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REPUBLIC OF GHANA



TECHNICAL UNIVERSITIES 2018

**REPORT OF THE
AUDITOR-GENERAL
ON THE PUBLIC ACCOUNTS OF GHANA-
TECHNICAL UNIVERSITIES AND POLYTECHNICS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

This report has been prepared under Section 11 of the Audit Service Act, 2000 for presentation to Parliament in accordance with Section 20 of the Act.

**Daniel Yaw Domelevo
Auditor-General
Ghana Audit Service
20 June 2019**

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

For further information about the Ghana Audit Service, please contact:

**The Director, Communication Unit
Ghana Audit Service Headquarters
Post Office Box MB 96,
Accra.**

**Tel: 0302 664928/29/20
Fax: 0302 662493/675496
E-mail: info@ghaudit.org
Location: Ministries Block 'O'**

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TRANSMITTAL LETTER

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Office of the Auditor-General
P.O. Box MB 96
Accra
GA/110/8787

Tel: (0302) 662493
Fax: (0302) 675496

20 June 2019

Dear Mr. Speaker,

**REPORT OF THE AUDITOR-GENERAL ON THE
PUBLIC ACCOUNTS OF GHANA
TECHNICAL UNIVERSITIES AND POLYTECHNICS
FOR THE PERIOD ENDED 31 DECEMBER 2018**

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

This report is a consolidation of the significant findings and recommendations emanating from my routine audits of the 8 Technical Universities and 2 Polytechnics in the country and covers the period 1 January to 31 December 2018.

The report is in three parts: Part I provides overall summary of significant findings and recommendations. Part II gives summary of findings and recommendations according to each Technical University or Polytechnic, while Part III provides details of my findings. In addition, I have included the status on the level of implementation of recommendations made in my previous audit report.

In line with Section 13 of the Audit Service Act, 2000 (Act 584), significant irregularities arising from the audit have been highlighted in the report. I have also drawn attention to instances of non-compliance with financial and other regulations. On each issue raised, I have provided recommendations which implementation, I am confident, could help reduce the incidence of the irregularities.

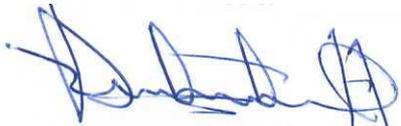
Mr. Speaker, my office will continue to contribute to improving public financial management in the country. I appreciate the willingness of the institutions audited to correct unsatisfactory situations and improve upon their financial management.

Acknowledgement

I am very grateful to Vice Chancellors, Rectors, Directors of Finance and their staff for their co-operation and support during the conduct of the audits.

I would also like to acknowledge the contribution of Parliament for regularly reviewing my reports and ensuring that my recommendations are enforced to enhance better financial management of the public institutions.

Yours faithfully,



**DANIEL YAW DOMELEVO
AUDITOR-GENERAL**

**THE RT. HON. SPEAKER
OFFICE OF PARLIAMENT
PARLIAMENT HOUSE
ACCRA**

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REPORT OF THE AUDITOR-GENERAL
PUBLIC ACCOUNTS OF GHANA –
TECHNICAL UNIVERSITIES AND POLYTECHNICS FOR
THE PERIOD ENDED 31 DECEMBER 2018

Introduction

The accounts of the Technical Universities and Polytechnics for the period 1 January 2018 to 31 December 2018 have been audited in accordance with Article 187 (2) of the 1992 Constitution of the Republic of Ghana. I present herewith the results of the audit.

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

3. I also evaluated the adequacy of internal controls, compliance with the Public Financial Management Act, 2016 (Act 921), Financial Administration Regulations 2004, the Public Procurement Act, 2003 (as amended), the Polytechnic’s Act and other relevant regulations affecting public financial management in Ghana as well as International Auditing Standards and good practices.

4. Matters raised in this report are among those which came to my notice during the audit period 1 January 2018 to 31 December 2018. The observations and recommendations arising out of the audits were discussed with management of the affected Institutions and comments received, where appropriate, have been incorporated in this report. The report is in three parts:

- **Part I** provides a summary of the significant audit findings and recommendations
- **Part II** provides significant findings and recommendations according to each Technical University or Polytechnic, and
- **Part III** deals with the details of findings and recommendations.

5. The current status on the level of implementation of recommendations in previous audit reports has also been included in the report.

PART I
SUMMARY OF SIGNIFICANT FINDINGS AND
RECOMMENDATIONS

6. Presented in Tables 1 is the financial impact of various irregularities for the period ended 31 December 2018, with Tables 2, showing the irregularities according to each Technical University or Polytechnic.

Table 1: Summary of financial irregularities for the year ended 31 December 2018

No.	Type of Irregularities	%	Total Amount
			GH¢
1.	Outstanding Debtors/Loans/Recoverable Charges	1.49	1,468,196.05
2.	Cash Irregularities	13.77	13,619,736.64
3.	Payroll Irregularities	1.73	1,707,374.11
4.	Procurement Irregularities	0.44	438,150.04
5.	Tax Irregularities	0.30	295,952.24
6.	Stores Irregularities	2.50	2,474,953.74
7.	Contract Irregularities	79.77	78,890,102.57
Total		100.0	98,894,465.39

Table 1b: Trend Analysis of Irregularities 2014 to 2018 (figures rounded to whole figures)

No.	Type of Irregularities	2014 GH¢	2015 GH¢	2016 GH¢	2017 GH¢	2018 GH¢
1.	Outstanding Debtors/Loans/Recoverable Charges	244,383	179,431	157,833	11,776,885	1,468,196
2.	Cash Irregularities	15,858,570	13,723,557	38,370,533	25,110,705	13,619,737
3.	Payroll Irregularities	131,991	382,002	21,708	2,405,000	1,707,374
4.	Procurement Irregularities	843,570	461,002	391,361	3,985,354	438,150
5.	Tax Irregularities	107,601	166,445	236,985	907,199	295,952
6.	Stores Irregularities	30,880	82,916	85,477	3,040,179	2,474,954
7.	Contract Irregularities	4,223,889	12,424,149	18,427,454	45,510,862	78,890,103
Total		21,440,884	27,419,502	57,691,351	92,736,184	98,894,466

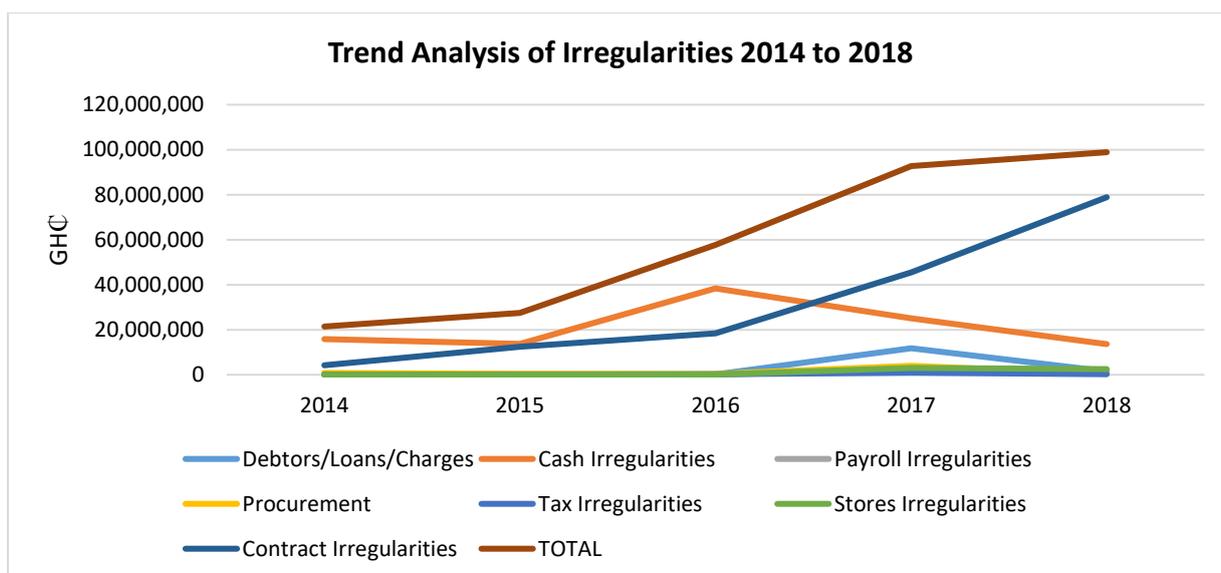


TABLE 2: SUMMARY OF FINANCIAL IRREGULARITIES ACCORDING TO EACH TECHNICAL UNIVERSITY AND POLYTECHNIC FOR THE YEAR 2018

Technical Universities / Polytechnics	Outstanding Debtors / Loans Recoverable / Charges	Cash Irregularities	Payroll Irregularities	Procurement Irregularities	Tax Irregularities	Stores Irregularities	Contract Irregularities
Regions	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
Tamale	156,499.96	2,505,404.97	213,364.23	99,626.65		167,718.00	
Bolgatanga	67,618.55	33,327.40				764.00	43,792.42
Cape Coast	3,570.26	552,888.58			43,645.29		
Ho	0.00	3,269,175.98		64,053.22		12,807.13	
Koforidua	21,688.40		1,052,068.53	64,850.61		478,191.78	73,136,903.50
Kumasi	1,209,818.88	1,744,322.40			33,128.22	310,905.31	70,347.74
Wa		422,907.94	61,057.98	85,019.56	111,789.70	9,689.63	6,776.76
Accra		38,720.00	173,714.49	124,600.00			5,632,282.15
Takoradi		5,052,989.37			107,389.03	421,815.74	
Sunyani	9,000.00		207,168.88			1,073,062.15	
Total	1,468,196.05	13,619,736.64	1,707,374.11	438,150.04	295,952.24	2,474,953.74	78,890,102.57

Outstanding Debtors/Loans/Recoverable Charges - GH¢1,468,196.05

7. These irregularities related to outstanding loans, and staff debtors. They arose out of management's inability to furnish the Controller and Accountant General's Department (C&AGD) with inputs and disregard for Regulations 112 (b) of the FAR, by allowing borrowers to make direct payment, or enforcing any other means feasible under the circumstances to commence the recovery process. They were also as a result of lack of supervision and improper record keeping to monitor and recover loans granted.

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

Cash Irregularities - GH¢13,619,736.64

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

10. I advised management of the institutions to improve the control environment including the establishment and effective operations of Internal Audit Units; enhancing supervision over accounting staff to minimize these irregularities. I also recommended authentication of all payment vouchers; review of approved budgets, strict adherence to the provision of the Financial Administration Regulations (FAR), the efficient management of IGFs, and prompt retirement of imprest.

Payroll irregularities - GH¢1,707,374.11

11. These irregularities mostly included payment of unearned salaries, non-deletion of separated staff after termination dates and payment of allowances without approval.

12. I recommended effective coordination between the administration heads and accounts units in order to provide timely information concerning separated staff for prompt deletion of the names from the payroll. I also recommended that bankers of separated staff should be

promptly notified to withhold salaries paid into their bank accounts for early recovery. Management should also ensure prompt recovery and payments to chest of the amounts held by the banks.

Procurement irregularities - GH¢438,150.04

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

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

Tax irregularities - GH¢295,952.24

15. Tax irregularities were also caused by Finance Officers not diligently acting in accordance with the statutory tax laws, resulting in non-deduction of withholding tax, delay in payment of withholding tax to the Ghana Revenue Authority (Domestic Tax Division). It also relates to purchases from non-VAT registered sources and failure to obtain VAT invoices/receipts from suppliers.

16. I recommended that Finance Officers should strictly adhere to tax laws to ensure that all tax revenues are promptly collected and paid to responsible revenue agencies.

Stores Irregularities - GH¢2,474,953.74

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

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

Contract irregularities - GH¢78,890,102.57

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

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

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

Audit Opinion

The eight Technical Universities and two Polytechnics audited, submitted their accounts for validation. My office was satisfied, in all material respects, that the audited financial statements presented fairly financial information in accordance with the applicable statutory provisions, stated accounting policies of the Government and are in accordance with generally accepted accounting standards and essentially consistent with that of the preceding year; and in my opinion they presented a true and fair view of the financial position, and the financial performance of the Institutions for the year ended 31 December 2018.

PART II
SUMMARY OF SIGNIFICANT FINDINGS
AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

Contrary to Section 7 of the Public Financial Management Act 2016, we noted during our examination of paid vouchers that management made payments on 24 vouchers for Book and Research allowance to the tune of GH¢1,670,554.95 but could not provide relevant and necessary evidence to support the payments. We recommended that evidence of judicious use of the allowance should be demanded from beneficiaries and same provided for our verification.

22. Management of Tamale Technical University (TaTU), invested about GH¢475,102.20 into the University Hospital without seeking approval from the Minister. We noted further that since November 2017, to date, the University continues advancing funds totalling GH¢88,053.12 in 2018 to the Hospital without any policy on when the advance would be recovered.

23. We advised Management to seek retroactive approval from the Minister, failure of which any adverse financial risk associated with the investments would be borne by management.

24. We noted that a total amount of GH¢148,000 paid by students as clinic dues have not been transferred to the TaTU hospital for its operations. We recommended to Management to transfer the amount to the Hospital to help solve its financial challenges.

25. We noted that Management invested an initial seed capital of GH¢1,000.00 in August 2006 in a private company and increased it to a total amount of GH¢81,666.56 in 2018 as means of generating revenue to the Institution. However, our review of the records revealed that the company was operating at a loss. We recommended that the Directors of the registered Company should be made to refund the amount invested into the business and consider giving it out to a private operator.

26. Our review of the records showed that total amount of GH¢204,781.97 have been paid to part time lecturers without attendance sheets signed by Class Secretaries to support the payments. We advised Management to

ensure that the payments made are supported with signed attendance sheets to authenticate the payments made, failing which the authorising and approving officers be made to refund the amount stated above.

27. We noted from our review of the records that a total amount of GH¢81,459.15 was paid to Heads of Departments (HODs) and Lecturers of the Tamale Technical University to carry out Industrial Attachment Report marking and supervision for students on industrial attachments during their vacation did not submit reports to the Liaison Officer. We advised Management to call on the monitoring team to submit their reports to the Liaison officer to enable him compile the annual report, failure of which the above stated amount be recovered from them.

28. In contradiction of Section 3(3b) of the National Pensions Act, 2008 our review of the financial statements presented revealed that an amount of GH¢42,129.51 in respect of casual staff was yet to be transferred to a fund manager for the second-tier mandatory occupational pension scheme. We urged the Ag. Director of Finance to ensure the necessary steps are taken to secure a fund manager as early as possible for the transfer to be effected.

29. We noted that, accountable imprest of GH¢30,000 granted to Officers between January 2018 and December 2018 to undertake various activities had not been retired as of 1/04/2019. We recommended that beneficiaries should account for GH¢30,000 failing which the amount be treated as personal advances.

30. We noted that the University had no tenancy agreement with its tenant, Tropical Clear Printing Press. We further noted that rent as well as tolls amounting to GH¢8,075.00 were in arrears as at December 2018. We recommended the following;

- Management should provide the tenancy agreement between the University and Tropical Clear for our review.
- Management should immediately collect the total rent of GH¢8,075.00 from Tropical Clear and other tenants of the University.

31. We noted that, 6 projects awarded at the total contract sum of GH¢6,547,977.28 were not completed although their expected completion dates had elapsed. Five of the projects are GETFund funded whilst One (1) is University IGF funded. We recommended that management of the University should ensure the early completion of the projects to avoid cost overruns.

32. The Procurement Office could not provide business registration certificates for 7 companies which were awarded contracts amounting to GH¢105,897.08, contrary to Section 22(1b) of the Public Procurement Authority (PPA) Act 2003 (Act 663) as amended. We advised the Procurement Officer to provide the business registration certificates to confirm the legal existence of the businesses involved to avoid being sanctioned in accordance with section 92 of the PPA.

33. Contrary to Regulation 183(4) of the FAR, 2004 (LI 1802), we noted during our review of 24 projects awarded during the period at a total contract sum of GH¢253,625.92 that, the successful suppliers presented VAT invoices with similar numbers after supplies were made to demand for payments. We recommended to the Procurement Officer to provide the VAT registration certificates of the affected suppliers for our review, failing which he should be sanctioned accordingly.

34. Due to improper planning, the Directors of TaTU Hospital procured theatre equipment valued at GH¢89,000.00 in 2007 which had not been fully put to use at the time of this audit. We recommended to management to take necessary steps to ensure that the machines are effectively used to enhance revenue generation at the hospital, failing which, the total amount of GH¢89,000.00 be refunded by the Directors of the Hospital.

35. We noted that Tamale Technical University awarded a contract to Asga Enterprise on 25/08/2017 at a cost of GH¢50,000.00 for the supply and installation of Chemistry Automated Analyser but the installation had not been done. We advised management to compel Asga Enterprise to install the Chemistry Automated Analyser for use, failing which the amount for installation be recovered from the authorising and approving officers.

36. We noted during our review of Internally Generate Funds (IGF) that 105 (32051-37300) receipt booklets obtained by the University were not the approved General Counterfoil Receipt (GCR) from the Controller and Accountant's General Directorate (CAGD). Management could not provide evidence of the authority on which the receipt books were printed. We advised management to either procure CAGD approved GCRs or seek the necessary approval for the printing of receipt books.

37. In spite of the Minister of Finance's directive to stop printing of diaries and calendars in the 2018 budget statement, we noted that the Tamale Technical University paid an amount of GH¢43,461.00 to Khomara Printing Press to print Dairies and Calendars for 2018. We advised Management to

comply with the directive above and desist from the practice to avoid sanctions by the Minister.

38. Examination of separated staffs' file revealed that Mr. Balica Braimah, former Senior Lecturer (Non-PhD holder) who was offered a 3-year study leave to pursue his PhD in French, failed to complete serving his 4 years' bond. We recommended to management to pursue the officer in question to recover the amount of GH¢163,213.56 plus interest at Bank of Ghana (BOG) prevailing rate and pay same to chest, failing which the total amount should be recovered from the acting Human Resource Director.

39. We noted that management did not bond four out of ten officers who have been granted study leave with pay for the period 2014 to 2019 to pursue various Courses under the sponsorship programme. We recommended that the officers and subsequent beneficiaries be made to complete and submit bond forms to serve as a guarantee for the institution to recoup its investment in human capacity building.

40. Our review of the personnel files and electronic payslips of 3 former employees of TaTU who have separated by way of retirement and death, showed that a total amount of GH¢8,021.16 was paid to them after separation. We recommended to management to pursue recovery of the amount from the officers concerned and pay same to chest, failing which the total amount should be recovered from the Acting Director of Finance and the schedule Officer.

41. We noted that management of the University paid a total amount of GH¢167,718.88 to Vivo Ghana Ltd. between January and December 2018 for the purchase of fuel through the Shell card. The 20 beneficiary departments and staff could not account for the fuel usage. We recommended that to ensure accountability for fuel purchased, the HODs with official vehicles should ensure that fuel issued to them is properly logged, and kilometric allowance be paid to Principal Officers without official vehicles when they undertake official duties outside campus, as stated by Ministry of Finance circular No. MOF BD/CMU/16/SAL.1 dated 4/1/16.

42. We noted during our physical inspections of the University vehicles that, out of the 22 vehicles, 3 assigned to officers were not parked at the premises of the University. We recommended to Management to ensure that, with exception of vehicles on official assignments, all vehicles should

be parked on the University's premises. In addition, we recommended that, Officers should be discouraged from driving University's vehicles.

43. We noted during our audit that the Tamale Technical University has no Audit Committee in place. We advised Management to take necessary steps to ensure that an Audit Committee is established for the University to see to implementation of audit recommendations.

44. Contrary to Sections 4 and 6 of the Technical Universities Act, 2016 (Act 922) as amended, which gives the composition and functions of the Technical Universities Council, we noted that, the Tamale Technical University had no governing Council in place. We recommended that, the Ag. Vice Chancellor and his team should put in more effort by liaising with the Ministry of Education through the National Council for Tertiary Education to get the University's Council inaugurated.

BOLGATANGA POLYTECHNIC

45. We noted that management of Bolgatanga Polytechnic could not develop a Risk Management Policy to enable the Polytechnic manage its risks as and when it occurs. We recommended to management as a matter of urgency to develop a comprehensive risk assessment policy for the Polytechnic including systems to mitigate these risks when they occur.

46. We noted in our audit that contrary to Regulation 47(2) of the Financial Administration Regulations, management opened bank accounts without approval from the Controller and Accountant-General's Department. We therefore recommended that management takes steps to seek retrospective approval from the Controller and Accountant-General Department.

47. We noted during the audit that five members of staff who were sponsored for further studies at various institutions could not complete their Bond Forms. We recommended that management ensures that the affected staff members studying on sponsorship without bond should complete their bond forms before continuing their courses.

48. We noted that a total amount of GH¢43,792.42 was disbursed for repair works and servicing of office buildings, vehicles and equipment without certificates of satisfactory completion of works done. We urged the Transport and the Estate officers to provide the certificates of satisfactory

completion of works done, duly signed by the user departments to authenticate the payments.

49. Management could not pay net proceeds of GH¢6,056.00 realised from an auction sale into the Non-Tax Revenue Account. We advised management to pay the GH¢6,056.00 into Non-Tax Revenue Account No. 0123050012167 of the Bank of Ghana without delay.

