………………………………

13. How do you procure goods and services?

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14. Who initiates the procurement processes?

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15. In your opinion, how would you describe the effectiveness of the financial practices in the school? Very Effective ( ) Effective ( ) Not Effective ( ) Not very effective ( )

16. Are unused receipts accounted for? Yes ( ) No ( )

17. Who is the spending officer?

a. The Headmaster ( ) b. The Bursar ( ) c. other ( ) specify…………………………………..

18. State how the financial management control practices can be improved.

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19. How often is the school's accounts audited from outside?

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20. Do you have internal audit section or department? a. Yes ( ) b. No ( )

21. Who receives the school's auditor's report?

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Other comment or suggestions

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KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI (KNUST)

QUESTIONNAIRE FOR EXECUTIVES OF STUDENT REPRESENTATIVES COUNCIL (SRC)

Dear Respondent,

I am a final year student of KNUST EMBA programme and I am undertaking a study on the financial management policies and practices in the Ghana Education Service, a study of senior high schools in Eastern Region. Nkawkaw Senior High School was selected for this study and as a key stakeholder you have been selected to contribute in the survey. It will be of great honour if you could complete this questionnaire by ticking (√) in the space provided where applicable. It is solely an academic purpose and any information provided will be treated as confidential.

Thank you

1. By what means are fees paid to the school? a. Cash ( ) b. Bank draft ( ) c. Cheques ( )

2. Are you always issued with receipt for payments made? Yes ( ) No ( )

3. Are the receipt issued serially numbered? Yes ( ) No ( ) Don't Know ( )

4. Are students consulted for the preparation of school budget? Yes ( ) No ( )

Other comment or suggestion

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KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI (KNUST)

QUESTIONNAIRE FOR HEADMASTER/ASSISTANT HEADMASTER

Dear Respondent,

I am a final year student of KNUST EMBA programme and I am undertaking a study on the financial management policies and practices in the Ghana Education Service, a study of senior high schools in Eastern Region. Nkawkaw Senior High School was selected for this study and as a key stakeholder you have been selected to contribute in the survey. It will be of great honour if you could complete this questionnaire by ticking (√) in the space provided where applicable. It is solely an academic purpose and any information provided will be treated as confidential.

Thank you

1. Please what is your highest qualification: a. First Degree ( ) b. Masters ( ) c. Other ( ) please specify……………………………………………………………………………….
2. For how long have you been in the school? a.1-5yrs ( ) b. 6-10yrs ( ) c. 11-15yrs ( ) d. 16yrs and above ( )
3. What are the duties of the Head Teacher/Assistant Head Teacher? Please tick as many as applicable

i. Chairing financial committee ( ) ii.

Authorization of document ( )

iii. Calling for bank reconciliation statement regularly ( )

iv. Other please specify……………………………………………………..……………….

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4. What are the main sources of funds available to the school?

a. School fees ( ) b. Grants from government ( ) c. Donation ( ) d. Others ( )

specify……………………………………………………………………………………

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5. What are the other sources of funds available to the school? Please tick as many as applicable. a. Old Students Association Dues ( ) b. Parent-Teacher Association Dues ( ) c. other ( ) please

specify………………………………………………………………………

6. By what means are school fees collected? a. Through Bank ( ) b. Cash ( )

7. How are monies collected used? Please tick as many as applicable

i. Provision for the day to day running of the school / stationery ( ) ii. Repairs ( ) iii. School projects ( ) iv. Food items ( )

v. Fuel / Vehicle Maintenance ( ) vi. Practical materials for science/technical ( )

vii. Other ( ) please specify…………………………………………………………..

8. What type of expenses take a higher proportion of the amount collected?

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9. Who supervises the expenditure? …………………………………………………….

10. What are some of the financial management control practices implemented to check expenditure?

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11. Who is responsible for preparing the budget? (Please you can select more than one)

a) Accountant ( ) b) Headmaster ( ) c) Bursar ( ) d) Others ( )

Specify……………………………………………………………………………….…

12. Who is responsible for approving the budget?

…………………………………………………………………………………………………

………………………………………………………………………………………………..

13. Who is responsible for ensuring that the budget is implemented?

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14. How does the school use budget as a control instrument?

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15. What problems do you face in implementing the budget?

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16. Does the school have an active Board of Directors/Governors? Yes ( ) No ( )

17. How often is the school's accounts audited from outside?

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18. Do you have internal audit section or department? a. Yes ( ) b. No ( )

19. Do you have internal Auditors? Yes ( ) No ( )

20. How are the internal auditors recruited? a. Through interview ( ) b. By posting ( ) c. Through long service ( )

21. Who receives the school's auditor's report?

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Other comment or suggestions

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KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI (KNUST)

QUESTIONNAIRE FOR EXECUTIVES OF PARENT AND TEACHERS ASSOCIATION (PTA) OF THE SCHOOL

Dear Respondent,

I am a final year student of KNUST EMBA programme and I am undertaking a study on the financial management policies and practices in the Ghana Education Service, a study of senior high schools in Eastern Region. Nkawkaw Senior High School was selected for this study and as a key stakeholder you have been selected to contribute in the survey. It will be of great honour if you could complete this questionnaire by ticking (√) in the space provided where applicable. It is solely an academic purpose and any information provided will be treated as confidential.

Thank you

1. How are fees paid to the school? a. Cash ( ) b. Bank draft( ) c. Cheques( ) d. Don't Know( )
2. Do you always receive receipt for payments made? Yes ( ) No ( )
3. Are the receipts issued serially numbered? Yes ( ) No ( ) Don't Know ( )

4. Are executives of PTA consulted for the preparation of school budget? Yes ( ) No ( )

Other comment or suggestions

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KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY KUMASI (KNUST)

QUESTIONNAIRE FOR MEMBERS OF BOARD OF GOVERNORS OF THE SCHOOL

Dear Respondent,

I am a final year student of KNUST EMBA programme and I am undertaking a study on the financial management policies and practices in the Ghana Education Service, a study of senior high schools in Eastern Region. Nkawkaw Senior High School was selected for this study and as a key stakeholder you have been selected to contribute in the survey. It will be of great honour if you could complete this questionnaire by ticking (√) in the space provided where applicable. It is solely an academic purpose and any information provided will be treated as confidential.

Thank you

1. How often are meetings with executive staff of the school?

   …………………………………………………………………………………………

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2. How often is the school's accounts audited from outside?

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3. How often are reports from auditors discussed?

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4. Are the Board consulted for the preparation of school budget? Yes ( ) No ( )

Other comment or suggestions

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