50. Examination of payment vouchers revealed that the Polytechnic management paid a total amount of GH¢41,620.91 as quarterly allowance to Governing Council members without approval from the Minister of Finance. We advised that in the absence of approval from the Ministry of Finance, the quarterly allowance should be recovered from the Council members or retrospective approval sought.

51. Contrary to Section 5(a) of Retention of Fund Act 2007 (Act 735), all the staff were paid a total amount of GH¢15,874.97 from the Internally Generated Fund (IGF) as End of Year Honorarium without any provision in the budget. We recommended that management should seek retrospective approval from the Parliament for the payments, and ensure that such benefits are incorporated in future budgets before payment.

52. In spite of Ministry of Finance letter referenced AD/CMU/16/SAL.1 of 4 January 2016 on categories 2 and 3 allowances, which stated that where accommodation or meals are provided, rates of night/out of station allowances are abated by one third (1/3), management paid three officers in full though accommodation and/or meals were provided. We recommended the immediate recovery of the total amount of GH¢4,066.67 from the payees and henceforth desist from making over payments to officers.

53. Our audit of the Polytechnic's Transport Section revealed that three unserviceable vehicles were parked at the Polytechnic Bukere campus, have been exposed to the vagaries of the weather for two years without any action being taken. We recommended that management should constitute a Board of Survey to work on the vehicles for the necessary action to be taken.

54. We noted in our audit that the Internal Audit Unit of the Polytechnic could not prepare and submit third and fourth quarters reports to the Auditor-General. We therefore, recommended that the Internal Audit should conduct the last two quarters audit and submit copies to the Auditor-General.

55. Our review of revenue collection revealed that banking is done between two (2) to ten (10) days, instead of the twenty-four (24) hours prescribed by the Regulation 15(1) of the Financial Administration Regulations (FAR) 2004, LI 1802. We recommended that the cashier should follow the Regulations by banking cash collections within twenty-four (24) hours.

56. Within the period under review, management did not purchase any library books to aid teaching and learning to achieve the Polytechnic's objectives. We recommended that management to ensure that current books for various departments within the Polytechnic are purchased for the library on yearly basis.

CAPE COAST TECHNICAL UNIVERSITY

57. During the examination of payment vouchers we observed that, five transactions for casual workers' salaries and pre-school feeding for the month of March 2018 amounting to GH¢18,091.63 were made in cash instead of cheque. We recommended to Management to desist from the practice and ensure that payments are made by cheque in future transactions to avoid sanctions.

58. Our review of payment of Book and Research allowances revealed that GH¢ 22,626.85 of the University's Internally Generated Funds was used to pay book and research allowance with interest on compensation to Mr Offei Appiah. This was awarded by CHRAJ based on a request by NCTE letter with reference number HC/V.77. We recommended that the University apply for refund from Ministry of Finance through the NCTE, pay into the University's account and our office notified for verification.

59. Examination of the payment vouchers, reveal that total payment of GH¢386,705.11 were made by the Director of Finance, Mr. Victor Baah Danquah without Official receipts, statement of claims, evaluation and inspection reports in support of the payments. We recommended that the Director of Finance, Mr. Victor Baah Danquah should pursue the payees for official receipts to authenticate the payments, failure of which the amount be recovered from them.

60. Our examination however, revealed that payment vouchers (PV's) with a face value of GH¢56,238.90 paid by the Director of Finance, Mr Victor

Baah Danquah were not presented for audit. We recommended that, the Director of Finance Mr Victor Baah Danquah present the payment vouchers for audit inspection, failure of which the total amount of GH¢56,238.90 should be refunded by him.

61. An amount of GH¢38,776.94 being tax withheld from payment to various suppliers of goods and services, consultancy and contract works, have not been remitted to GRA as at the time of our Audit. We recommended that, the Director of Finance, remit the amount to GRA without further delay.

62. The audit disclosed that, the University procured and paid for various items totalling GH¢40,921.20 with VAT Inclusive, but failed to insist on the issuance of VAT invoices although a total VAT element of GH¢4,868.35 was paid. We recommended that, the suppliers should be contacted for the VAT invoice, failure of which the Director of Finance should be held for these lapses. Also management should endeavour to procure and insist on the issuance of VAT invoices from vendors in future.

63. We observed that out of a total amount of GH¢46,649.13 granted as imprest by the IMC Chairperson and Director of Finance to officers to carry out specific activities, only GH¢30,748.38 was accounted for, leaving an outstanding amount of GH¢15,900.75. We recommended that the outstanding amount of GH¢15,900.75 should be retired or recovered from the payee, failure of which it should be adjusted to the personal advance account of the officers.

64. The audit team noted that Mr. Edward Kojo Agbovie was paid GH¢28,097.78 as deferred leave payment in excess of GH¢18,950.34 without approval from the Governing Council. We recommended that Mr Edward Kojo Agbovie should refund GH¢18,950.34 failure of which the IMC Chairperson Prof. Sarah Dankwa and Director of Finance Mr Victor Baah Danquah should jointly be held liable for the amount.

65. Our review of the University's accreditation documents, revealed that (19) Nineteen programmes of the University have expired ranging from 2010 to 2018, (12) Twelve of the programmes have been submitted to national accreditation board for renewal. We recommended to Management to ensure that all expired programmes are re-accredited and the process should start at least one year before expiration.

66. During our review of the Technical University's Policy documents, we noted that 15 policies were in draft and were yet to be approved by the Council to help in managing the University's resources to achieve its goals. We urged Management to ensure that the University Council approves these policy documents, to guide Management in its operations.

67. Our review a Disaster Recovery Plan and business Continuity Plan from the Registrar and ICT department revealed that the University did not have any of them to help retrieve information in case of any disaster to ensure continuity of the University's activities. We recommended to Management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operational support in case of systems failure and disaster.

68. We noted during the review of the previous audit issues and the Internal Auditor's report that the University did not have Audit Committee in place to see to the implementation of the recommendations made. We therefore advised Management to take necessary steps to ensure an Audit Committee is put in place to perform its functions as required by Act 921.

69. We observed during our examination of the Rent Register that two (2) occupants of government bungalows for Cape Coast Technical University have defaulted in payment of rent amounting to GH¢3,570.26. We recommended that the amount be recovered immediately from the defaulters, failing which they should be ejected.

70. We observed during a physical inspection of ongoing projects that, Construction of Students' Lorry Park, a Commercial area and Auditorium complex for the University which started in 2007 and 2015 with expected date of completion in 2009 and 2017, by Peemens Construction Ltd and Messrs Samwilco Construction Ltd respectively, had been abandoned by the contractors. The project is being financed by GETFUND. We urged Management to coordinate with GETFUND to provide budget allocation for the project to ensure early completion.

71. The audit revealed that Rev. Prof. J.K. Ansah who attained the age of sixty (60) years on 26/July 2018 which was before the end of the academic year 31/July 2018 was still at post at the time of the audit. We recommended that Management should furnish us with the necessary documents that justify his restoration, within thirty after receiving the Management Letter, failing which the total amount of GH¢40,084.95 paid to

him after 31 July 2018 as salaries, may be disallowed and surcharged against him accordingly.

72. We observed during the audit that five (5) Vehicles belonging to the University have become unserviceable and parked at the Mechanical workshop of the school. We urged Management as matter of urgency to constitute a board of survey and seek approval to dispose of the Vehicles in order to decongest the compound and prevent the Vehicles from further deterioration.

73. We noted during our review of fixed assets management that the insurance and roadworthy for sixteen (16) vehicles of the University, had expired as at the time of our audit. We recommended to the Transport Officer to ensure that, all the affected vehicles have their roadworthy and insurance certificates renewed immediately failing which the Transport Officer should be sanctioned accordingly.

HO TECHNICAL UNIVERSITY

74. Our examination of the monthly bank reconciliation for 2018 showed that fees paid by students of the University into the Agricultural Development Bank (ADB) fees account dating back to January 2017 and totalling GH¢144,287 were still outstanding as at the time of auditing. We urged Director of finance to ensure that all reconciliations are reviewed and long outstanding issues followed up with the bank immediately.

75. Our examination of payment vouchers revealed that a total amount of GH¢54,861.64 was expended on various activities of the Conference of Rectors of Polytechnics (CORP) in 2018 without the supporting documents for proper accountability. We advised management to produce the supporting documents for our verification.

76. We noted that the University operated a total of thirteen bank accounts with three banks namely GCB, ADB and Zenith with the same signatories. We advised management to rationalise the number of bank accounts to reduce both operational cost and facilitate easy reconciliations.

77. We observed during our audit that Geof Gas Auto Works was paid an amount of GH¢5,522.50 for a motor starter on vehicle number GV1335-14. However, upon a market survey, we noted that the starter could have been purchased at a lower cost of GH¢ 2,603.37 depicting an excess payment of

GH¢ 2,919.13. We recommended that management be prudent in seeking for the best cost for the University in all dealings and obtain a refund of the excess payment of GH¢2,919.13 from Geof Gas Auto Works. Failure of which the Transport Officer should refund the money within 30 days.

78. The Director of Finance had created eighty additional codes for revenue items and fifty-three additional codes for expenditure without the approval of the Minister. We advised Management to align its actual expenditure to the budgeted chart of accounts and the budget officer should confirm the availability of funds and assign the code before payment vouchers are raised.

79. Our physical inspection of the Main gate constructed by the University revealed that there is no wall attached to help in improving the security situation on campus. We urged management to constantly engage in need assessment prior to major projects and set its priority right.

80. Management did not undertake cash count exercise at the close of the 2018 financial year. We recommended to the Acting Director of Finance to ensure that cash count is conducted at the end of every financial year and also all imprest should be accounted for at the year-end instead of the current practice of carrying forward the previous year's imprest.

81. Contrary to Regulation 210 of the Financial Administration Regulations, 2004, LI 1802, management did not issue pre-numbered invoices to account for rental of facilities and hire of equipment totalling GH¢82,693. We recommended to management to purchase a pre-numbered invoice from the Controller and Accountant-General's office.

82. Payment amounting to GH¢368,782.69 made to staff as refund of fees paid, ex-gratia and accountable imprest were not supported with official receipts, recipient signature and payment vouchers to validate the payments. We recommended that the Acting Director of Finance see to obtaining the supporting documents to authenticate the transactions. Failure of which the recipients should be made to refund the sum of GH¢368,782.69 to the University.

83. Services totalling GH¢64,053.22 were procured without alternative quotations from different suppliers contrary to section 43 (1) of the Public Procurement Act, Act 663. We urged the Ag. Vice Chancellor to adhere to the required procurement procedures in all cases.

84. In our review of the Council's activities for the year 2018, we noted that Ing. Mrs. Sophia Abena Tijani who is a government appointee on the council did not attend any of the fifteen Council's meetings held. We recommended that management declare her office vacant as required by the University's Statutes 2(b) and petition the Minister of Education for her replacement.

85. Contrary to the Public Financial Management Act, the Head of Internal Audit reports both administratively and functionally to the Principal Spending Officer. We advised that the Head of Internal Audit comply with the Act by reporting administratively to the Principal Spending Officer and functionally to the Audit Committee.

KOFORIDUA TECHNICAL UNIVERSITY

86. Our examination of IGF expenditure revealed that management transferred a total amount of GH¢343,163.00 from the IGF to the Provident Fund in 2018 as employers contribution towards the Fund. However, there was no provision of provident fund payments in the budget approved by Parliament, nor were they supported by a provision in the Condition of Service (COS). Management should justify the payments into the Provident Fund or refund the amount into the University's account.

87. We noted during our audit that six officers occupying the University's bungalows were not being deducted the correct rate of rent as required by POTAG's Condition of Service. Amounts paid by the officers ranged between GH¢10.00 to GH¢257.00 notwithstanding observation made in last year's report; management has not taken action about these issues. We recommended to management to enforce the deduction of the statutory rent rate of 10% of the basic salary of the occupants.

88. Our payroll audit of the University revealed that Mr. Bernard Kwasi Boateng Barnor, former Lecturer in Renewable Energy Systems Engineering and Dr. Godwin Ayitor Kafui, former Snr Lecturer attached to Automotive Engineering Department resigned on 1 February 2018 and 25 May 2018 respectively but did not notify management of their resignation 3 months earlier as required by Article 4.5(1) of the Condition of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG). The breach of Article 4.5(1) of Condition of Service requires the two former lecturers to pay a total amount of GH¢28,079.52 representing three months' salary in lieu of notice. We recommended to management to recover

the amount GH¢28,079.52 from the officers into the Consolidated Fund without further delay.

89. Our review of the separated staff list disclosed that management granted full time scholarship study leave with pay to three (3) members of staff to pursue Doctor of Philosophy (PhD) in various fields of study however, they did not serve their bond terms after completion. We recommended that management should pursue the affected staffs to recover the expenditure incurred on them or from their guarantors.

90. We noted during our audit inspection that six equipment acquired by the University for the Business Development Unit for bindery services since 2013 had never been used for their intended purpose after purchase. Management should ensure that due diligent is done before undertaking a venture of such nature.

91. We found that in the construction of the 5-Storey Engineering Block awarded to M/S Antartic Ltd, management of the University varied the initial contract sum of GH¢3,951,137.00 by 370.97% to GH¢18,608,573.91 without recourse to the Tender Review Board. We recommended that the process of variation should be adhered to failure of which the Director of Works should be held liable in case of any loss.

92. Our review of records showed that KTU had a contract with Messrs Scancom GH Limited to provide dedicated internet service at a price of GH¢40,196.34 per month. The contract expired on 1st August 2017. However, Messrs Scancom Gh Ltd. wrote to KTU to continue to offer the internet service at a reduced cost of GH¢35,589.38 per month and this was followed with a letter to Public Procurement Authority for concurrent approval for single source which was granted on 29th September 2018. As at the time of our audit, the University continued to pay GH¢40,196.34 for four consecutive times instead of GH¢35,589.38 leading to additional cost of GH¢18,427.84 to the University. We urged management to ensure that they take the advantage of the reduced price to avoid additional cost to the Institution.

93. We reviewed procurement documents and found out that management awarded contracts valued at GH¢64,850.61 to two suppliers but did not obtain at least three quotations. We recommended that the head of procurement unit of the University should comply with the procurement law so that value for money will be derived from the procurement processes to avoid sanctions.

94. We noted that though the University maintains contract register to record information relating to the projects being undertaken, the register was not well kept. In some instances, payments that are not affected are recorded in the contract to reduce the contract sum. We urged the works department to update the contract register.

95. Our review of records revealed that management failed to update its asset register to include items GH¢478,191.78 purchased in 2018. We therefore, recommended that the Head of estate should ensure that the asset register is updated.

96. The University acquired a 16.22-acre parcel of land in 2009 at Amanfrom in the Akuapim North District for biofuel project by the renewable Energy System Engineering Department. However, the University failed to register the Land at the Lands Commission for a title deed after an amount of GH¢7,050 was paid for an indenture. We urged the University to speed up the process to enable it obtain the title deed.

KUMASI TECHNICAL UNIVERSITY

97. Our examination of sampled payment vouchers revealed that physical cash were used to pay allowances, suppliers for goods and services and recognised institutions contrary to Regulation 48(1b) and (2) of the Financial Administration Regulations(FAR) 2004, (L.I.1802). We urged management to strictly adhere to the above quoted financial regulations to avoid loss of funds to the University. Furthermore, the total unclaimed payments should be returned to chest immediately.

98. Our review disclosed that out of an amount of GH¢1,269,275.92 paid as accountable imprest to various officers, only GH¢857,212.58 was accounted for. The balance of GH¢412,063.34 remained unaccounted for as at 31 December 2018. We recommended that the names of individuals who could not account for their imprest should be provided, so that amount not accounted for should be adjusted to their personal advance account in accordance with FAR 280 (1).

99. Despite our recommendation in paragraph 103 of previous management letter number DAG/CAD/17/594 dated 22 January 2019, we noted that management continued to transact business with suppliers who had invalid VAT invoices. We recommended that these suppliers should be contacted to provide evidence of payment of the tax, failure of which the VAT

amount should be recovered from them. Furthermore, management should endeavour to deal with VAT registered suppliers only and obtain valid VAT invoices to support its transactions.

100. We reviewed the students' ledgers and noted that an amount of GH¢1,007,293.88 was standing in the ledgers as student debtors as at 31 December 2018, but this was not disclosed in the Financial statements as current asset to the University. We recommended to management to institute effective measures to improve collection of fees and other debts in compliance with the Regulations. The Director of Finance should also ensure that the amount is disclosed in the Financial statements.

101. We noted that an outstanding balance of GH¢198,500.00 of an advance of GH¢200,000.00 paid to M/S Stivo company Ltd on 18/11/2015 to facilitate the completion of a construction work on Junior staff flat have not been recovered. However, the project had been completed and handed over and a final retention have been paid to the contractor from the IGF on 22/01/18. We recommended that the outstanding balance of GH¢198,500.00 should be retrieved from the contractor without further delay. Management should also apply for refund of the amount spent on the project including the retention from GETFUND and pay same into the IGF.

102. Twenty-five vendors doing business on the University grounds owed the university land rent amounting to GH¢4,025.00. We recommended that management must ensure that the vendors pay off their indebtedness as early as possible.

103. Contrary to Sections 8 and 23 of the National Accreditations Board Acts, 2007(Act 744), management admitted students for 2018/2019 academic year for two (2) programmes whose accreditation expired on 31/08/2018. We recommended that for the fate of the students, management should renew the accreditation of the two programmes immediately and avoid being penalised by the National Accreditation Board.

104. We noted that out of an amount of GH¢339,553.79 worth of fuel/lubricant purchased for use by 36 vehicles of the University, only GH¢28,648.88 was logged in the vehicle log books. We recommended that the Transport officer should ensure that, fuel/lubricant purchased for the vehicles are properly accounted for in the log books by the drivers in compliance with the Stores Regulations.

105. We observed during the audit of the Treasury Unit that the unit receives revenue, makes all payments, withdraws and keeps physical cash but does not have any effective security system in place to forestall theft and attacks. We recommended as a matter of urgency to management to put in place pragmatic and effective security system to forestall possible theft and loss of financial resources and even precious lives of officers.

106. We noted from vendor files that, agreements signed with all 59 vendors had expired since 2016. We also noted that 24 vendors out of the 59 representing about 40%, did not have evidence of medical examination on their files. We recommended that management should ensure that vendors comply with the terms of the agreements and involve the legal department when necessary.

107. Contrary to Section 83(3) (a) of the Public Financial Management Act 2016, (Act 921), we observed that the Internal Auditor could not audit the revenue through the system and other relevant modules of the SAGE System and produce report on the effectiveness or otherwise of the system as expected. We recommended to management to ensure that the Internal Audit Unit is able to access the system, audit the revenue and appraise the effectiveness of the modules.

108. We carried out an inspection to verify the existence of the 1000 classroom chairs supplied to the University and noted that 235 pieces have already been broken down beyond repairs. We recommended that in calling for quotations samples should be delivered by interested suppliers/contractors for testing the durability for some reasonable months before orders are placed. Additionally, the committee that did the evaluation should be jointly held accountable for the estimated loss.

109. We noted that six of the University's vehicles were unserviceable while four have been parked with peculiar problems for which no efforts were being made to address. We recommended that to avoid further loss in the economic value of the vehicles, management should take the necessary steps to initiate the process for their disposal.

110. Contrary to Regulation 39(1) of the FAR 2004(LI1802), we observed during the review of the contract agreement between Vodafone and the University to provide the latter with internet and other services that, the University have not derived the full benefits of the agreement even though full payments have been effected. We recommended to management to ensure that all needed infrastructures are provided to enable the University

enjoy the full benefits for the monies paid. The interim Vice Chancellor should also be held liable for the loss to the University.

WA POLYTECHNIC

111. Contrary to Regulation 39 (2c and d) of the Financial Administration Regulations 2004 (L.I. 1802) forty-two (42) payment vouchers amounting to GH¢111,789.70 were not supported with the relevant expenditure particulars such as official receipts, invoices, minutes of meetings, and other necessary documents. We recommended that, the Ag. Rector and Ag Finance Officer should ensure that the affected payment vouchers are properly supported for vouching, failing which the total amount of GH¢111,789.70 should be recovered from the Ag. Rector and Ag Finance Officer.

112. Contrary to section 117 (1) of the Income Tax Act, 2015 (Act 896) the Polytechnic withheld taxes from allowances, supply of goods and services amounting to GH¢79,523.40 but paid only GH¢60,904.74 to the Commissioner of Ghana Revenue Authority leaving a balance of GH¢18,618.66 not paid as at 31 December 2018. We recommended that management should pay the withheld tax amounting to GH¢18,618.66 to the Commissioner of Ghana Revenue Authority and ensure that all withheld taxes are paid 15 days after the end of each calendar month to avoid penalty from the Commissioner Ghana Revenue Authority.

113. Contrary to Section 52 (7a) of the Public Financial Management Act, 2016 (Act 921) the Polytechnic purchased fuel amounting to GH¢ 9,689.63 for running of official vehicles but failed to account for the fuel. We therefore urged Management to produce evidence that the fuel was used for the benefit of the Polytechnic, failing which the Transport Officer and the affected officers should pay the total amount of GH¢9,689.63 to the Polytechnic.

114. Contrary to Part I Regulation 1(1) of the Financial Administration Regulations 2004 (L.I 1802) the Polytechnic did not present seventeen (17) payment vouchers amounting to GH¢ 30,287.38 for audit. As a result, we could not ascertain whether the transactions were authentic or not. We recommended that, Finance Officer should ensure that the payment vouchers are made available for audit, failing which the total amount of GH¢ 30,287.38 should be recovered from the Finance Officer.

115. Contrary to Section 39 (2) (c and d) of the Financial Administration Regulations 2004, out of a total amount of GH¢28,521.39 withdrawn from bank by the Rector and the Finance Officer for various activities of the Polytechnic only GH¢18,411.00 had been accounted for with a balance of GH¢10,110.39 not accounted for. We recommended that the Rector and the Finance Officer should fully account for the total amount of GH¢10,110.39, failing which the total amount of GH¢11,310.39 should be recovered from the Rector and the Finance Officer.

116. Contrary to Regulation 12 of the Financial Administration Regulations, 2004 (L.I. 1802) the Polytechnic paid avoidable judgment debt totalling GH¢6,776.76. We recommended that the suspended rector Professor Emmanuel Marfo-Owusu and the Finance Officer should refund the total amount of GH¢1,647.88 being interest and the cost awarded to the supplier for causing financial loss to the school.

117. Contrary to Regulation 39(2) (cd) of the Financial Administration Regulations 2004 (L.I. 1802) the Polytechnic paid unapproved honorarium and allowances totalling GH¢18,986.28 to Council Members, Audit Committee Members and other members of staff. We recommended that the finance officer should produce statutory authority for the payment of the allowances, failing which the total amount of GH¢18,986.28 should be refunded by the beneficiaries.

118. Mr. Iddrisu Ngmenipuo Mohammed the Ag. Rector, Joseph Bendah Ag. Finance Officer and Madam Jinjong Kombian Niibman the Human Resource Manager validated the late Dogoli Cletus who died on 20 March 2018 to receive unearned salary amounting to GH¢5,814.46 for the month of April to November 2018. This contravenes Regulation 297(1) (a-f) of the Financial Administration Regulations 2004, (L.I. 1802). We recommended to management to recover the total amount of GH¢5,814.46 and pay same to government chest, failing which the total amount of GH¢5,814.46 should be recovered from Mr. Iddrisu Ngmenipuo Mohammed the Ag. Rector Mr. Joseph Bendah, Ag. Finance Officer and Madam Jinjong Kombian Niibman the Human Resource Manager who validated the deceased.

119. Contrary to Regulation 45 of the Financial Administration Regulations 2004, (L.I. 1802) the Polytechnic over paid Mr. Paschal Dakurah an amount of GH¢1,310.00 via payment voucher number SSB/04/23 dated 10/4/2018 for Part-Time Teaching. We recommended that management should recover the total amount of GH¢1,310.00 from Mr. Paschal Dakurah and same paid to the Polytechnic Account.

120. Contrary to Section 15 of the Labour Act, 2003 (Act 651) the Polytechnic paid an amount of GH¢29,243.52 as three months' salary in lieu of notice via payment voucher number ISA/8/16 dated 29/8/18 to Mr. Mathew Zangina the Internal Auditor for termination of employment without justification. We advised the registrar to produce copy of the minutes of the meeting that took the termination decision and reasons for the termination of the employment contract, failing which the registrar should refund the total amount of GH¢29,243.52 and same paid to the Polytechnic account. Additionally, the registrar may be surcharged with any further cost associated with the termination.

121. Contrary to Section 7(f) of the Polytechnic Act, 2007 (Act 745) the Polytechnic paid an amount of GH¢26,000.00 to Mr. Stephen Yomoah for unapproved post-retirement contract of employment. We recommended that the total amount of GH¢26,000.00 be recovered from the former Rector Prof. G.K.S Aflakpui for committing the Polytechnic to unapproved contract of employment.

122. Contrary to Section 40(1a-c) of the Public Procurement Act, 2003 (Act 663), the Polytechnic single sourced procurements amounting to GH¢85,019.56 without approval from Public Procurement Authority. We recommended that the Procurement Officer and the Finance Officer should be sanctioned per section 92 (1) of the Public Procurement Act, 2003 (Act 663) as amended.

123. Contrary to Regulation 113(1) of the Financial Administration Regulations 2004, (L.I. 1802) the Polytechnic granted salary advances to seventy three (73) members of staff amounting to GH¢300,941.74 for the period April 2016 to December 2018 but have recovered only GH¢50,517.55 leaving a balance of GH¢250,424.19. We recommended to management to recover the amount of GH¢250,424.19 from the affected officers. Additionally, Management should put in place stringent modalities for timely recovery of advances.

124. Contrary to condition three (3) set out in the approved study leave letter with reference number WAP/ADM/P/016 dated 7 November 2017 officers who were granted study leave with pay did not present their academic progress report to the Polytechnic for the Polytechnic to track their academic activities. We recommended that all staff on study leave with pay should produce their academic progress report endorsed by their supervisor or programme heads, failing which all salaries and allowances to the

affected staffs should be stopped and any cost incurred on them be refunded.

125. Contrary to Article 15 (15.6) (i) of the Condition of Service for Senior Staff & Senior Members of the Polytechnic Teachers Association Of Ghana (POTAG) our audit disclosed that an officer Mr Ibrahim Denka Kariyama who had been granted study leave with pay since 1 September 2016 to study Power Engineering and Engineering Thermo-physics at Jiangsu University China is still in possession of the Polytechnic bungalow as at 31 December 2018. We recommended that the condition set out in the Condition of Service for Senior Staff & Senior Members of the Polytechnic Teachers Association of Ghana (POTAG) should be enforced and the bungalow allocated to officers who are in need.

126. Contrary to Section 8(3) 24 (b and c) of the National Accreditation Board Act 2007 (Act 744) we noted that eight (8) unaccredited programs were being run by the Polytechnic. We urged management to expedite action to get the affected programs accredited.

127. Contrary to Section 3 of the Road Traffic Offences Regulations, ten (10) vehicles of the Polytechnic had their roadworthy certificates expired. These vehicles are in use yet the road worthy certificates have not been renewed. We advised that, the Transport Manager should renew the roadworthy certificates of the vehicles and proper monitoring system established to ensure that vehicles with impending expiration of roadworthiness are promptly renewed.

128. Contrary to Section 4 (1) of The Motor Vehicles (Third Party Insurance Act 1958 the insurance cover for the 7 vehicles in use had expired since 28 November 2018 to 20 April 2019 and there was inadequate system for monitoring the imminent expiry of vehicles' insurance cover. We recommended that the Transport Section of the Polytechnic should have a database of all the vehicles with their insurance expiry date. The insurance renewal process must be initiated at least two months prior to the date of expiration.

129. Contrary to Regulation 1101 of Stores Regulations 1984, we observed during the physical checking of the stores that unserviceable and obsolete items were not disposed of and were occupying space in the store room and thus causing congestion. We advised Management to constitute a board of survey to take stock of the items and dispose them.

130. Contrary to Regulation 1511 of the Stores Regulations 1984 fixed assets owned by the Polytechnic at the Fashion Department were not labelled with the Polytechnic's identification marks as indication of ownership. We recommended to Management to get the assets labelled and ensure that subsequent assets acquired are labelled with the Polytechnic's identification mark.

131. Contrary to Section 88 (1) (b) and (2) (c) of the Public Financial Management Act, 2016 (921) the Audit Committee of the Polytechnic did not issue annual statement to indicate remedial action taken or proposed to be taken to avoid or minimise the recurrence of undesirable feature in the accounts and operations of the Polytechnic. We recommended to the Audit Committee to comply with their mandate.

ACCRA TECHNICAL UNIVERSITY

132. We noted during our review of the payment vouchers that, an amount of GH¢38,720.00 advanced as accountable imprest for the execution of activities related to foreign travels, were not retired. We recommended that the amounts involved should be properly accounted for by the beneficiaries, failing which it should be adjusted to their personal advance accounts as stipulated in the Financial Administration Regulations.

133. Our review of the payment of staffs SSNIT contributions revealed that a penalty for delay payment imposed on the institution to the tune of GH¢21,367.85 as at January 2018 was not paid during the year, and accumulated to GH¢21, 587.35 as at 31st December, 2018. The amount was also not disclosed in the 2018 financial statement. We recommended that the amount should be disclosed in the financial statement to show a true and fair view of the University's financial position.

134. We noted during our review that seven (7) academic staff members who retired in 2018, were validated on the payroll and paid salaries after their retirement, totalling GH¢ 147,376.99. Also, Ms. Agnes Acquaaah Mensah, a temporary worker whose contract expired in July 2017, was paid salary for the period August 2017 to March 2018 totalling GH¢ 4,750.15. We recommended that Management should ensure immediate stoppage of salaries of separated staff, recover all unearned salaries, pay same to Government Chest, and make the receipts available for our verification, failure of which the amount involved will be recovered from the validating officers.

135. We noted during our review of Procurement files that eight (8) suppliers failed to perform their contractual obligations to supply various items worth GHC 5,632,282.15 within the contractual period of 30 days, spanning from 13th December 2018 to 16th January 2019 as at the time of our audit (March to April 2019). We recommended that the contracts be immediately terminated and re-awarded to deserving vendors to effectively execute the contract.

136. Our review of the records revealed that procurements amounting to GHC 124,600.00 have been divided into parts in order to circumvent the dictates of the Public Procurement Act. We advised Management to desist from this practice and comply with the provisions of the PPA.

137. During our asset verification exercise, we observed that 25 industrial sewing machines were packed at the fashion design & textiles garment laboratory due to minor faults for six (6) months without repairs. We recommended that the sewing machines be repaired as soon as possible and put into use immediately after repair.

138. We observed during our physical inspection of the Demonstration Kitchen, that preparation of food in large quantities for sale as well as for tutorials were done under insanitary condition. We recommended that, management should as matter of urgency put in place Sanitation Policy and rehabilitate the facility to befit modern learning centre, and also to safeguard lives of staff and other participants of various meetings held at the instance of the University.

139. During our review, we noted that Accra Technical University has no written agreement in the form of a Memorandum of Understanding with its two (2) collection banks, namely Fidelity Bank and Bank of Africa. Management was advised to take steps to draft a Memorandum of Understanding stating all terms of agreement, key performance indicators for regular monitoring and ensure efficient as well as timely transfer of collections into their designated accounts.

TAKORADI TECHNICAL UNIVERSITY

140. We noted that for only sixteen (16) budget lines sampled, management budgeted to spend GH¢6,098,983.76 in the 2018 financial year. However, they spent GH¢10,980.695.53; resulting in budget overruns of

GH¢4,881,711.77. We recommended that management should justify the extra expenditure.

141. We observed that “VAT Service” receipts were used to support payment vouchers to the tune of GH¢786,333.10. We recommended that the VAT component of these transactions be recovered from the suppliers and paid to the GRA, failure which the Finance Officer and Vice Chancellor may be surcharged with the amount.

142. The Director of Finance did not remit withheld taxes amounting to GH¢76,503.48 to the GRA within the stipulated period stated in the Tax law, while a total of GH¢7,982.64 was not deducted from payments to suppliers as withholding tax. We recommended that the Finance Director be sanctioned and cautioned to desist from this practice.

143. An amount of GH¢105,952.00 collected, and paid to the Cashier for lodgement to Bank was not supported with receipts to payers. We advised management to ensure that this practice is stopped immediately and receipts, tickets or coupons with pre-printed serial numbers are procured, in accordance with all relevant regulations, for use at all revenue points in the University.

144. The University’s Toyota Hiace Ambulance (worth GH¢384,243.26) supplied in 2017 and paid for in 2018 still have Toyota Ghana Limited as its owner. We urged management to expedite action on the change of ownership processes.

145. The price of a Nissan Navara (4X4) home used engine was inflated by GH¢18,832.00. We recommended that the Evaluation Panel which had a composition of: Mr. Agyeman Ofori (Procurement Office), Mr. Emmanuel Asare (Asst. Internal Auditor), and Mr. Daniel Kyei Kankam (Transport Officer) should refund the GH¢18,832.00.

146. Maintenance works on official vehicles totalling GH¢18,740.48 were without works order. We recommended that all vehicle repairs should have a written estimate from the workshop duly certified by the transport officer and approved by Management to avoid inflation of bills and shoddy works being carried out.

147. We noted that, an amount of GH¢65,325.60 described as Debtor–Contractor in the 2018 financial statements has become a bad debt. We recommended that management should seek approval from the Minister for Finance to write it off.

SUNYANI TECHNICAL UNIVERSITY

148. We noted that two senior members who resigned from the University did not give the minimum notice of six months and also did not pay any amount in lieu of the six months' notice totalling GH¢80,804.34. We recommended to management to recover the six months in lieu of notice amount of GH¢80,804.34 from the two officers and pay same into government chest, failure of which the Vice Chancellor, Ing. Professor Kwadwo Adinkrah-Appiah and the Director of Finance, Prince Menzo Benjamin may be surcharged with the amount.

149. Our review of the personal files of staff on approved study leave pursuing PhD programmes in various universities revealed that these officers have not been submitting reports on the progress of their academic studies as provided in their approval letters. We recommended to management to ensure that all staff on study leave with pay, submit on regular basis their progress report in order to monitor their performance.

150. We noted that Dr Emmanuel Opoku Marfo a former Senior Lecturer at the Accountancy department who was sponsored to pursue a PhD programme in Management Science and Engineering at Jiangsu University in China between the period October 2013 to July 2016 did not serve the mandatory five-year bond at the university after completion contrary to the bond conditions. We recommended to Management to recover an amount of GH¢124,143.04 being salary paid to Dr. Emmanuel Opoku Marfo, during his study period at the University for failing to serve his bond.

151. We noted the absence of a Human Resources Policy to provide clear communication between the University and the staff regarding their condition of employment as well as a basis for regularly reviewing possible changes affecting the staff. We advised management to take the necessary steps to develop a human resources policy to effectively help in regulating its employees and other related issues.

152. We noted from our review of the payroll of the University that, Alex Ngwere, a labourer at the development office who vacated post after taking his annual leave was paid unearned salary totalling GH¢2,221.50 for the period November 2017 to February 2018. We recommended that management should take the necessary steps to recover the monies paid to the affected staff without further delay and pay same to chest.

153. The University failed to renew the Unified Conditions of Service for the Unionised Staff after it expired in 2008. We recommended to management to ensure that, the Unified Condition of Service for the Unionized Staff is reviewed to incorporate all changes and a new contract signed with the employees.

154. We noted the University has an arrangement with two companies namely Franciscan Investment Co. and Gyebi for the supply of fuel to its fleet of vehicles on credit but failed to reduce it into a Service level agreement to regulate its operation. We advised Management to as a matter of urgency develop a service level agreement with each of the two companies stating in clear unambiguous terms, the responsibilities of each party including an exit clause.

155. Our examination of the payment vouchers of the University revealed that, both the Procurement Officer and the Suppliers do not sign the Contract agreement forms provided by the PPA though they were attached to the financial records for payment. We advised management to ensure that the contract agreement forms are duly signed before payments are made to any supplier.

156. We noted during our review of the Value Book Register that, the Director of Finance who is the stockholder of the value books issued the University official receipt booklet over and above what was needed at a time to the Revenue officer. The minimum number of receipt books issued to the revenue officer at a time was 20 booklets up to a maximum of 101 booklets. We recommended that, value books usage should be tracked and monitored effectively to ensure their safe keeping and accountability.

157. We noted that the University did the inspection of its fixed assets on ad-hoc basis without any written policy to regulate and direct the exercise. We urged Management to develop a policy or programme which would provide comprehensive guidelines and procedures aimed at carrying out an effective physical verification of assets on quarterly basis.

158. The Clinic Administrator did not keep records on students not registered with National Health Insurance Scheme but visit the clinic for treatment. We advised Management to as a matter of urgency keep records on all students who visit the clinic but are not registered with the scheme and also ensure that they are made to register or made to pay for the services received at the clinic, to ensure that every student get registered.

159. We noted during our review of the records of the Clinic, that the Administrator, Accountant and the Pharmacy Technician did not conduct periodic stock take at the Dispensary. To effectively manage the store items at the dispensary, we recommended to Management to conduct on regular bases physical stock take as well as end of year stock count.

160. We noted that the Dispensary unit of the University's Clinic did not use the requisite store documents such as Store Receipt Voucher (SRV), Store Issue Voucher (SIV) for receiving and issuing of stores as well as stores ledger to record the movement of the drugs at the dispensary. We recommended to the Clinic's Administrator to ensure that the Pharmacy Technician prepare and maintain stores ledger so as to enable the monitoring in the movement of stocks and provide up to date information on stock balances.

161. We noted during the review of the Stock Register that, the University did not dispose of 80 booklets (serial numbered 0000001 to 0004000) of its defunct and unused Official Receipts. We recommended that the Vice Chancellor should constitute a Board of Survey in order to ensure immediate disposal of the stock of the defunct receipts.

162. Our review of store records disclosed that stock taking was not carried out regularly or annually. We recommended that management should organize regular stock-takes to maintain an economic level of stock items.

163. Our review of store records revealed that the Store Keeper, Mr. Daniel Buah Kwamena who retired from active service on 1 July 2018 did not properly hand over the stock records to the officer who took over from him. We recommended to Management to ensure that officers going on leave or retirement are made to properly hand over records under their responsibilities.

164. We noted during our store review that unserviceable items have been occupying space at the stores without any action being taken on them. We advised that management should decongest the store by constituting a Board of Survey to auction the unserviceable items.

165. We observed that, two of the University's vehicles with registration numbers, GV 669 S and GV 1561-14 have been abandoned without any attempt to salvage and derive any value from them. We advised the Vice Chancellor to ensure that the vehicles are repaired and allocated to the

Production Units of the University to cart their products to customers in order to improve revenue generation at the units or a Board of Survey is constituted to put the vehicles on auction sales to salvage them from further wear and tear.

166. We noted that fuel purchased amounting to GH¢23,222.63 (GH¢9,086.63 from the designated fuel dump and GH¢14,136.00 from stations other than the designated fuel dump) were not accounted for. We recommended to Management to ensure that the amount of GH¢23,222.63 should be accounted for failing which the Accountant in charge of fuel allocations and the Transport Officer be made to refund the amount involved.

167. We observed that an amount of GH¢10,185.23 was paid for repair works on the University's vehicles without any certification to show that the work had been properly carried out. We recommended that in the absence of proper certification, the total amount of GH¢10,185.23 should be recovered from the Finance Officer and the Transport Officer and same paid to chest.

168. We noted during our physical verification of the halls of residence of the Technical University that, two of the halls (Cocoa and Magazine) have been abandoned with the one at Magazine being occupied by squatters because of the absence of a gate. We recommended that, management should renovate the halls and put them back to use in order to ease congestion at the other halls of residence.

169. We noted from our physical verification of the Halls of Residence of the Technical University that the buildings are deteriorating due to non-maintenance of the facilities. Paintings on the buildings are wearing off. We advised Management to renovate the buildings as early as possible and ensure that the facilities are regularly maintained.

170. Our interaction with the Senior Resident Tutor of the University revealed that, eleven Students Representative Council Executives occupying eleven beds at Tano, Busia Main and Annex have not paid their accommodation fees and have also refused to relocate to the SRC hostel outside the campus. We advised management to take steps to collect the outstanding amount of GH¢9,000.00 from the executives and also relocate them to the SRC hostel located outside the campus at the end of the academic year.

171. Our examination of the accounting records of the Production unit and subsequent visit to the field disclosed that proper control systems are not in place to promote the steady operation of the key sections though they are opened to the Public. We recommended that management should take steps to fully commercialise the Production units, by considering the proposals from Technical Officers.

PART III

DETAILS OF FINDINGS AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

Introduction

172. This report relates to the audited accounts of the Tamale Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

173. The operations of the Tamale Technical University for the financial year, 2018 ended with an income surplus of GH¢1,640,022.44 representing 31.3% increase in the surplus of the previous period of GH¢1,248,722.66. Details are provided in table 3.

Table 3: Income and Expenditure for the year 2018

Income	2018 GH¢	2017 GH¢	% Change
Government Subventions	23,888,893.45	22,483,090.25	6.3
Internally Generated Funds	6,996,328.93	6,395,503.11	9.4
Other Income	350,972.00	-	-
Total Income	31,236,194.38	28,878,593.36	8.2
Expenditure			
Compensation for Employees	24,416,498.05	22,976,753.51	6.6
Goods and Services	4,789,138.49	4,653,067.19	2.9
Other General Expenses	390,535.40	-	-
Total Expenditure	29,596,171.94	27,629,820.70	7.1
Income Surplus/ Deficit	1,640,022.44	1,248,772.66	31.3

174. Total Income for the Technical University increased by 8.2% from GH¢28,878,593.36 in 2017 to GH¢31,236,194.38 in 2018. The above increase is mainly attributed to an increase in Government Subvention by 6.3% from GH¢22,483,090.25 in 2017 to GH¢23,888,893 in 2018.

175. Total Expenditure also increased by 7.1% from GH¢27,629,820.70 in 2017 to GH¢29,596,171.94 in 2018. This was largely due to a 6.6% increase in expenditure on Compensation of Employees from 22,976,753.51 in 2017 to GH¢24,416,498.05 in 2018.

Financial Position

176. The Financial Position of the Technical University as at 31 December 2018 is as shown in table 4.

Table 4 Financial position as at 31 December 2018

	2018 GH¢	2017 GH¢	% Change
Non-Current Assets	5,279,046.22	5,167,985.25	2.1
Investment In BDU	81,661.66	81,661.66	-
Current Assets	7,022,659.32	4,425,820.43	58.7
Non-Current Liability	1,603,268.00	2,503,268.00	(35.9)
Current Liabilities	5,132,907.85	4,072,133.22	26.0
Net Assets	5,565,529.69	3,018,404.46	84.4
Current ratio	1.4:1	1.1:1	

177. Non-Current Assets increased by 2.1% from GH¢5,167,985.25 in 2017 to GH¢5,279,046.22 in 2018. This was due to additions to fixed assets during the year.

178. Current Assets also increased by 58.7% from GH¢4,425,820.43 in 2017 to GH¢7,022,659.32 in 2018. This was due to increase in Cash and Cash Equivalent.

179. Non-Current Liabilities reduced by 35.9% from GH¢2,503,268.00 in 2017 to GH¢1,603,268.00 in 2018 due to repayment of GetFund Hostel Loan. and Current Liabilities increased by 26.0% from GH¢4,072,133.22 in 2017 to GH¢5,132,907.85 in 2018.

180. The liquidity ratio of 1.4:1 in 2018 means that the Technical University has the ability to meet its current liabilities as they fall due.

MANAGEMENT ISSUES

Un-Supported Payment of Book & Research Allowance-GH¢1,670,554.95

181. Section 7 of the Public Financial Management Act, 2016 states: “A Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.”

182. On the contrary, we noted during our examination of paid vouchers that, management made payments on 24 vouchers for Book and Research allowance to the tune of GH¢1,670,554.95 but management could not readily provide relevant and necessary evidence to support the payments. Details are shown in table 5.

Table 5 Payment of Book & Research Allowance

No.	DATE	TRANSACTION ID	CHEQUE No.	DETAILS	AMOUNT (GH¢)	NO STAFF
1	4th June 2018	P033/06/18	GCB 725162	SHAKURU BABA	2,000.00	1
2	16th August 2018	P111/08/18	GCB 725173	STANBIC BANK LTD	152,510.00	25
3	16th August 2018	P113/08/18	GCB 725174	GCB LTD (STANDARD CHARTERED BANK)	114,246.12	25
4	16th August 2018	P115/08/18	GCB 725175	BONZALI RURAL BANK LTD.	13,514.75	3
5	16th August 2018	P117/08/18	GCB 725176	ACCESS BANK LTD.	48,178.75	7
6	16th August 2018	P119/08/18	GCB 725177	HFC	27,793.00	5
7	16th August 2018	P122/08/18	GCB 725179	SAHEL-SAHARA BANK	6,948.25	1
8	16th August 2018	P123/08/18	GCB 725180	PRUDENTIAL BANK LTD.	6,948.25	1
9	16th August 2018	P124/08/18	GCB 725181	GT BANK LTD.	6,948.25	1
10	16th August 2018	P125/08/18	GCB 725182	GN BANK LTD.	13,496.50	2
11	16th August 2018	P126/08/18	GCB 725183	FIRST GHANA SAVINGS & LOANS	6,948.25	1
12	16th August 2018	P127/08/18	GCB 725184	FIRST ATLANTIC BANK LTD.	6,548.25	1
13	16th August 2018	P128/08/18	GCB 725185	ECOBANK LTD.	34,341.25	5
14	16th August 2018	P121/08/18	GCB 725178	ZENITH BANK LTD.	42,872.25	7
15	16th August 2018	P101/08/18	GCB 725167	FIDELITY BANK LTD.	52,209.02	9

16	16th August 2018	P107/08/18	GCB 725170	ADB	140,304.62	22
17	16th August 2018	P109/08/18	GCB 725171	NATIONAL INVESTMENT BANK	109,345.75	18
18	16th August 2018	P110/08/18	GCB 725172	BANK OF AFRICA	48,023.25	8
19	16th August 2018	P131/08/18	GCB 725188	SEIDU BAWA HARUNA /SOPHAI AYARIC (ERNEST KIPO MANJA)	6,948.25	1
20	16th August 2018	P105/08/18	GCB 725189	BARCLAYS BANK LTD.	396,003.62	62
21	16th August 2018	P103/08/18	GCB 725190	SG-SSB LTD.	67,155.93	14
22	16th August 2018	P099/08/18	GCB 725166	GCB LIMITED	355,901.41	55
23	24th August 2018	P132/08/18	GCB 725192	ABUDU ABDUL-GANIYU	6,369.23	1
24	27th August 2018	P165/08/18	GCB 725193	MUSAH ZAKARIA	5,000.00	1
					1,670,554.95	276

183. However, management did not give any reason for this anomaly.

184. There is high possibility that, the payments would not be used for its intended purpose.

185. We therefore recommended that management should provide evidence of judicious use of the allowance and same provided for our verification.

186. Management accepted the recommendation and stated that steps will be taken to make research works of staff available for our verification and in all future audits.

Investment without Approval - GH¢475,102.20

187. Regulations 140 to 142 of the Financial Administration Regulations, 2004, L.I. 1802 require among others that, proposals for the establishment or purchase of stock or shares in any institution shall be submitted for approval to the Minister quoting the appropriate enactment, the proposals shall give such information as the Minister may require and shall include copies of any prospectus, accounts or investigation of the financial affairs of the institution concerned and must indicate the proportion of the equity to be acquired, if a proposal for investment is approved, the Minister shall inform the Controller and Accountant-General of the proposed purchase, designate the administering authority and forward a copy of any agreement made in connection with the acquisition to the Auditor-General and that the authority administering an equity investment shall ensure the due collection of dividends and their lodgement into the Consolidated Fund.

188. We noted on the contrary that, Tamale Technical University, Invested GH¢475,102.20 into the University Hospital without seeking approval from the Minister. We noted further that since November 2017 to December 2018, the University continues advancing funds totalling GH¢88,053.12 to the Hospital without any policy on when the advance would be recovered.

189. This was as a result of Management's non-compliance with the Regulations stated above.

190. The University stands the risk of losing the above stated amount in the event of the collapse of the hospital, leading to loss of funds to the state.

191. We advised Management to seek retroactive approval for the investment into the Hospital from the Minister, failure of which any adverse financial risk associated with the investment should be borne by management. We also urged Management to put a recovery policy in place for the advance made to the Hospital's operations.

192. In response, management stated that the amount was meant to be short term advances (not an investment) to the hospital, repayable from revenues generated from the hospital operations. The delay in getting accreditation from the National Health Insurance Scheme (NHIS) and the subsequent challenges in receiving claims adversely affected the repayment plan. Management of the hospital is making the necessary follow ups at NHIS for early reimbursement of funds and has assured the University of making good the indebtedness due them as soon as funds are received.

Non-Transfer of Clinic Dues to TaTU Hospital GH¢ 148,424.96

193. The University charges students yearly to pay for their health care as a form of health insurance.

194. We noted that 4,301 students paid clinic dues totalling GH¢148,424.96 to the Technical University for their health care but Management had not transferred the amount to the TaTU Hospital where the health care is provided.

195. We noted further that the Hospital provides health care to both staff and students of the University free of charge and that the amount is locked out in the NHIS. Details are shown in table 6.

Table 6: Computation of Clinic Dues on Registered Students; 2017/2018 Academic Year

	RATE GH¢	NO. of STUDENTS	AMOUNT (GH¢)
1. HND STUDENTS			
Clinic Dues	38.24	3,127	119,576.48
2. DBS STUDENTS			
Clinic Dues	22.94	270	6,193.80
3. BACHELOR DEGREE (B-TECH) STUDENTS			
Clinic Dues (1st years)	40.25	83	3,340.75
Clinic Dues (2nd years)	24.96	37	923.52
4. CRAFT (INTERMEDIATE AND ADVANCED) STUDENTS			
Clinic Dues	22.94	731	16,769.14
5. ACCESS STUDENTS			
Clinic Dues	30.59	53	1,621.27
Grand Total			148,424.96

196. Management reluctance to transfer the amount to the Hospital will not only cause financial stress to the Hospital but also be a burden on the Hospital's operations.

197. As a result, the amount paid has not been used for the intended purpose.

198. We recommended that the amount be transferred to the Hospital for its operations.

199. Management did not respond to this observation.

Business Development Unit Operating at A Loss-GH¢81,666.56

200. On 21 August 2006, Management invested an initial capital of GH¢1,000.00 and up to 2018 a total amount of GH¢ GH¢81,666.56 was invested as seed capital into a private company as means of generating revenue for the Institution through various department such as:

- Rehabilitation of office/industrial equipment
- Fabrication of domestic and industrial equipment
- Spraying of vehicles
- General building maintenance
- Catering services, General electrical works and plumbing but we did not see the business registration certificate and commencement of business.

201. We visited the operational areas of the company and noted that only the catering services is operating and that the University is the major customer of which a total amount of GH¢132,021.57 was paid on food supplied to the University. We noted further that instead of depositing the amount in a fixed deposit account to earn higher interest, capital of GH¢81,666.56 was rather investment inappropriately.

202. Management also did not produce an investment policy as to how profits would be shared between Business Development Unit and the University. Summary of the details of income and expenditure is shown in table 7:

Table 7: Income and Expenditure statement

	GH¢	GH¢
Income for 2018		134,721.12
Opening stock	3,250.00	
Purchases	98,193.82	
		101,443.82
Closing stock		1,230.00
Cost of sale		100,213.82
Salaries (Two Staff)	145,440.00	
Other expenses	3,416.66	148,856.66
Loss made for the year 2018		(114,349.36)

203. The loss was occasioned due to poor management and failure to institute control over the University's funds by management. The above losses did not even include the cost of utilities used by the Unit.

204. We recommended that the Directors of the registered Company should institute prudent management policies to enhance the operations of the business or consider giving it out to a private operator.

205. Management accepted the recommendation and stated that the BDU was running at loss due to challenges beyond their control.

**Payment of Part time Allowances without Attendance Sheets
(GH¢204,781.97)**

206. Regulations 39 (2c) of the Financial Administration Regulations requires that the Head of Accounts Section of a Department shall control the disbursements of funds to ensure that transactions are properly authenticated to show that amounts are due and payable.

207. Our review of the payment vouchers showed that a total amount of GH¢204,781.97 was paid to part time lecturers without attendance sheets signed by Class Secretaries to support the payments. Details are shown in table 8.

Table 8: Overtime Allowance

January 23, 2018	SEIDU BAWA HARUNA	Pymt of part time to B-Tech Agric Engineering	Musah Mohamed Hardi &8 Others	BOA 006269	6,552.00	Attendance sheet not signed by Class Secretary
February 14, 2018	SEIDU BAWA HARUNA	Solace Madugu - Part-time claim - Fashion Design		BOA 006279	1,173.69	Attendance sheet not signed by Class Secretary
March 8, 2018	SEIDU BAWA HARUNA	Pymt for Part time for fashion & Design	Solace Madugu	ZENITH 000491	1,326.78	Attendance sheet not signed by Class Secretary
June 1, 2018	SEIDU BAWA HARUNA	Pymt for 2nd Sem part time claims for HTM	Alhassan constance & Others	ZENITH 000563	14,176.80	Attendance sheet not signed by Class Secretary
June 1, 2018	SEIDU BAWA HARUNA	Pymt of 2nd Sem part time claims foe Cpt Science	Gariba Issah & Others	ZENITH 000563	16,367.78	Attendance sheet not signed by Class Secretary
June 1, 2018	SEIDU BAWA HARUNA	Pymt of part time to HND 2017/18 Semester 2	Aboko Akudugu (PHD) & Others	ZENITH 000563	78,447.60	Attendance sheet not signed by Class Secretary/T

						ime Table
June 1, 2018	SEIDU BAWA HARUNA	Payment of all'ce to teaching staff	Dr Rafiu Sulemana & Others	ZENITH 000564	9,421.92	No Attendance sheet/time table
June 19, 2018	SEIDU BAWA HARUNA	Pymt of Teaching claim for Diploma in Cptor accounting		ZENITH 000617	7,055.10	No Attendance sheet/time table
December 20, 2018	SEIDU BAWA HARUNA	Pymt for Part time all'ce for HND HCIM for 2018/19 academic year	Alhassan constance & Others	ZENITH 001053	17,725.50	No attendncens heets/time table
December 20, 2018	SEIDU BAWA HARUNA	Pymt for Part time all'ce for HND HTM for 2018/19 academic year	Dr Rafiu Sulemana & Others	ZENITH 001053	12,735.45	No attndce sheets
December 21, 2018	SEIDU BAWA HARUNA	Pymt of parttime all'ce for Diploma in Cptorised accounting for 2018/19	Robert Avare & Others	ZENITH 001076	11,325.60	No attendant sheets
December 13, 2018	SEIDU BAWA HARUNA	Pymnt of Part Time B-Tech	Dr Razak Abdulai	ZENITH 001030	28,473.75	No Attendance sheet/time table
		TOTAL			204,781.97	

208. The payments were authorised by Management without ensuring that the attendance sheets were duly signed by the class secretaries.

209. We could not authenticate the payments made due to the absence of attendance sheets.

210. We urged Management to ensure that the payments made are supported with signed attendance sheets to authenticate the payments made, failing which the authorising and approving officers should be made to refund the amount stated above.

211. Management accepted the recommendation for implementation.

Failure to Report on Industrial Attachment -GH¢81,459.15

212. Section 5.2 of the Industrial Attachment Policy of the Tamale Technical University states among others that the Industrial Liaison Officer is to demand industrial attachment reports from the internal monitors and present an annual report to the Vice Chancellor on the conduct of the industrial attachment programme.

213. Our review of the records showed that a total amount of GH¢81,459.15 was paid to Head of Departments (HODs) and Others of the University to carry out Industrial Attachment and produce reports on marking and supervision for students on industrial attachments during their vacation. However, the Liaison Officer did not produce any annual report on the programme for 2018. The detail is summarised in table 9.

Table 9: Industrial Attachment Supervision Claims

DATE	CHQ NO.	PAYEE	DEPARTMENT	AMOUNT
13/2/18	BOA 006273	Gumah Salifu & 11 others	Agric Engineering Dept.	2,025.00
8/2/2018	Zenith 000436	Musah Bakari	Industrial Art	891.00
1/3/2018	Zenith 000472	Muntaka Munshiri & 5 others	Electrical Engineering dept	4,374.00
5/7/2018	Zenith 000651	Alhassan Fatawu & 10 Others	Night All'ce for Ind Attachment	12,800.00
6/7/2018	Zenith 000666	Joyce Twumwaa Akuba and 7 Others	Building Technology	5,530.00
6/7/2018	Zenith 000681	Henry Atiglah & 7 others	Electrical Engineering dept	4,470.00
6/7/2018	Zenith 000659	Kubuga Kenedy & 7 Others	Cpter Science Dept	9,375.00
20/7/18	Zenith 000688	Abdul Wahab & 8 others	Cpter Science Dept	4,422.15
23/7/18	Zenith 000698	Ahmed Sakara & 12 Others	Marketing Dept	7,838.00
24/7/18	Zenith 000701	Isahaku Salifu & 14 Others	Accountancy Dept	13,840.00
30/10/18	Zenith 000922	Abukari Azziz Danaa & 6 Others	Cpter Science Dept	2,898.00

9/9/2018	Zenith 000953	Dok Yen David Mbabel & 3 others	Building Technology Dept	480.60
14/11/18	Zenith 000972	Isahaku Salifu & 13 Others	Accountancy Dept	3,888.00
26/11/18	Zenith 000980	Ahmed Sakara & 12 Others	Marketing Dept	3,841.20
12/12/2018	Zenith 001022	Henry Atiglah & 8 others	Electrical Engineering dept	4,786.20
	Total			81,459.15

214. The Industrial Liaison Officer explained that the monitoring team did not submit any report on their exercises to him though they were paid the above stated amount for the work.

215. Management was denied information on the performance of students on Industrial attachment for decision making.

216. We advised Management to call on the monitoring team to submit their reports to the Liaison officer to enable him compile the annual report, failure of which the above stated amount be recovered from them.

217. Management stated that the Monitoring Team had already been called on to submit their reports to the Ag. Liaison Officer by Friday, April 12, 2019.

Second tier mandatory occupational pension scheme not remitted- (GH¢42,129.51)

218. Section 3(3b) National Pensions Act, 2008 (3) Out of the total contribution of eighteen and a half per centum an employer shall within fourteen days from the end of each month transfer the following remittances to the mandatory schemes on behalf of each five per centum to the second-tier mandatory occupational pension scheme.

219. Contrarily, our review of the financial statements presented revealed that an amount of GH¢42,129.51 in respect of casual staff was yet to be transferred to a fund manager for the second-tier mandatory occupational pension scheme.

220. The Ag. Finance Director explained that fund manager for the second-tier mandatory occupational pension scheme has not been identified hence the delay.

221. The casual staff risk not benefiting from second tier mandatory occupational pension scheme under this circumstance as the amount of GH¢42,129.51 is held by the University.

222. We urged the Ag. Finance Director to ensure that necessary steps are taken to secure a fund manager as early as possible for the transfer to be effected.

223. Management accepted to implement our recommendation.

Imprest not accounted for-GH¢30,045.00

224. Regulations 288 (1) of the FAR states that “Imprest shall be retired at the close of a financial year and any imprest not so retired shall be adjusted to a personal advance account in the name of the imprest holder”.

225. We noted that, accountable imprest of GH¢30,045.00 granted to 5 Officers between January and December 2018 to undertake various activities had not been retired as at 1/04/2019. Details are shown in table 10.

Table 10: Imprest not accounted for

No.	Cheque No.	P. V	Amount	Name of Beneficiary	Details
1	Zenith 000424	P022/02/18	1,640.00	Alhaji WO1 Mumuni	To cater for logistics for the security officers
2	Zenith 001041	P116/12/18	1,690.00	Alhassan Fatawu	To care for activities at the department
3	Stanbic Bank 000013	P009/09/18	1,715.00	Bawa Seidu Haruna	For feeding of learners on the E-Voucher project
4	Ecobank 000180	P133/02/18	15,000.00	Bala Baba Sherif	Being Imprest for the Kitchen
5	Zenith 000594	P135/06/18	10,000.00	Faith Agyeman	Being Petty Cash for the University
Totals			30,045.00		

226. This resulted from Management’s failure to enforce various reminders to ensure that the officers involved retire their imprests caused this anomaly.

227. Failing to promptly retire sums advanced as imprest adversely impacts day to day operations, and makes it difficult for Management to determine whether the funds have been judiciously utilised in the interest of the Institution.

228. We recommended that, beneficiaries should account for the GH¢30,045.00 advanced to them for official duties, failing which the amount be treated as personal advances.

229. Management has noted the concerns and shall ensure that the affected staff duly retire the imprest due them or better still, deduct same from the salary payment point.

Absence of Tenancy Agreement

230. Regulation 2(d) of the Financial Administration Regulations, 2004 (L.I. 1802) requires among others that, the head of government department shall secure the due and proper collection of government revenue collectable by the department within the terms of any enactment or of instructions issued.

231. We observed that the University rented a property consisting of 1 workshop, 2 office spaces, 1 store room, washroom and a compound to Tropical Clear Printing Press for a monthly rent of GH1,000.00 starting 1/11/2017. As of the time of the audit management could not provide the signed tenancy agreement between the University and the tenant. The agreed rent amounting to GH¢14,000.00 as at 31/12/2018 was not paid. In a related development, outstanding tolls not paid by other categories of tenants as at the time of the audit stood at GH¢6,075.00.

232. Management's failure to ensure that the amount due TaTU are collected is the cause of this lapse.

233. At the instance of the audit, Tropical Clear issued a cheque of GH¢12,000.00, leaving a balance of GH¢8,075.00 in rental revenue. We recommended the following;

- Management should provide the tenancy agreement between the University and Tropical Clear for our review.
- Management should immediately collect the total rent of GH¢8,075.00 from Tropical Clear and other tenants of the University.

234. Management stated that the necessary follow ups are being made to get the contract document duly signed in good time and the rent also collected.

Delayed projects – GH¢6,547,977.28

235. Contract management requires that the contractors commence work on projects on scheduled dates and complete on stipulated dates provided in the contracts.

236. We however noted on the contrary that 6 projects awarded at initial total contract sum of GH¢6,547,977.28 were not completed although their expected completion dates had elapsed. Five of the projects are GETFund funded whilst One (1) is the University's IGF funded.

237. Funding challenges was identified as the cause of the delay. Delays in completion could give rise to cost overruns.

238. We recommended that management of the University should ensure the early completion of the projects to avoid cost overruns.

239. In response, Management stated that the delay in the completion of the ongoing projects was largely due to financial challenges. The University management will however attach high premium to early completion of these projects and will step up efforts for the desired results, both at GetFund and prudent use of IGF.

Procurement Without recourse to Public Procurement Act GH¢64,450.61

240. Section 14(1) of the Public Procurement Act, 2003 (Act 663) as amended states: This Act applies to the procurement of goods, works and services, financed in whole or in part from public funds, functions that pertain to the procurement of goods, works and services including the description of requirements and sources of supply, selection and award of contracts and the phases of contract administration, the disposal of public stores, vehicles and equipment; and procurement with public funds including loans procured by government, grants, foreign aid funds and internally generated funds except as exempted under section 96.

241. Notwithstanding the above, we noted during our examination of some sampled paid vouchers that contracts awarded for the supply of paints and others at a total contract sum of GH¢64,450.61 were made without recourse to the Public Procurement Act. Our checks at the procurement office revealed that the affected contracts were not routed through the office. Details are shown in table 11.

Table 11: Procurement without recourse to Public Procurement Act (GH¢64,450.61)

DATE	TRANSACTION ID	CHEQUE No.	DETAILS	AMOUNT
29th March 2018	P361/03/18	UNIBANK 000457	SPECTRUM ELECTRICALS ENGINEERING	4,134.00
8th February 2018	P070/02/18	ECO 000193	RENOVATIONAL FURNITURE	5,925.53
1st November 2018	P003/11/18	ECO 000211	SPEC-ARC CONSULTING	17,737.50
12th September 2018	P073/09/18	ZENITH 000764	SEIDU BAWA HARUNA / Update Group	18,440.09
12th September 2018	P074/09/18	ZENITH 000764	SEIDU BAWA HARUNA / Update Group	18,213.49
				64,450.61

242. No reason was given for this infraction as the Procurement Officer could not speak to the issue due to lack of information.

243. This non-compliance and the sidestepping of the Procurement Office could serve as fertile grounds for abuse.

244. We recommended that Management should ensure compliance with the provisions of the PPA and appropriate sanctions for officers for non-adherence to the procurement law.

245. In response management stated that it has noted the procurement lapses and will ensure greater collaboration between the estates department and the procurement unit in related future activities to comply with best procurement procedures.

Procurement Involving Un-Registered Businesses GH¢35,176.04

246. Section 22(1b) of the Public Procurement Act, 2003 (Act 663) as amended states: “A tenderer in public procurement shall have the legal capacity to enter the contract.”

247. Notwithstanding the above, we noted that the Procurement Office requested quotations from businesses to support the procurement processes leading to the award of 7 contracts at the total sum of GH¢35,176.04. Management did not provide any business registration certificates to confirm

the legal existence of these businesses rendering them unfit to partake in the procurement process of the University. Details are shown in table 12.

Table 12: Procurement Involving Un-Registered Businesses

No.	Date	Details	Suppliers / Contractors	Amount	Supporting invoices	No evidence of registration
1	9/3/2018	Servicing and repairs of photocopier and printer	Total Supplies and Service Ltd.	5,922.00	Office Solution Enterprise	Office Solution Enterprise
2	11/15/2018	Supply and Servicing printers and photocopiers	Total Supplier and Service Ltd	6,942.20	Door Step Commercial	Office Link
3	9/5/2018	Supply of prescription form fot TaTU	Muetpress Service	2,702.50	Princejeff Printing Ventures	Focus Ventures
4	10/9/2018	Supply of battery	Hatoum	2,740.00	Bukson Motors Enterprise	Sunrise Enterprise
5	4/25/2018	Supply of exams materials for Automotive Engineering Department	S Iddrisu Enterprise	1,883.87	Rams Enterprise	M.Y Enterprise
6	4/27/2018	Supply of exams materials to Agric Engineering Department	S. Iddrisu Enterprise	3,918.12	Rams Enterprise	M.Y Enterprise
					M.Y Enterprise	
7	4/27/2018	Supply of teaching materials for Agric Engineering department	S. Iddrisu Enterprise	11,067.35	Price John Electricals	Price John Electricals
				35,176.04		

248. No cause was assigned to this anomaly by the Procurement Officer.

249. It was difficult for the audit team to determine whether the University obtained value for money for the affected procurements.

250. We advised the Procurement Officer to provide the business registration certificates to confirm the legal existence of the businesses involved failure of which he should be sanctioned as stipulated under Section 92 of the PPA.

251. Management said that the businesses were registered, however they could not provide evidence to substantiate their claim.

252. We therefore reiterate our recommendation for compliance.

Procurement from Non-VAT Registered Entities GH¢253,625.92

253. Regulation 183(4) of the Financial Administration Regulations, 2004 (LI 1802) states: “A department shall procure government stores from only Value Added Tax (VAT) registered persons or entities and any department that requires an exemption for any specific case shall apply to the Minister with the necessary justification.”

254. Contrary to the above Regulation, we noted during our review of 24 contracts awarded at a contract sum of GH¢253,625.92 that, the successful suppliers presented VAT invoices with similar numbers after supplies were made to demand for payments. Details are attached in table 13.

Table 13: Procurement from Non-VAT Registered Entities

No	Date	Details	Suppliers / Contractors	Amount	VAT
1	11-Apr-18	Supply of bags for INCOTaTU	Osrak	20,806.00	G0006134430
2	02-Nov-18	Supply of material for the damage Balcony Handrail	S. Iddrisu Enterprise	8,413.04	G0006134130
3	23-May-18	Supply and delivery of satellite installation at ridge	Data Pro Computer	2,492.60	G0006134130
4	28-Aug-18	Purchase of Electrical material for general use	Trans-Matrices GH Ltd	16,757.07	G0006134130
5	26-Sep-18	Supply of electrical materials for admin block, computer lab and welding department	Trans-matric (GH) Ltd	6,228.40	G0006134130

6	20-Sep-18	Fumigation of non-tertiary hostel	Haan Domestic Pest Control Enterprise	3,995.00	G0006134130
7	26-Aug-18	Purchase of material to repair a printer and photocopy machine	Best Gentle Ventures	1,374.75	G0006134130
8	27-Sep-18	Repair of sliding windows at the computer lab	B. Naagode Enterprise	851.88	G0006134130
9	30-Jan-18	Supply of carpentry material	Summuzat Enterprise	13,518.75	G0006134130
10	20-Oct-17	Supply of supplementary Electrical Materials for Maintenance Unit	Trans-Matric (GH) Ltd	12,265.00	G0006134130
11	14-Aug-18	Supply of Carpentry and Building material	Bandi Suglo Enterprise	27,194.06	G0006134130
12	22-May-18	Supply of examination materials for welding	N.I Reality Enterprise	1,890.05	G0006134130
13	28-Jun-18	Purchase of material to secure air conditioner	Abdulai Choo Enterprise	5,594.96	G0006134130
14	05-Jun-18	Supply of examination material for fashion, Textile and decoration	Wennypeg Décor	3,236.47	G0006134130
15	02-Oct-18	Supply of electrical material for B-tech	B. Naagode Enterprise	2,946.32	G0006134130
16	10-Sep-18	Supply paint for computer lab	S. Iddrisu Enterprise	3,004.51	G0006134130
17	29-May-18	Supply and delivery of computers and hardware to revamp computer laboratory	Gripphaus Ventures	13,312.75	G0006104130
18	06-Feb-18	Supply of cadet corps' military shoes	Nash 2 Enterprise	6,000.00	G0005296226
19	26-Jul-18	Supply of material to construct 400m fence	Rauf Nakum Ventures	20,787.00	175N00001

20	23-Mar-18	Supply of detergent for intermediate kitchen	Akubat Trading Enterprise	2,035.28	124007484
21	01-Aug-18	Supply of foodstuff intermediate student	Akubat Trading Enterprise	32,328.00	124007484
22	01-Aug-18	Supply of foodstuff for intermediate student Lot-1	Ver-Nchor Trading Enterprise	11,887.20	124007484
23	01-Aug-18	Supply of detergent for kitchen	Eddie-Lad Training	2,345.00	124007484
24	26-Mar-18	Supply of foodstuff for intermediate students	Eddie-Lad Trading Enterprise	34,361.83	124007484
				253,625.92	

255. The Procurement Officer asserted that the affected suppliers were registered but were yet to be issued with VAT certificates. However, he did not provide any evidence to support his claim.

256. This situation, if not curtailed, could lead to abuse of the procurement procedures by awarding contracts to non-deserving suppliers.

257. We recommended to Management to provide the VAT registration certificates of the affected suppliers or the Ag. Vice Chancellor, the Procurement Officer and the Ag. Director of Finance be jointly made to refund the amount.

258. Management accepted the recommendation for compliance

Procurement of Equipment not put to use GH¢89,000.00

259. Regulation 39 (1) of FAR, 2004 (L I 1820) requires a head of department to ensure that utilization of public funds is done not only to secure the intension of Parliament, but also to ensure that there is value for money. Again, Section 7 of the Public Financial Management Act, 2016 enjoins the Principal Spending Officers to ensure the regularity and proper use of money appropriated in their entities.

260. We noted that management of the University awarded contracts to Asga Enterprise for the supply of Hospital's Theatre equipment in 2017 valued at GH¢89,000.00 but all the equipment had not been put to use.

261. Poor planning on the part of the Directors of the University's Hospital caused this anomaly.

262. Continuous abandonment of all the equipment would further deteriorate the value of the machines leading to loss of value to the state.

263. We recommended that Management should put the machines to effective use, failure of which, the total amount of GH¢89,000.00 be refunded by the Directors of the Hospital.

264. Management responded that the National Health Insurance Authority (NHIA) accredited the facility as a clinic Grade D; Prescriber level B2. The placement by the NHIA does not include theatre services to NHIA clients, thereby affecting the use of the theatre and its equipment since we risk running losses. Efforts are being made to operate the theatre on a Public Private Partnership (PPP) bases where Doctors will be allowed to use the theatre and pay commission to the hospital.

Payment for Contract Not Fully Executed GH¢50,000.00

265. Section 1 of the Government Contracts (Protection) Act, 1979 (AFRCD 58) requires that any person who is responsible for the issue of any certificate on the basis of which any money has been paid out of public funds to or for the benefit of any contractor or other person in respect of any Government contract, shall be jointly and severally liable with that contractor or other person for the refund of any money so paid knowing that the work or service for which the payment was made or the goods for the supply of which the payment was made has not been performed or have not been supplied or that the money was not otherwise due.

266. We noted that the University awarded a contract to Asga Enterprise on 25/08/2017 at a cost of GH¢50,000.00 for the supply and installation of Chemistry Automated Analyser but the installation had not been done.

267. The University was denied the use of the machine because of the non-installation by the contractor.

268. The lapse occurred because of weak internal controls in contract management.

269. We recommend to Management to compel Asga Enterprise to install the Chemistry Automated Analyser for use, failure of which, the authorising and approving officers should be made to refund the cost of installation. Management accepted our recommendation.

Printing of Receipt Booklets without Approval

270. Regulation 211 of the Financial Administration Regulations, 2004 (LI 1802) states amongst others that the Controller and Accountant-General is responsible for approving the form and content of value books and ordering supplies of value books from the printers.

271. We however noted during our review of revenue that 105 (32051-37300) receipt booklets obtained by the University were not approved General Counterfoil Receipts (GCR) from the Controller and Accountant-General's Directorate (CAGD).

272. Management could not provide evidence of the authority on which the receipt books were printed, neither did they provide any reason for this infraction.

273. Without approval and proper controls over receipt books there could be abuse to the detriment of the University.

274. We advised management to either procure CAGD approved GCRs or seek the necessary approval for the printing of receipt books.

275. Management noted our recommendation for compliance.

Printing of Diaries and Calendars-GH¢43,461.70

276. Paragraph 864 of the 2018 Budget Statement presented to Parliament on the authority of the President of the Republic on Wednesday, 15 November 2017, states amongst others that to cut back on administration overheads of all public entities, the production of diaries and calendars by public institutions are to be discontinued.

277. In spite of the above directives by the Minister, we noted that the Tamale Technical University paid an amount of GH¢43,461.70 to Khomara Printing Press for the printing of 2018 Dairies and Calendars. Details are in table 14.

Table 14: Printing of Diaries and Calendars

DATE	CHQ NO.	PAYEE	DETAILS	AMOUNT GH¢
20/3/18	Zenith 000503	Khomara Printing Press	Pmt. for supply of Diaries and calendars	43,461.70

278. Management's disregard for the directive resulted in the infraction.

279. The condition resulted in misapplication of scarce IGF of the University which could have been used for other important activities.

280. We advised Management to comply with the directive above and desist from the practice to avoid any sanctions by the Minister.

Bond Not Fully Served (GH¢163,213.56)

281. The Condition of Service for Tamale Technical University for Senior Staff and Senior members of POTAG, June 2006 Section 15.6 (g) states that employees granted study leave shall be made to sign bonds before proceeding on the course for the number of years one should serve after completion.

282. Our examination of separated staffs' file revealed that Mr. Balica Braimah, former Senior Lecturer Non-PhD holder attached to Languages and Liberal Studies Department was awarded a full-time study leave with pay effective September 2012 to pursue a 3-year Doctor of Philosophy (PhD) programme in French at the Kwame Nkrumah University of Science and Technology. The approval letter stated that, the officer should sign a bond form to serve the institution for four years after the completion of the Course.

283. We further noted that the officer after completion returned in September 2017 and served 1 year bond. He then applied for leave of absence in July 2018, thereby defaulting his bond service for the remaining 3 years.

284. Management's failure to ensure that Mr Brimah signed the bond before granting him the leave, coupled with his intention to cheat the institution for his own personal gains has caused this loss.

285. The University has been deprived of the benefit which could have been deprived from skills acquired by the beneficiary, apart from the loss of funds to the Government if the expended amount is not retrieved.

286. We recommended to Management to pursue Mr Braimah to recover the amount of GH¢163,213.56 plus interest at BOG prevailing rate and pay same to chest as early as possible.

287. Management has already contacted the staff concerned to take steps to redeem the Bond.

Staff on Study leave Not Bonded

288. Section 7.8 (ii) of Human Resource Policy of Polytechnics requires that “Before proceeding for the training programme, a beneficiary shall be required to enter into a bond to complete the training satisfactorily, return to the service and serve in the Technical University for the period specified in the bond.

289. Contrarily, management did not bond four out of ten officers who were granted study leave with pay for the period 2014 - 2019 to pursue various courses under the sponsorship programme. Details are as follows in table 15.

Table 15: Staff on Study leave Not Bonded

NO.	NAME	STAFF I D	PROGRAMM	STATING DATE	ENDING DATE	NUMBER OF YEARS TO SERVE
1	Sophia Ayarik	330815	4yrs. Phd in innovation and communication (UDS). -	17/10/14	30/09/18	5 years
2	Aboko Akudugu	786729	3yrs. Phd in innovation and Comm (UDS)	17/10/14	30/09/18	4 years.
3	Alhassan A Rasheed Akeji	756291	-4yr Phd in Business Administration (Accra Institute of Technology)/ - (University of Jiansung in the Republic of China)	17/10/14	187/2018	5 years.
4	Abdulai Salifu Asuro (Phd)	756137	1 yr. Sabatical Leave - Madina Ins. Of science and Tech. Accra	/09/2018	/09/2019	2 years.

290. The omission was due to oversight on the part of management to ensure that all sponsored officers had completed the bond form and submitted before leaving for the programme.

291. Failure to bond the beneficiary officers may deprive the institution the benefit to be derived from the investment made on its human resources capacity building if after completion the beneficiaries decide to resign or leave the Institution.

292. We recommended that the above mentioned officers and subsequent beneficiaries should be made to complete and submit bond forms to serve as a guarantee for the institution in recouping its investment in human capacity building.

293. Management stated that Bond Forms have been given to the affected staff to be completed and submitted to Management by Tuesday April 16, 2019.

Unearned Salary-GH¢8,021.16

294. Regulation 297(1) of the Financial Administration Regulations 2004 stipulates that, a head of department shall cause the immediate stoppage of salary to the public servant when that public servant has retired, vacated post, resigned, granted leave without pay or died.

295. On the contrary, our review of the personnel files and electronic salary vouchers of 3 former employees of TaTU who had separated by way of retirement and death, showed that a total amount of GH¢8,021.16 was paid to them after separation. Details are in table 16.

Table 16 Unearned Salary (GH¢8,021.16)

NAME	STAFF ID	TYPE OF SEPARATION	DATE OF SEPERATION	DATE OF DELETION	AMOUNT
Yinzigi SibikIsdeen	905800	Deceased	11/10/18	Dec 2018	1,004.00
Peter Nilimo Yangben	299292	Deceased	28/9/18	Dec 2018	6,553.90
Azangina Mohammed	786565	Retired	14/10/18	Dec 2018	463.26
Totals					8,021.16

296. The above condition resulted from of Management failure to notify the Controller & Accountant-General for deletion of their names from the payroll and their bankers to place embargo on payments to the officers.

297. Management failure to retrieve the money has deprived the University the needed funds for its developmental projects.

298. We recommended to Management to pursue recovery of the amount from the officers concerned and pay same amount to chest, failing which the total amount should be recovered from the validating officers.

299. Management stated that the recommendation has been noted for compliance. Steps will be taken to recover GH¢6,553.00 from Mr Peter Nilimo Yengben’s ESB which has not yet been paid, while efforts will be made to recover the remaining unearned salaries from the next-of-kin of Messrs Yizingi Sibik Isdeen and Mohamed Azangina.

Fuel purchased not accounted for-GH¢167,718.88

300. Section 7 of the Public Financial Management Act, 2016 states: “A Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity.”

301. We however observed that management of the University paid a total amount of GH¢167,718.88 to Vivo Ghana Ltd between January and December 2018 for the purchase of fuel through the Shell card. The 20 beneficiary departments and members of staff could not account for the fuel usage. Details of disbursement are shown in table 17.

Table 17: Fuel purchased not accounted for - GH¢167,718.88

No.	Date	Transaction ID	Cheque No.	Amount GH¢
1	12th January 2018	P083/01/18	GN 001105	15,194.16
2	6th February 2018	P051/02/18	ZENITH 000435	15,667.92
3	12th March 2018	P173/03/18	GN 001146	12,988.00
4	11th April 2018	P095/04/18	UNIBANK 000489	13,161.60
5	28th May 2018	P248/05/18	ZENITH 000561	25,554.24
6	11th June 2018	P098/06/18	ZENITH 000583	1,344.96
7	12th July 2018	P107/07/18	ZENITH 000675	13,968.00
8	10th August 2018	P071/08/18	UNIBANK 000573	13,968.00
9	10th September 2018	P036/09/18	ZENITH 000757	13,968.00
10	15th October 2018	P124/10/18	ZENITH 000863	13,968.00
11	9th November 2018	P061/11/18	ZENITH 000955	13,968.00
12	6th December 2018	P038/12/18	ZENITH 001019	13,968.00
				167,718.88

302. We identified weak controls over the use of the Shell cards to purchase fuel as the cause of this anomaly.

303. As a result, we could not ascertain whether the fuel purchased was used in the interest of the University.

304. We recommended that, to ensure accountability for fuel purchased, the HODs with official vehicles should ensure that fuel purchased are

properly logged while kilometric allowance be paid to Principal officers without official vehicles who go on official duties as stipulated in the Ministry of Finance circular No. MOF BD/CMU/16/SAL.1 dated 4/1/16.

305. Management noted our recommendation for compliance.

Misuse of 3 University’s vehicles

306. Section 52(1) of the Public Financial Management Act, 2016 states: “A Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.”

307. Contrary to the above, we noted during our physical inspections of the University vehicles that, out of 22 vehicles, 3 of them assigned to officers were not parked at the premises of the University. Details of vehicles are shown in table 18.

Table 18: Misuse of 3 University’s vehicles

No	Vehicle	Assigned Office	Assigned driver
1	GV 1793-14	Transport Office	Transport Officer
2	GV 1799-14	Dean of students’ Affairs	Adam Fatawu
3	GV 1803-14	Registry	Inusah Hudu

308. Our interview of the drivers who have been assigned to those vehicles revealed that they do not drive them.

309. Under this condition, the usage of the vehicles could be abused.

310. We recommended to Management to ensure that with exception of vehicles on official assignments, all vehicles should be parked on the University’s premises. In addition, we recommended that Officers should be discouraged from driving University’s vehicles.

311. Management accepted the recommendation for compliance.

Absence of an Audit Committee

312. Regulation 88 of the Public Financial Management Act states that an Audit Committee shall ensure that the head of a Covered Entity to which the Audit Committee relates,

- (a) Pursues the implementation of any recommendations contained in
 - (i) An Internal Audit report
 - (ii) Parliament's decision on the Auditor-general's report
 - (iii) Auditor General's Management Letter and the
 - (iv) The report of an Internal Monitoring team in the covered entity concerned particularly in relation to financial matters raised.

313. We noted during our audit that the University has no Audit Committee in place to undertake the above functions for the University.

314. The Registrar explained that the absence of an Audit Committee was because their council has not been constituted by the Minister.

315. Absence of an Audit Committee resulted in the recurrence of most of the infractions reported on by the Auditor-General as well as the Internal Audit reports.

316. We advised Management to take necessary steps to ensure that an Audit Committee is established for the University to see to implementation of audit recommendations.

317. Management noted the recommendation for compliance.

Tamale Technical University's Council not in place

318. Contrary to Sections 4 and 6 of the Technical Universities Act, 2016 (Act 922) as amended, which gives the composition and functions of the Technical Universities Council, we noted that, the Tamale Technical University had no governing Council in place.

319. Management indicated that countless efforts had been made to get the Council constituted but to no avail.

320. As a result, major decisions cannot be made in the absence of the Council and thereby impeding the day to day running of the University.

321. We recommended that, the Ag. Vice Chancellor and his team put in more effort by liaising with the Ministry of Education through the National Council for Tertiary Education to get the University's Council inaugurated.

322. Management accepted the recommendation for compliance.

BOLGATANGA POLYTECHNIC

Introduction

323. This report relates to the audited accounts of the Bolgatanga Polytechnic for the period 1 January 2018 to 31 December 2018.

Operational Results

324. The operations of the polytechnic for the financial year 2018 ended up with a deficit of GH¢1,135,241 as compared with a deficit of GH¢48,004 for the previous year 2017, representing 2,264.9% increase in the deficit. Details are shown in table 19.

Table 19: statement of financial performance

Income	2018 GH¢	2017 GH¢	% Change
GOG Subvention	11,929,859	9,880,008	20.8
Internally Generated fund	2,056,258	2,151,015	(4.4)
Total Income	13,986,117	12,031,023	16.3
Expenditure			
Employees Compensation	12,018,760	10,151,310	18.4
Use of goods and services	1,865,094	1,473,254	26.6
Consumption of fixed assets	1,237,503	454,464	172.3
Total Expenditure	15,121,358	12,079,028	25.2
Income Surplus/deficit	(1,135,241)	(48,005)	2,264.9

325. Total Income for the Polytechnic increased by GH¢1,955,093 representing 16.3% from GH¢12,031,023. in 2017 to GH¢13,986,117 in 2018. The increase was due to increment in Government subvention.

326. Total Expenditure also increased by GH¢3,042,330 representing 25.2% from GH¢12,079,028 in 2017 to GH¢15,121,358 in 2018. This was due to increases in employees' compensation and consumption of fixed assets. The increase in employee compensation was due to increase in salary.

327. The Financial Position of the Polytechnic as at 31 December 2018 is shown in table 20.

Table 20: Statement of Financial Position as at 31 December 2018

	2018 GH¢	2017 GH¢	% Change
Non- Current Assets	7,128,353	4,410,972	61.6
Current Assets	1,311,534	1,277,770	2.6
Total Assets	8,439,887	5,688,741	48.4
Non-Current Liabilities	11,529,748	7,636,673	51.0
Current Liabilities	13,580	20,267	33.0
Net Assets (Liability)	(3,103,441)	(1,968,199)	57.7
Current Ratio	96.6:1	63:01:00	

328. Non-Current Assets increased by GH¢2,717,381 or 61.6% from GH¢4,410,972 in 2017 to GH¢7,128,353 in 2018. The increase was due to GETFUND funding for Property, Plant and Equipment.

329. Current Assets also increased by GH¢33,765 or 2.6% from GH¢1,277,770 in 2017 to GH¢1,311,534 in 2018. This was due to an increase in Inventory.

330. Current Liabilities decreased by GH¢6,687 from GH¢20,267 in 2017 to GH¢13,580 in 2018 representing a decrease of 33.0%.

331. The Liquidity position measured by current ratio of 63.01:1 in 2017 and raised significantly to 96.6:1 indicating that the Polytechnic is in a good position to meet its short term obligations.

MANAGEMENT ISSUES

Non-availability of Risk Management Policy

332. Section 7 (2) of the Public Financial Management Act of 2016, Act 921 states that a principal spending officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.

333. The purpose of carrying out a risk assessment is to enable management to come out with policies and practices that can enhance potential opportunities to help achieve the organization's objectives.

334. We noted during our audit that the Polytechnic has no Policy on identifying, assessing and managing risk that may arise in the course of its business.

335. Management has not attached any importance to the need of assessing risk and to put in measures to mitigate those risks resulted in the anomaly.

336. Inability to carry out a risk assessment does not enable management to take the necessary measures to forestall the occurrence of risk when it occurs.

337. We advised management to carry out a risk assessment of the Polytechnic in order to come out with policies and practices that can enhance potential opportunities to help achieve the Polytechnic's objectives.

338. Management noted our recommendation for implementation.

Opening of bank account without authority

339. Regulation 47(3) of the Financial Administration Regulations (FAR), 2004 (L.I. 1802) enjoins heads of departments to obtain authority from the Controller and Accountant General Department (CAGD) before opening bank accounts.

340. Contrary to the above Regulation, we noted that Management of the Polytechnic opened a bank account with Access Bank on 10/09/2018 with (Account Number 0390228439521) without authority from the Controller and Accountant General Department.

341. Non-compliance with the Regulation by Management contributed to this anomaly.

342. The practice of opening bank account without recourse to the Law is indicative that the Polytechnic funds are managed without appropriate control which could lead to concealment of transactions by Management.

343. We therefore, recommended that Management should take the necessary steps to seek retrospective approval from the Controller and Accountant General Department.

344. In response, Management indicated steps will be taken to seek retrospective approval from Controller and Accountant General Department.

Staff sponsored for further studies not bonded

345. Clause 15.6(g) of Conditions of Service for Polytechnic staff requires that “employees granted study leave shall be made to sign bonds before proceeding on the courses”.

346. We noted that five members of staff who were sponsored for further studies at various educational institutions were not made to complete Bond Forms in contravention of provisions in the Polytechnic’s staff Condition of Service which mandates beneficiaries of sponsorship to serve the Polytechnic for a required number of years after completing their respective courses of study. All the affected staff members are still at post. The details are shown in table 21.

Table 21: Staff sponsored for further studies not bonded

Name of staff	Institute of study	Programme offered	Programme duration
Polycarb Edem Kuvodu	University of Philippines, Los Banos	Doctor of Philosophy Degree in Food Science	3 years
David Brown	KNUST, Kumasi	PhD. in Highway & Transport Engineering	4 years
Benjamin Apam	University of the Philippines, Los Banos	PhD. in Statistics	3 years
Raymond Atubiga	Bolgatanga Polytechnic, Bolgatanga	HND – PLM	3 years
Stephen Salia	University of Energy and Natural Resources, Sunyani	Msc. Environmental Engineering Management	2 years

347. This lapse resulted from the lack of managerial will to enforce its own policy on staff sponsorship.

348. The Polytechnic stands the risk of losing staff not bonded if they decide to leave the school on completion of their courses of study and the Management will not benefit from the knowledge, they acquired.

349. We recommended that Management should ensure that the affected staff members studying with sponsorships without a bond are made to complete and sign undertakings and be bonded before being allowed to continue their courses of study.

350. Management responded that beneficiaries have given assurance to sign and submit the bond forms by the end of March. Additionally, measures are in place to freeze benefits for non-compliance.

Repairs and Servicing works not supported with certificate of Completion – GH¢43,792.42

351. Regulation 39(2c) of the Financial Administration Regulations states “the head of the accounts section of a department shall control the disbursements of funds and ensure that transactions are properly authenticated to show that amounts are due and payable”.

352. Regulation 1522, of Store Regulations 1984, requires that before any repair work is carried out, works orders should be issued to the service providers to ensure satisfactory work performance with a view to promoting value for money.

353. We noted that a total amount of GH¢43,792.42 were incurred for repair works and servicing of office buildings, equipment and vehicles without Certificates of Satisfactory completion of works done.

354. This anomaly could be attributed to the Transport, Estate and Account Officers inability to ensure that signed Certificate of Satisfactory completion of works done were attached to the payment vouchers before effecting payments.

355. The situation made it impossible for the Audit Team to ascertain the genuineness of the payments and whether value for money was obtained and satisfactory works performed.

356. We urged the Transport and the Estate Officers to provide the Certificates of Satisfactory completion of works done, duly signed by the user departments to authenticate the payments.

357. Management in response stated that all repair works of vehicles are normally certified by the Rector before payments are made and subsequent repair works will be certified with Certificate of Completion.

358. We however, stand by our recommendation.

Failure to pay auctioned sale proceeds to Consolidated Fund - GH¢6,056.00

359. Regulation 17(b) of the Financial Administration Regulations, 2004 (LI 1802) requires that a head of department shall “ensure that all Non-Tax Revenue is immediately lodged in the designated Consolidated Fund Transit bank account except in the case of Internally Generated Fund retained under the enactment”.

360. The Registrar in his letter number BP/COM/102/52 dated 28th May, 2018 on behalf of the Rector authorised the auction of unserviceable and obsolete items belonging to the Polytechnic.

361. The letter did not instruct those in charge of the auction to pay proceeds accruing from the sales into Non-Tax Revenue Account (NTR) at the Bank of Ghana, as required by the Regulation.

362. We however, noted that Management did not pay the proceeds of GH¢6,056.00 realised from the auction sale into the Non-Tax Revenue Fund Account at the Bank of Ghana. Details are shown in table 22.

Table 22: Auctioned sale proceeds

Income:	GH¢	GH¢
Cash Realized		6,496.00
Expenditure:		
Board expenses	(305.00)	
Labour cost	(110.00)	
Purchase of padlock	(25.00)	<u>(440.00)</u>
Cash On Hand		6,056.00

363. This was as a result of Management failure to adhere to the provisions in Regulation 17(b) of the Financial Administration Regulations.

364. We advised Management to pay the GH¢6,056.00 into the Non-Tax Revenue Fund Account at the Bank of Ghana without further delay and produce Treasury receipt for inspection.

365. Management noted the recommendation for compliance.

Unaccounted fuel purchased- GH¢764.00

366. Stores Regulations 1604 of 1984 stipulates “a vehicle log book shall be maintained for each vehicle”. Journeys undertaken shall be recorded and full particulars of receipts of fuel, oil and lubricants shall be entered up daily in the log book by the driver. All journeys recorded in the log book shall be certified by the officer using the vehicle.

367. We noted to the contrary that fuel claimed to be purchased for the official generator totalling GH¢764.00 was not recorded in the respective fuel log book.

368. The omission was a result of laxity in supervision over the drivers.

369. We could not determine whether the fuel was used in furtherance of the objectives of the Polytechnic.

370. We recommended that the total amount of GH¢746.00 should be accounted for and the subsequent purchases brought into account or the drivers held liable for a refund.

371. Management responded by producing entries to cover GH¢11,579.00 leaving a balance of GH¢764.00 out of GH¢12,343.00.

Payment of unapproved quarterly allowance – GH¢41,620.91

372. Section 12 of Polytechnics’ Act, 2007 (Act 745) requires that members of the Council and members of a sub-committee of the Council shall be paid allowances approved by the Minister of Finance.

373. Contrary to the above Section of the Act, we noted that the Polytechnic Management paid a total amount of GH¢41,620.91 as quarterly allowances to Governing Council members without approval from the Minister of Finance. Details of payments are in table 23.

Table 23: Payment of quarterly allowance

Date	PV No.	Cheque No.	Payee	Amount GH¢
20/03/2018	0006427	000020- 000034	Zangu-Rana I.D.Yakubu	14,201.90
25/10/2018	0001657	912592- 912605	Zangu-Rana I.D. Yakubu	14,201.90
25/10/2018	0001658	912606- 912619	Zangu-Rana I.D. Yakubu	13,201.11
Total				41,620.91

374. Payment of the quarterly allowance by management without recourse to the law contributed to this lapse.

375. The irregularity resulted in the payment of unauthorized allowance of GH¢41,620.91. This has the effect of draining the resources of the Polytechnic which could have been utilised in other areas to help the Polytechnic achieve its objectives.

376. We advised that in the absence of approval from the Ministry of Finance, the quarterly allowance should be recovered from the Council members or approval sought.

377. Management in response stated that the decision was taken by the Council in November 2011 and will however seek retrospective approval from the Ministry of Finance.

Payment of End of Year honorarium – GH¢15,874.97

378. Section 5(a) of Retention of Fund Act 2007, Act 735 states “Internally Generated Funds can only be utilised when the activities on which the expenditure will be incurred have been programmed and approved in that Ministries, Department and Agencies expenditure budget by Parliament”.

379. We however, noted during our review of payment vouchers that all the staff were paid a total amount of GH¢15,874.97 from the Internally Generated Fund (IGF) as End of Year honorarium. However, there was no provision in the budget approved by Parliament for the payment of End of Year benefit. Details are shown in table 24.

Table 24: Payment of End of Year honorarium

Date	PV No.	Cheque Numbers.	Payee	Amount GH¢
19/02/18	0001856	1199, 1200, 5000	Zangu-Rana I.D. Yakubu and Prudence Agana	15,874.97

380. We attributed this to management’s disregard for the Regulation stated above.

381. The lapse constitutes misapplication of the fund; because the Polytechnic had no approved budget for End of Year honorarium. The practice could also distort planned activities of the Polytechnic.

382. We recommended that management should seek retrospective approval from the Minister of Finance for the payments, and ensure that such benefits are incorporated in future budgets before payment.

383. Management noted the recommendation for strict compliance.

Overpayment of night/out of station allowances–GH¢4,066.67

384. Regulation 39 of Financial Administration Regulations of 2004, (L.I 1802) requires a head of department to ensure that monies are utilised in a manner that secures optimum value for money. It also enjoins a head of

finance to ensure that transactions are properly authenticated to show that amounts are due and payable.

385. Additionally, Ministry of Finance letter referenced AD/CMU/16/SAL.1 of 4 January 2016 on categories 2 and 3 allowances for the Public Service provides that where accommodation or meals are provided, rates for Night/Out of station allowance are abated by one third (1/3).

386. On the contrary, we noted that even though accommodation and/or meals were provided in respect of out of station travels, the full rate of allowance was paid from the Unibank Main account to officers without abating the rates by one-third as shown in table 25.

Table 25: Payment of night/out of station allowances

Date	PV No.	Details	Payee	Amount paid GH¢	Abated amount (2/3) GH¢	Over-payment (1/3) GH¢
		14th congregation of Koforidua Technical University				
26/9/18	1430		Zangu-Rana I.D Yakubu	900.00	600.00	300.00
-do-	-do-	-do-	Stephen G. Tobazaa	900.00	600.00	300.00
	-do-	-do-	Peter Tobigah	450.00	300.00	150.00
-do-	1449	12th congregation of Tamale Technical University	Prof. Samuel Erasmus Alnaa	1,050.00	700.00	350.00
4/10/18	1446	-do-	Zangu-Rana I. D Yakubu	900.00	600.00	300.00
-do-	-do-	-do-	Stephen G. Tobazaa	900.00	600.00	300.00
-do-	-do-	-do-	Peter Tobigah	450.00	300.00	150.00
11/10/18	1602	Workshop at Peduase lodge, Aburi	Prof. Samuel E. Alnaa	1,050.00	700.00	350.00
11/10/18	1603	-do-	Dr. Mrs Kuupole	1,050.00	700.00	350.00
11/10/18	1605	-do-	Zangu-Rana I. D Yakubu	1,050.00	700.00	350.00
15/11/18	1625	CORP meeting at Takoradi Technical University	Prof. Samuel E. Alnaa	1,400.00	933.33	466.67

5/12/18	1643	CORE meetings and congregation	Prof. Samuel E. Alnaa	2,100.00	1,400.00	700.00
Total				12,200.00	8,133.33	4,066.67

387. The absence of effective control over the payment of per diems accounted for this irregularity.

388. The overpayment has denied the polytechnic the needed funds for other developmental activities.

389. We recommended the immediate recovery of a total amount of GH¢4,066.67 from the payees and henceforth desist from making overpayments to officers.

390. Management responded that it is not always the case that accommodation and meals are provided for.

391. We stand by the recommendation.

Non-disposal of unserviceable vehicles

392. Regulation 1101, of the Stores Regulation 1984 states “It is the responsibility of all supervisory officers and staff directly in charge of stores and equipment to determine what surplus, obsolescence and unserviceable stores are lying in their store-house and compounds”

393. It is their further responsibility to take immediate action to dispose of such categories of stores and when necessary to report the circumstances to the appropriate authority for disposal action.

394. Our audit of the Polytechnic’s Transport Section revealed that three unserviceable vehicles that were parked at the Polytechnic’s Bukere Campus, were at the mercy of the weather for a long time without usage. The details are shown in table 26.

Table 26: Non-disposal of unserviceable vehicles

Vehicle Number	Type of vehicle	Chassis number	Comment
GV 137 – 17	Nissan Pick Up	JN1CJUD2220056029	Unserviceable
GW 4681 W	Tata Bus	MAT38906652L01039	Unserviceable
GR 3389 T	DM750 Standard Bus	9000132	Unserviceable

395. Management's failure to adhere to the Regulation above resulted in this anomaly.

396. The continuous lying of these vehicles on the compound, at the mercy of the weather could lead to further deterioration and also loss of value.

397. We urged management to constitute a board of survey to dispose these vehicles.

398. Management in response indicated that it will report the status of the unserviceable vehicles to the Governing Council at their first quarter meeting.

Delay in banking revenue collection

399. Regulation 15(1) of Financial Administration Regulations (LI 1802) states "any public officer or revenue collector who collects or receives public and trust monies shall issue official receipts for them and pay same into the relevant Public Fund Bank Account within twenty four (24) hours of receipt except in exceptional circumstances to be identified.

400. Contrary to above Regulation, we noted that banking of the revenue collected is done between two (2) to ten (10) days; instead of twenty-four (24) hours as prescribed by the Regulation.

401. The cause of this situation is the absence of vehicle and sometimes the revenue collector being alone in the office as explained by the officer-in-charge.

402. There is high risk of theft or burglary that could result from in-house keeping of the money for too long. Additionally, there is no insurance cover for the cashier.

403. We recommended that the cashier should comply with the Regulations by banking cash collections within twenty-four (24) hours.

404. Management indicated that the recommendation would be strictly complied with.

Absence of new library books

405. According to Section 4 of the Polytechnic Act, Act 745, the Polytechnic was set up to:

- a. Provide tertiary education in the field of manufacturing, Commerce, Science and Technology, Applied Social Science, Applied Art and other fields approved by the Minister.
- b. Provide opportunities for Skills development, Applied Research and Publication of research findings.

406. However, during the period under review, Management did not purchase any new library books to aid teaching and learning to achieve the objectives quoted above.

407. Meanwhile, the students pay library fee as a component of the school fees. In 2018 academic year, each student was levied GH¢40.00 as a library fee. Averagely, the Polytechnic collected a total amount of GH¢54,240.00 (1356 x 40) as library fees for the year under review, but the students are not directly benefitting from the payments. Interaction with the Finance officer showed that the last time the Polytechnic bought books for the library was in 2010. We have seen a lot of empty shelves in the library during our visit.

408. Management did not consider the purchasing of library books as its priority even though Bolgatanga Polytechnic is at the verge of being converted into a University.

409. We recommended that Management should ensure that current books for various departments within the Polytechnic are purchased for the library on yearly basis.

410. Management agreed with the recommendation and said a list has been developed for quotations bearing in mind the cost of books and funds availability.

CAPE COAST UNIVERSITY

Introduction

411. This report relates to the audited accounts of the Cape Coast Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

412. The operations of the Cape Coast Technical University for 2018 financial year, ended with a Surplus of GH¢170,811.62 as compared with a deficit of GH¢37,990.28, in the previous year 2017. Details are provided in table 27.

Table 27. Income & Expenditure for the year 2018

Incomes	2018 GH¢	2017 GH¢	Diff. GH¢	% Change
GoG Subvention	15,334,181.23	15,095,270.18	238,911.05	1.6
Internally Generated Fund	6,698,338.27	6,289,747.45	408,590.82	6.5
Total Income	22,032,519.50	21,385,017.63	647,501.87	3.0
Expenditure				
Employees compensation	15,175,325.98	13,941,131.38	1,234,194.60	8.9
Goods and Services	6,686,381.90	7,481,876.53	-795,494.63	-10.63
Total Expenditure	21,861,707.88	21,423,007.91	438,699.97	2.1
Income Surplus/Deficit	170,811.62	(37,990.28)	208,801.90	-549.6

413. Total Income increased by GH¢647,501.87 representing 3.0%, from GH¢21,385,017.63 in 2017 to GH¢22,032,519.50 in 2018. The increase was largely due to increase in student fees (diploma in education) from GH¢645,902.35 to GH¢1,035,515.67 representing 60.3% and also increase in proceeds from pre-school from GH¢33,159.00 to GH¢102,402.00 representing 208.8% increase. The increase in GoG Subvention, by GH¢238,911.05 representing 1.6%, from GH¢15,095,270.18 in 2017 to GH¢15,334,181.23 in 2018 was as a result of increase in wages and salary for the year.

414. Total Expenditure for the period also increased by GH¢438,699.97 representing 2.1% from GH¢21,423,007.91 in 2017 to GH¢21,861,707.88 in 2018. This was largely due to increase in Service Activities.

Financial Position

415. The Financial Position of the University as at 31 December 2018 is shown in table 28.

Table 28: Financial Position

	2018 GH¢	2017 GH¢	Incr/Decr GH¢	% Change
Non-Current Assets	10,010,326.66	10,588,500.41	- 578,173.75	-5.5
Current Assets	3,688,983.12	2,997,652.40	691,330.72	23.1
Total Assets	13,699,309.77	13,586,152.81	113,156.96	0.8
Current Liabilities	2,162,806.62	1,649,693.76	513,112.86	31.1
Net Assets	11,536,503.16	11,936,459.05	399,955.89	-3.4
Current ratio	1.7:1	1.82:1		

416. Non-Current Assets decreased by GH¢578,173.75 representing 5.5%, from GH¢10,588,500.41 in 2017 to GH¢10,010,326.66 in 2018. This was due to depreciation charges for the year.

417. Current Assets on the other hand, increased by GH¢691,330.72 representing 23.1% from GH¢2,997,652.40 in 2017 to GH¢3,688,983.12 in 2018. This was due to increase in bank balances.

418. Current liabilities also, increased by GH¢513,112.86 from GH¢1,649,693.76 in 2017 to GH¢2,162,806.62 in 2018 representing a decrease of 31.1%.

419. The liquidity position represented by current ratio decreased from 1.82:1 in 2017 to 1.7:1 in 2018 indicating that the University has decreased its ability to meet its short-term obligations as and when they fall due.

MANAGEMENT ISSUES

Failure to seek Auditor General's approval for forensic Audit-GH¢34,375.00

420. Section 187 (2) of the 1992 Constitution states that, the public accounts of Ghana and of all public offices, including the courts, the central and local government administrations, the Universities and public institutions of like nature, of any public corporation or other body or organization established by an Act of Parliament shall be audited and reported on by the Auditor-General.

421. Examination of the payment vouchers revealed that the Interim Management Committee (IMC) of Cape Coast Technical University

contracted Planita Consulting an Independent Auditor/Investigator to conduct a forensic audit on the operations of the University, costing GH¢34,375.00 without prior approval from the Auditor-General in contravention of the above provision of the Constitution. Details are attached in table 28.

Table 28: Failure to seek Auditor General’s approval for Forensic Audit

DATE	PV NUMBER	CHEQUE NUMBER	DETAILS	PAYEE	AMOUNT
29/05/18	MAY18071A	ZN-NT-0002535	PART PAYMENT OF CONSULTING FEES	PLANITA CONSULTING	13,875.00
30/08/18	AUG18047A	ZN002631	FINAL PAYMENT OF CONSULTING	PLANITA CONSULTING	16,875.00
29/05/18	MAY18071B	ZN-NT-000236	PAYMENT OF 7.5% WITHHOLDING TAX	GHANA REVNUUE AUTHORITY	1,125.00
30/08/18	AUG18047B	ZN002629	PAYMENT OF 7.5% WITHHOLDING TAX	GHANA REVNUUE AUTHORITY	750.00
30/08/18	AUG18047C	ZN002630	PAYMENT OF 7.5% WITHHOLDING TAX	GHANA REVNUUE AUTHORITY	1,750.00
TOTAL					34,375.00

422. We attributed the anomaly to Interim Management Committee’s failure to ensure that prior approval is sought from the Auditor-General before the appointment of Planita Consulting for the audit.

423. The anomaly above which constitutes a breach of Article 187 of 1992 constitution, led to inappropriate payment of GH¢34,375.00 to the private auditors, Planita Consulting.

424. We urged Management to ensure that a retrospective approval is sought from the Auditor-General for the appointment of the private auditors, failing which members of the IMC should be sanctioned accordingly. Furthermore, a copy of the report of the forensic audit should be forwarded to the Office of the Auditor-General.

425. Management accepted our recommendation for implementation

Cash transactions-GH¢18,091.63

426. Regulation 48(1b) of the Financial Administration Regulations 2004, (L.I 1802) states “A head of department shall ensure that cash holdings are kept to the absolute minimum, consistent with the efficient discharge of public financial business, by making payments by cheques where ever possible.”

427. During the examination of payment vouchers we observed that, five transactions for casual workers' salaries and pre-school feeding for the month of March 2018 amounting to GH¢18,091.63 were made in cash instead of cheque. Detailed shown in table 29.

Table 29: Cash Expenditure

Date	PV NO.	DETAILS	AMOUNT GH¢	10% TAX GH¢
1/3/18	Mar 18003	Funds for feeding for the month of March 2018 for the Basic School	2,479.00	
15/3/18	-	Payment for complementary cards for Prof. Owusu Mintah	300.00	
27/2/18	-	Payment for salary for the month February to teachers and attendants at the Basic School	1,372.50	152.50
15/3/18	Mar 18008A	Payment of allowance for February 2018 to part-time staff	9,396.00	1,044.00
15/3/18	Mar 18009 A	Payment of allowance for February 2018 to part-time staff	2,160.00	240.00
15/3/18	Mar 18010	Payment of allowance for Eagle FM staff February 2018	2,364.13	197.87
	Total		18,071.63	1,634.37

428. The lapse could be attributed to Management's failure to adhere to the provisions of the Financial Administration Regulations 2004, (L.I. 1802) as quoted above.

429. Transactions made by cash in the office could lead to loss of funds in the event of burglary, systems abuse or misapplication of Funds.

430. We recommended to Management to desist from the practice and ensure that payments are made by cheque in future transactions to avoid sanctions.

431. Management fully agreed with the recommendation for implementation.

Use of IGF for the payment of Book and Research Allowance - GH¢22,626.85

432. The Retention of Funds Act 2007, Act 735 section 5(c) states “Internally Generated Funds shall not be used for the payment of salaries, staff benefits and other allowances except where the allowances are directly related to increased revenue”.

433. Our review of payment of Book and Research allowances revealed that GH¢22,626.85 of the University’s Internally Generated Funds was used to pay Book & Research allowance.

434. The amount was awarded by CHRAJ, based on a ruling in favour of Mr. Offei Appiah for wrongful termination of appointment without compensation by Management, for which approval was given by NCTE in a letter with reference No, HC/V.77 and was paid via payment voucher number May18019. Details are shown table 30.

Table 30: Use of IGF for the payment of Book and Research Allowance

Academic Year	Book Allowance	Exchange Rate	Book Allowance	Research	Amount Due
2013/2014	1500.00	2.5117	3,767.55	400.00	4,167.55
2014/2015	1500.00	3.5023	5,253.45	400.00	5,653.45
2015/2016	1500.00	3.8479	5,771.85	400.00	6,171.85
2016/2017	1500.00	4.1560	6,234.00	400.00	6,634.00
Total					22,626.85

435. Management’s negligence resulted in the payment of the amount to which no budget allocation was made in 2018.

436. We recommended that the University apply for refund from Ministry of Finance through the NCTE and pay into the University’s account and our office notified.

437. Management accepted the recommendation for compliance.

Un-acquitted payment - GH¢386,705.11

438. Regulation 39 of the Financial Administration Regulations (FAR), 2004, (L.I 1802) stipulates that

- i. A head of department shall ensure that moneys are utilised in a manner that secures both optimum value for money and the intention of Parliament.

- ii. The head of the accounts section of a department shall control the disbursements of funds and ensure that the officer ordering disbursement is authorised to do so;
- iii. orders are made within the powers of and the funds available to the officer ordering disbursements;
- iv. transactions are properly authenticated to show that amounts are due and payable; and
- v. any order for disbursements that does not meet these requirements is rejected.

439. Examination of the payment vouchers, observed that total payment of GH¢386,705.11 were made by the Director of Finance, Mr. Victor Baah Danquah without official receipts, statement of claims, evaluation and inspection reports to support the payments vouchers. Details are shown table 31.

Table 31: Un-acquitted payment

DATE	PV NO:	DETAILS	CHEQUE NO:	AMOUNT	PAYEE
1/26/2018	JAN18091	MONTHLY STIPEND PAID	0-00091	21,120.00	EMMANUEL KWAW
1/11/2018	JAN18019A-B	HINGES AND SCREWS PURCHASED	0-00092	2,900.00	ANAZO VENTURES
4/19/2018	APRIL 18 011A-B	PAYMENT FOR EXTERNAL ASSESSORS	0-00117	2,250.00	PROF. KWAKU BOAKYE AND OTHERS/GRA
ADB SALARIES					
5/29/2018	MAY 18 065A-B	EXTERNAL ASSESSORS ALLOWANCE	876869-71	3,000.00	PROF. KWADWO ADINAKRAH-APPIAH & OTHES
6/4/2018	JUNE 18 002	FUNDS FOR CORP/UMES PROGRAM HELD ON 6-7 JUNE	876865	27,431.00	ACCRA TECHNICAL UNIVERSITY
ADB HOSTEL					
2/20/2018	FEB 18 087	REFUND OF HOSTEL FEES	661967	2,460.00	ALHASSAN WILLIAMS & OTHES
HFC					
1/24/2018	JAN 18 048	CAPA LEADERSHIP TRAINING	622628	1,840.00	BAMFO AGYEI
2/26/2018	FEB 18 117	ACCOUNTANT IMPREST FOR OFFICIAL DUTY	622658	5,000.00	BAAH DANQUAH
UNIBANK					
2/1/2018	FEB 18 002	PETTY CASH EXPENSES	0-01268	5,000.00	EMMANUEL ARTHUR
2/14/2018	FEB 18 072	ADVERTISEMENT COST	0-01292	13,512.00	GRAPHIC COMMUNICATION GROUP
2/14/2018	FEB 18 075	LEGAL EXPENSES	0-01307	300.00	BADUWA

					LEGAL CONSULT
2/12/2018	FEB 18 057	LICENSING OF MOTOR RIDER	0-01308	800.00	JUDITH -ALICE SASU
2/14/2018	FEB 18 061	PAYMENT FOR SEWING OF OVERCOATS & OVERALL FOR MAINTENACE	0-01309	4,010.00	SOLOMON OBENG
2/22/2018	FEB 18 126	ACCOUNTANT IMPREST FOR OFFICIAL DUTIES	0-01327	2,000.00	PROF. SAMUEL K. ANSAH
2/26/2018	FEB 18 121	ACCOMMODATION EXPENSES	0-01351	9,000.00	MICHAEL MAGNUS BENTIL
7/10/2018	JULY 18 010	IMPREST FOR REGISTRAR & IMC CHAIR LAUNCH CONFERENCE	0-01370	2,000.00	MICHAEL MAGNUS BENTIL
7/11/2018	JULY 18 014	ACCOUNTANT IMPREST	0-01371	2,000.00	VICTOR BAAH DANQUAH
7/11/2018	JULY 18 017	PETTY CASH EXPENSES	0-01379	4,963.00	EMMANUEL ARTHUR
7/26/2018	JULY 18 053	ACCOUNTABLE IMPREST FOR INTERNAL RUNNING	0-01388	2,160.00	DR. OPPONG E. CHARLES
7/17/2018	JULY 18 027A	JUNE HONORARIUM TO IMC	0-01389	7,200.00	PROF. SARAH DARKWA & OTHERS
7/26/2018	JULY 18 054	LABORATORY WORKS FOR 201/2018 HND STUDENTS	0-01389	7,200.00	KNUST,MECHANICAL DEPT
7/17/2018	JULY 18 026	T&T CLAIMS	0-01393	4,200.00	PROF. SARAH DARKWA & OTHERS
8/3/2018	AUG 18 006A-B	JULY HONORARIUM TO IMC	0-001412-413-414	8,000.00	PROF. SARAH DARKWA & OTHERS
6/8/2018	JUNE 18 020A	SERVICING OF VEHICLE GV 1883-14	0-01439	10,729.24	AUTO MALL GH LTD
8/10/2018	AUG 18 026	AWARDS FOR BEST @ 14 CONG.	0-01463	1,400.00	MICHAEL BENTIL
8/16/2018	AUG 18 032	T&T CLAIMS	0-01470-71	1,200.00	PROF. SARAH DARKWA & OTHERS
8/30/2018	AUG 18 048	SRC EXPENSES	0-01483	5,900.00	SRC
GCB UT					
2/19/2018	FEB 18 018A	PAYMENT FOR SSNIT CONTRIBUTION OF EAGLE FM	0-00350	2,376.00	SSNIT
2/5/2018	FEB 18 014A-B	PAYMENT FOR HOTEL BILL	0-00356	10,693.44	COCONUT GROOVE BEACH RESORT
GCB					
1/10/2018	JAN 18 015A	PART TIME TEACHING CLAIMS	641371	7,585.20	DR. FRANCIS DAVIES
1/23/2018	JAN 18 041	ACCOUNTABLE IMPREST	641386	4,000.00	VICTOR BAAH DANQUAH
1/24/2018	JAN 18 057	ACCOUNTABLE IMPREST	641397	4,000.00	MICHAEL BENTIL
1/24/2018	JAN 18 059	DINNER FOR PARTNERS FROM GERMANY & KUMASI	641401	2,000.00	MICHAEL BENTIL
1/24/2018	JAN 18 058	REFRESHMENT EXPENSES	641407	1,000.00	MICHAEL BENTIL
1/26/2018	JAN 18 093	MONTHLY STIPEND	641421	21,120.00	NANA KOBINA GERRAR

12/14/2018	DEC 18 037	PETTY EXPNESES	641603	5,000.00	EMMANUEL ARTHUR
ZENITH NON- TERTIARY					
5/4/2018	MAY 18 005	PAYMENT FOR PRE- SCHOOL FEEDING	0-00218	2,107.15	GABRIEL MWINKUME
UNIBANK DIP					
6/4/2018	JUNE 18 007A	HONORARIUM TO EXTERNAL ASSESSOR	0-00099-101	2,025.00	PROF. ALEX BOAKYE ASIEDU & OTHERS
7/10/2018	JULY 18 012A- B	HONORARIUM TO EXTERNAL ASSESSOR	0-00096-97	1,500.00	RITA KAINE & OTHER
ZENITH RECURRENT					
1/11/2018	JAN 18 019	DATA BUNDLE FOR REGISTRATION	0-02562	800.00	ELISHA D. ARMAH
1/26/2018	JAN 18 092	PAYMENT OF MONTHLY STIPEND	0-02569	21,120.00	BENJAMIN CHRIS AMPIMAH
2/12/2018	FEB 18 049	ACCOMMODATION EXPENSES ON CORP INVIGILATION	0-02572	1,500.00	MICHAEL M. BENTIL
4/4/2018	APRIL 18009	PETTY CASH EXPENSES	0-02597	5,000.00	EMMANUEL ARTHUR
0/3/18	MAR 18 001	REFUND OF FEES	0-02600	5,862.00	FLORENCE AMPAH K
8/24/2018	AUG 18 040A	ACCOUNTABLE IMPREST FOR INTERSHIP	0-02619	4,578.00	LILY DOE
8/30/2018	AUG 18 046	FEEDING FOR THE BASIC	0-02632	1,239.50	GABRIEL MWINKUME
8/30/2018	AUG 18 044	PERDIEM FOR OFFICIALS TO INDIA	0-02658	7,879.20	PROF. SARAH DANKWAH
8/31/2018	AUG 18 067A	HONORARIUM & T,T CLAIMS	0-02670	8,400.00	PROF SARAH DARKWAH & OTHER
9/26/2018	SEPT 18 051	ACCREDITATION PAYMENT	0-02743	6,000.00	NAB
9/26/2018	SEPT 18 043A	HONORARIUM CLAIMS TO IMC	0-02752-54	7,200.00	PROF. SARAH DANKWAH
9/26/2018	SEPT 18 047	FEEDING FOR THE BASIC FOR OCTOBER'2018	0-02756	2,800.00	ALHAJI ABDULAI
9/26/2018	SEPT 18 047	FEEDING FOR THE BASIC FOR SEPTEMBER'2018	0-02756	2,800.00	ALHAJI ABDULAI
11/8/2018	NOV 18 020	FUNDS FOR ARMY CADET CORPS DUES	0-02846	2,815.00	CCTU ARMY CADET CORPS
11/12/2018	NOV 18 024	IMPREST FOR PASS ENGINEERING WORKSHOP	0-02849	2,170.00	BEN EBO ATTOM
11/13/2018	NOV 18 034	IMPREST EXPENSES	0-02854	400.00	PATRICK ARTHUR
11/13/2018	NOV 18 028	ACCOUNTABLE IMPREST	0-02856	8,300.00	ESTHER BOHAM
11/13/2018	NOV 18 032A	HONORARIUM TO PRESSMEN	0-02857	567.00	ESTHER BOHAM
11/14/2018	NOV 18 036	ACCOUNTABLE IMPREST	0-02862	500.00	MICHAEL M. BENTIL
11/16/2018	NOV 18 040	PERDIEM TO EXTERNAL INVIGILATORS OF B- TECH	0-02864	5,145.00	PROF. SAMUEL P. OWUSU
11/20/2018	NOV 18 047	PAYMENT FOR CONFERENCE FEE & ACCOMMODATION	0-02869-70	1,400.00	PAUL ANDOH

		FOR INTERNA AUDITOR CONFERENCE			
11/20/2018	NOV 18 048	REFRESHMENT EXPENSES	0-02873	1,335.00	MICHAEL M. BENTIL
11/26/2018	NOV 18 063A	HONORARIUM TO EXTERNAL ASSESSOR	0-02892-94	2,025.00	PROF. JOSHUA AYARKWAH & OTHERS
12/4/2018	DEC 18 005A	RETENTION FEES	0-02961	1,800.00	BADUWA LEGAL CONSULT/GRA
12/4/2018	DEC 18 005B	TAX ON RETENTION FEE	0-02962	200.00	GRA
12/3/2018	DEC 18 001A	ALLOWANCE FOR EXAMS OFFICERS	0-02966	702.00	EMMANUEL NANA JACKSON & OTHERS
12/12/2018	NOV 18 024	REGISTRATION &INSURANCE OF TRICYCLE	0-02995	400.00	PHILIP ANDOH
11/27/2018	NOV 18 080	T&T CLAIMS	0-02912-913	1,200.00	DR ERNEST YANKSON & OTHERS
11/28/2018	NOV 18 085A	HONORARIUM TO IMC	0-02914-916	7,200.00	DR ERNEST YANKSON & OTHERS
11/28/2018	NOV 18 081	ACCOUNTABLE IMPREST	0-02918	900.00	BEN EBO ATTOM
11/29/2018	NOV 18 087	ACCOUNTABLE IMPREST FOR PEDESTAL SKIP	0-02948	600.00	SOLOMON OBENG
10/1/2018	OCT 18 002A	PAYMENT OF EXTERNAL MODERATION-B TECH	0-03001	4,635.00	DR PRINCE Y ANDOH & OTHERS
10/4/2018	OCT 18 025A	HONORARIUM TO EXTERNAL ASSESSOR	0-03006	1,350.00	PROF KWAKU A. BOAKYE
10/15/2018	OCT 18 036	REFILL OF GAS BOTTLES FOR STUDENTS PRACTICALS	0-03026	1,848.00	EMMANUEL KWAW
10/23/2018	OCT 18 047A	HONORARIUM TO IMC	0-03058-60	7,200.00	PROF SARAH DARKWAH & OTHER
10/23/2018	OCT 18 049	MONTHLY FUEL TO IMC	0-03036-64	1,200.00	PROF SARAH DARKWAH & OTHER
9/17/2018	SEPT 18 031	ACCOUNTABLE IMPREST FOR ROAD WORTHINESS	0-03066	2,060.00	DVLA
10/25/2018	OCT 18 064	RECOUPMENT OF PETTY CASH	0-03071	4,891.30	EMMANUEL ARTHUR
10/25/2018	OCT 18 061	CADET DUES	0-03072	3,040.00	CCTU ARMY CADET CORPS
10/29/2018	OCT 18 070	IMPREST TO PURCHASE 600 GB BUNDLE	0-03080	1,200.00	ERIC AKPAH
10/31/2018	OCT 18 076	DATA BUNDLE	0-03100	800.00	ERIC AKPAH
12/14/2018	DEC 18 042A	HONORARIUM TO IMC	0-03107-109	7,200.00	DR ERNEST YANKSON & OTHERS
GN BANK					
5/24/2018	MAY 18 062	PER DIEM FOR GERMANY TRIP	0-00152	17,461.08	BEN EBO ATTOM & OTHERS
		TOTAL		386,705.11	

440. Disregard for the Regulation stated above and Management's overriding of internal controls caused this anomaly.

441. The absence of supporting documents may result in fictitious and illegitimate payments, leading to misappropriation and embezzlement of funds.

442. We recommended that the Director of Finance, Mr. Victor Baah Danquah pursue the payees for official receipts and the necessary documents to authenticate the payments, failing which the above stated amount may be disallowed and surcharged against the authorising and approving officers.

443. Management accepted our recommendation and indicated that they have contacted the respective payees to submit their receipts to the cashier for submission to the Director of Finance.

Unpresented payment vouchers- GH¢56,238.90

444. Regulation 1 of the Financial Administration Regulations (FAR), 2004, (L.I 1802) stipulates that

- (1) Any public officer who is responsible
 - (a) for the conduct of financial business on behalf of the Government of Ghana.
 - (b) the receipt, custody and disbursement of public and trust moneys or
 - (c) for the custody, care and use of public stores.

445. Shall keep proper records of all transactions for inspection when called upon to do so by the Minister, the Auditor-General, the Controller & Accountant-General or any officers authorised by them.

446. Our examination however, disclosed that 11 payment vouchers (PV's) amounting to GH¢56,238.90 paid by the Director of Finance, Mr. Victor Baah Danquah were not presented for audit.

Table 32: Unpresented payment vouchers

Date	PV No:	Details	Amount
GCB Recurrent			
1/17/2018	641374	Accommodation cost for attending funeral	4,000.00

1/24/2018	641391, JAN18049	Accountable imprest	10,909.05
1/25/2018	641412	Payment of withholding tax	152.05
HFC			
1/8/2018	0088 NOV 17141A	Payment of Hotel Accommodation	7,404.17
ZENITH RECURRENT			
6/13/2018	June 18031A	Pmt. of Honorarium	3,645.00
8/30/2018	Aug 18048	Pmt. of S.R.C. Dues	5,900.00
9/28/2018	Sept 18065A	Pmt. of Part Time Claims	1,912.00
ZENITH NON TERTIARY			
11/9/2018	Nov 18018A	Pmt. of Withholding Tax	915.00
ADB SALARIES			
7/26/2018	June 18007B	Pmt. of Withholding Tax	225.00
UNIBANK RECURRENT			
2/19/2018	FEB18084	Pmt. of B-Tech Supervision	6,133.33
GN BANK			
1/17/2018	Jan 18054	Pmt. of Painting Works	15,043.30
Total			56,238.90

447. We attributed the cause of this anomaly to control weaknesses exercised over the handling and custody of financial records by the Finance Office of the University.

448. We could not substantiate the payments recorded in the cash book due to absence of the payment vouchers and their supporting documents.

449. We recommended that the Director of Finance Mr. Victor Baah Danquah present the payment vouchers for audit inspection, failure of which the total amount of GH¢56,238.90 should be refunded by him.

450. Management accepted our recommendation and said that effort were being made to locate the payment vouchers.

Unretired Imprest - GH¢15,900.75

451. Regulation 288 of the Financial Administration Regulations (FAR 2004) (L.I. 1802) stipulates that

- i. Imprest shall be retired at the close of a financial year and any imprest not so retired shall be adjusted to a personal advance account in the name of the imprest holder.

452. We observed that out of a total amount of GH¢46,649.13 granted as imprest by the IMC Chairperson and Director of Finance to officers to carry

out specific activities, only GH¢30,748.38 was accounted for, leaving a balance of GH¢15,900.75 yet to be retired. Details are shown table 33.

Table 33: Unretired Imprest

DATE	PV NO:	DETAILS	CHEQUE	AMOUNT	AMT ACCOUNTED	DIFFERENCE	PAYEE
GT							
1/10/2018	JAN 18 013	E-RESOURCES & MEMBERSHIP APYMENT	0-00097	800.00	-	800.00	CARLIGHT
ADB SALARIES						-	
5/22/2018	MAY 18 055	REFUND OF FEES	876873	10,461.63	9,964.63	497.00	AGOE ERNEST & OTHERS
ZENITH NON- TERTIARY						-	
5/24/2018	MAY 18 063	FUEL PURCHASED BY IMC MEMBERS	0-00232	1,250.00	-	1,250.00	PFRO. SARAH DARKWA & OTHER
5/28/2018	MAY 18 006	REGISTRATION FEE FOR REGULAR ACCESS STUDENT	0-00234	2,520.00	-	2,520.00	NABTEX
ZENITH CLINIC						-	
1/25/2018	JAN 18 072	CONTRIBUTION TO METRO HEALTH DIRECTORATE	0-00029	400.00	-	400.00	METRO HEALTH DIRECTO RATE
HFC						-	
1/25/2018	JAN 18 073	GAS FOR PRATICALS	622657	600.00	-	600.00	MADAM RITA SANFUL
UNIBANK						-	
7/31/2018	JULY 18 059	ALLOWANCE & PARTICIPATION FEE FOR INTERNAL AUDIT	0-01395	2,650.00	850.00	1,800.00	DOMINIC DINIKOR BAAN & OTHER
8/3/2018	AUG 18 011	ACCOUNTABLE IMPREST FOR 14 CONG.	0-01417	7,100.00	6,776.00	324.00	DR. RITA ELSIE SANFUL
10/3/2018	OCT 18 020A-B	ALLOWANCE FOR INVIGATION & OTHERS	0- 01489- 490	9,230.00	7,700.00	1,530.00	AGGREY FYNN & OTHERS
ZENITH RECURRENT						-	
5/22/2018	MAY 18 053A-B	RETENTION FEES	0-02607- 08	2,000.00	200.00	1,800.00	LAWYER MICHAEL ARTHUR DADZIE
11/27/2018	NOV 18 079	FEEDING FOR BASIC SCHOOL	0-02929	2,923.00	-	2,923.00	ALHAJI ABDULAI
10/17/2018	OCT 18 039A	PAYMENT OF SITTING ALLOWANCE	0-03028	3,147.00	2,794.00	353.00	PROF SARAH DARKWAH & OTHER
10/17/2018	OCT 18 040A	PAYMEN OF SITTING ALLOWANCE	0-03030	2,767.50	2,463.75	303.75	PROF SARAH DARKWAH & OTHER
12/14/2018	DEC 18	10% TAX ON					GRA

	042B	PAYMENT TO DR ERNEST YANKSON, OTH ERS		800.00	-	800.00	
TOTAL				46,649.13	30,748.38	15,900.75	

453. Disregard for the above quoted Regulation accounted for the anomaly.

454. The irregularity could lead to misappropriation and embezzlement of funds.

455. We recommended that the outstanding amount of GH¢15,900.75 should be retired by the payees, failure of which the amount should be adjusted to the personal advance account of the imprest holders.

456. Management accepted our recommendation for implementation.

Unremitted Withholding Tax- GH¢ 38,776.94

457. Section 117(1) of the Income Tax Act 2015, (Act 896), states “a withholding agent shall pay to the Commissioner-General a tax that has been withheld or that should have been withheld under this Subdivision within fifteen days after the end of the month in which the payment subject to withholding tax is made by the withholding agent”.

458. Section 117(3) of the same Act also states “A withholding agent who fails to withhold tax in accordance with this Division shall pay the tax that should have been withheld in the same manner and at the same time as tax that is withheld”.

459. The Director of Finance deducted an amount of GH¢38,776.94 being tax withheld from various suppliers of goods and service, consultancy and contract works, but did not pay same to GRA.

460. We further noted that the Finance officer did not withhold tax of GH¢1,902.64 on total payment of GH¢29,416.40. Details are shown table 34.

Table 34: WHT not remitted to GRA

DATE	PV NO:	DETAILS	CHEQUE NO:		TAX AMOUNT
GT					
12/18/2017	DEC17079A	SUPPLY OF 2.5 HP AIR CONDITIONER	0-00087	4,150.00	124.50
11/27/2017	NOV17141A	ACCOMMODATION EXPENSES	0-00088	7,404.17	504.83

ADB HOSTEL					
10/2/2018	OCT 18 011A-B	ROUTINE MAINTENANCE @ HOSTEL	661962	11,225.00	632.38
BARCLAYS					
30/1/2018	JAN 18100A	RENOVATION WORK ON ELECTRICAL ENGINEERING BLOCK	TRANSFER	76,000.00	4000.00
ZENITH CLINIC					
9/14/2018	SEPT 18 025A-B	PAYMENT OF DRUGS PURCHASED	0-00047	8,264.40	255.00
HFC					
4/6/2018	APRIL 18 022A	TEACHERS SALARY FOR APRIL'18	622659	1,327.00	152.00
UNIBANK					
7/19/2018	JULY 18 046A	TEACHING LOAD CLAIMS FOR B-TECH IN CIVIL	0-01377	15,817.00	1,513.00
7/16/2018	JULY 18 020A	PART-TIME STAFF ALLOWANCE	0-01378	10,526.40	1,169.60
7/17/2018	JULY 18 027A	JUNE HONORARIUM TO IMC	0-01389	7,200.00	800.00
6/8/2018	JUNE 18 020A	SERVICING OF VEHICLE GV 1883-14	0-01439	10,729.24	1,437.54
GCB					
12/14/2018	DEC 18 035A	PDCA,DCA,DBT & OTHERS ALLOWANCE	641604- 641269	104,433.30	11,603.70
UNIBANK DIP					
7/19/2018	JULY 18 044A	ALLOWANCE FOR BASIC SCHOOL TEACHERS FOR JUNE'2018	0-00113	1,800.00	200.00
7/17/2018	JULY 18 030	HONORARIUM TO EXAMS MALPRACTICE COMM.	0-00117	4,050.00	450.00
ZENITH RECURRENT					
1/11/2018	JAN 18 018A	SITTING ALLOWANCE OF MGT MEETING	0-02559	2,160.00	240.00
10/19/2018	OCT 18 045A	PRE-SCHOOL CLASSROOM CONSTRUCTION	0-03097	13,981.92	662.65
12/13/2018	DEC18 030A	FINAL PAYMENT FOR WORKS(RENOVATION WORKS)	0-03101	22,378.45	1,118.92
12/14/2018	DEC 18 033A	B-TECH CLAIMS, DIPLOMA & PROJECT WORK SUPERVISION	0-03139- 3155	63,499.86	6,822.21
12/14/2018	DEC 18 048A	ALLOWANCE TO 2018/2019 ADMISSION OUTREACH	0-03157	8,580.20	953.36
12/11/2018	NOV 18 014A	SITTING ALLOWANCE	0-02981	3,328.75	308.00
10/23/2018	OCT 18 052A	HONORARIUM,T&T CLAIMS	0-03051	4,723.00	140.00
12/14/2018	DEC 18 032A	ALLOWANCE FOR B-TECH FOR	0-03123- 138	55,503.20	5,689.25

		PROCUREMENT MGT				
TOTAL					437,081.89	38,776.94

Table 35: WHT Not Deducted

DATE	PV NO:	DETAILS	CHEQUE	AMOUNT	TAX RATE	TAX	PAYEE
ZENITH CLINIC							
14/09/18	SEPT 18 024	PAYMENT OF DRUGS PURCHASED	0-00048	1,321.40	3%	39.64	M&G PHARMACEUTICALS LTD
ZENITH RECURRENT							
16/11/18	NOV 18 040	PERDIEM TO EXTERNAL INVIGILATORS OF B-TECH	0-02864	5,145.00	10%	514.50	PROF. SAMUEL P. OWUSU
04/10/18	OCT 18022	PAYMENT FOR PRINTING CONGREGATION BROCHURE	0-03012		3%	292.50	UNIVERSITY PRESS
UNIBANK							
31/01/18	JAN 18 102	REFUND OF RENT	0-01271	13,200.00	8%	1,056.00	SAMUEL K. ANSAH
TOTAL				29,416.40		1,902.64	

461. We attribute this lapse to total disregard for the provisions of the Income Tax Act by the Financial Director.

462. The above practices undermine the state's effort to enhanced timely governmental revenue mobilization for developmental programmes.

463. We recommended that, the Director of Finance should remit the tax amount of GH¢38,776.94 to GRA without further delay. Furthermore, he should contact the suppliers involved to recover the withholding tax of GH¢1,902.64, failing which the amount of GH¢1,902.62 should be recovered from him as stipulated by the Income Tax Act.

464. Management accepted our recommendation.

Failure to Obtain VAT Invoice - GH¢4,868.35

465. Regulation 183 (4) of the Financial Administration Regulations (FAR), 2004 (L.I. 1802) states "A department shall procure government stores from only Value Add Tax (VAT) registered persons or entities and any department that requires an exemption for any specific case shall apply to the Minister with necessary justification" also

Section 41 of the Value Added Tax Act, 2013 Act 870 states that

- i. a taxable person shall on supply of taxable goods or services to a customer issue to the customer a tax invoice similar to form C in the schedule.
- ii. A taxable person upon issuing tax invoices shall retain a copy of each invoice in a serial number order.

466. Our audit disclosed that, the University procured and paid for various items totalling GH¢40,921.20 VAT Inclusive, but did not insist on the issuance of VAT invoices although a total VAT element of GH¢4,868.35 was paid. Details are as table 36.

Table 36: Failure to Obtain VAT Invoice

DATE	PV NO:	DETAILS	CHEQUE NO:	AMOUNT	VAT AMOUNT	PAYEE
HFC						
25/01/18	JAN 18 080A-B	SERVICING OF OFFICIAL VEHICLE,GN 5196-15	622634	1,336.10	68.50	K.A. KWANSA CO. LTD
UNIBANK						
02/02/18	FEB18 006	AUTOMATIC TRANSFORMER REPLACEMENT	0-0169	13,380.90	3,087.90	VICTOR BAAH DANQUAH
ZENITH RECURRENT						
30/08/18	AUG 18 062A	RENEWAL OF ACCOUNTING SOFTWARE LICENSE	0-02655	6,427.20	1,092.00	HOLMAN CONSULTING
28/09/18	SEPT 18 066A	MEDICAL CLAIMS	0-02782	11,277.00	364.95	FRIENDLY MOBILE MEDICAL SERVICES
26/11/18	NOV 18 060A	SUPPLY OF MOTOR TRICYCLE	0-02990	8,500.00	255.00	TWUM MOTORS
TOTAL				40,921.20	4,868.35	

467. Failure of the Director of Finance to insist on issuance of VAT receipt by the vendors resulted in this lapse.

468. The VAT amount of GH¢4,868.35 paid by the Director of Finance may not be remitted to GRA by the vendors because no invoice was issued to cover it. The State is being denied much needed revenue for development as a result of this tax evasion.

469. We recommended that, the suppliers should be contacted for the VAT invoices, failure of which the Director of Finance should be held liable for these lapses. Management should also endeavour to procure and insist on the issuance of VAT invoices from vendors in future.

470. The recommendation was accepted for implementation.

Overpayment of deferred leave allowance- GH¢18,950.34

471. Regulation 303 of the Financial Administration Regulations (FAR), 2004, (L.I 1802) stipulates “public officers shall take all leave due them before the effective date of retirement”. Also “The Revised Policy Framework on Leave Entitlements and Management for the Public Service of Ghana issued by the Public Service Commission states in paragraph ‘B’ that “There shall be no accrual of annual leave beyond two years including the current year for public service employees both in management and staff positions. Where the exigencies of work do not permit/ allow for the annual leave to be taken, appropriate approval should be sought from the Governing Boards and Councils as in the case of management staff and from the Heads of Public Service Institutions, Chief Directors/ Chief Executives and Heads of Departments for the senior and junior staffs. The reason(s) for the leave accrual should be properly documented in writing by the approving authority. Payment for any accrual shall not exceed two years of accumulation of annual leave and shall only be enjoyed at the end of one’s service”.

472. The audit team noted that Mr. Edward Kojo Agbovie was paid GH¢28,097.78 via Payment voucher no: Sept 18059A-B as deferred leave payment in excess of GH¢18,950.34 without approval from Governing Council contrary to the above policy. Details are in table 37.

Table 37: Overpayment of deferred leave allowance

	Leave days entitled to	Leave days to be paid	Days paid	Excess payment
No. of days	258 working days	84 working days (84 days*(75% of 3,920.62) 27 days	258 working days (258 days*(75% of 3,920.62) 27 days	174 working days (174 days*(75% of 3,920.62) 27 days
Amount		9,148.44	28,098.78	18,950.34

473. Management’s disregard for the Regulations is the cause of this anomaly.

474. The above anomaly resulted in a loss of Ghc18,950.34 of the University's scarce resources.

475. We recommended that Mr. Edward Kojo Agbovie should refund the amount of GH¢18,950.34 failure of which the IMC Chairperson Prof. Sarah Dankwa and Director of Finance Mr. Victor Baah Danquah should be held jointly to pay the amount to the University.

476. Management accepted our recommendation and will notify Mr Agbovie.

Expired Accreditation Nineteen (19)

477. Regulations 12(1) and 12(2) of the Tertiary Institutions Establishment and Accreditation Regulations, 2010 (L.I 1984) provides that an institution shall initiate the process for re-accreditation of its programmes or the institution itself (whichever is applicable) one (1) year prior to the expiry of validity of the accreditation certificates.

478. Our review of the University's accreditations document disclosed that Nineteen (19) programmes of the University have expired ranging from 2010 to 2018. Twelve (12) of the programmes have been submitted to national accreditation board for renewal.

479. Management's inability toward the renewal of the programmes one year before expiring resulted in the anomaly.

480. The absence of re-accreditation of its programmes might expose the University to various risks such as inability to award students with certificates and eventually, lead to closure of the University.

481. We recommended to Management to ensure that all expired programmes are re-accredited and the process should start at least one year before expiration. Furthermore, management must follow up to ensure that the necessary requirements are met.

482. Management accepted our recommendation and indicated that six HND programmes have been submitted for re-accreditation.

Draft Policy Documents

483. Section 90 of the Public Financial Management Act 2016, Act (Act 921) states “the governing body of a public corporation or state-owned enterprise shall establish and maintain;

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

484. During our review, we noted that the Technical University’s Policy documents we noted that 15 policies were in draft and were yet to be approved by the Council to help in managing the University’s resources to achieve its goals. Details of the policies are shown in table 38.

Table 38: Draft Policy Documents

No.	POLICY DOCUMENTS	STATUS
1.	STRATEGIC PLAN	DRAFT STAGE YET TO BE APPROVED
2.	SCHEME OF SERVICES	DRAFT STAGE YET TO BE APPROVED
3.	ACCOUNTING MANUAL	DRAFT STAGE YET TO BE APPROVED
4.	HUMAN RESOURES POLICY	DRAFT STAGE YET TO BE APPROVED
5.	MAINTENANCE POLICY	DRAFT STAGE YET TO BE APPROVED
6.	INDUSTRIAL COLLABORATION POLICY	DRAFT STAGE YET TO BE APPROVED
7.	HIV POLICY	DRAFT STAGE YET TO BE APPROVED
8.	TRANSPORT POLICY	DRAFT STAGE YET TO BE APPROVED
9.	DISABILITY POLICY	DRAFT STAGE YET TO BE APPROVED
10.	INTELLECTUAL PROPERTY & PATENT POLICY	DRAFT STAGE YET TO BE APPROVED
11.	BUSINESS DEVELOPMENT AND ENTRENEURSHIP POLICY	DRAFT STAGE YET TO BE APPROVED
12.	QUALITY ASSURANCE POLICY	DRAFT STAGE YET TO BE APPROVED
13.	SEXUAL HARASSEMENT POLICY	DRAFT STAGE YET TO

		BE APPROVED
14.	HEALTH, SAFETY & ENVIRONMENT POLICY	DRAFT STAGE YET TO BE APPROVED
15.	CODE OF ETHICS POLICY	DRAFT STAGE YET TO BE APPROVED

485. Management did not ensure that the Council approves these Policy documents promptly.

486. Lack of approved policy guidelines to direct activities could lead to inefficiencies in the University's operations.

487. We urged Management to ensure that the University Council approves these policy documents, to guide Management in its operations to ensure efficiency.

488. Recommendation accepted for implementation.

Absence of Business Continuity/Disaster Recovery Plan

489. Best IT management practice demands that an Institution should have a Disaster Recovery Plan and Business Continuity Plan. The document should be well communicated to staff members, and the backups safely kept in the Institution as well as off site.

490. Our review of the Disaster Recovery Plan and Business Continuity Plan from the Registrar and ICT department disclosed that the University did not have any of them to help retrieve information in case of any disaster to ensure continuity of the University's activities.

491. Management's indifferent posture towards the development of Disaster Recovering Plan and Business Continuity Plan resulted in the anomaly.

492. The non-establishment of a comprehensive business continuity or disaster recovery plan might expose the University to various risks, which could have dire consequences on the University in case a disaster occurs.

493. We recommended to Management to develop Business Continuity and Disaster Recovery Plans to ensure timely restoration of operational support in case of systems failure and disaster.

494. Our recommendation was accepted for implementation.

Non – Establishment of Audit Committee

495. Section 86 of the Public Financial Management Act 2016, (Act 921) requires all covered Entities-Ministries, Department, and Agencies (MDAs) and Metropolitan, Municipal and District Assemblies (MMDAs) to set up an Audit Committee (AC) to perform specific functions stated under Section 87 of the same Act.

496. We noted during the review of the previous audit issues and the Internal Auditor's report that the University did not have Audit Committee in place to see to the implementation of the recommendations made.

497. This was as a result of failure on the part of Management whose duty it is to ensure that Audit Committee is formed to address issues raised by both internal and external auditors.

498. Absence of an Audit Committee could result in reoccurrence of infractions reported on in the Auditor-General, as well as the Internal Audit reports.

499. We therefore advised Management as a matter of urgency to take necessary steps to ensure that an Audit Committee is put in place to perform its functions as required by Act 921.

500. Management accepted our recommendation for implementation.

Rent Defaulters GH¢3,570.26

501. Regulation 17 of the Financial Administration Regulations, 2004 states that, a head of department shall ensure that all Non-Tax Revenue are efficiently collected.

502. Article 14.0 of the Conditions of Service for Senior Staff and Senior Members for Polytechnic states “an employee shall be provided with accommodation if available, and shall be required to pay rent at the prevailing government rate. However, the Polytechnic may assist employees to get accommodation.

503. We observed during our examination of the Rent Register that (2) two tenants occupying government bungalows belonging to the Cape Coast Technical University defaulted in the payment of rent to the tune of GH¢3,570.26. Details shown in table 39.

Table 39: Rent Defaulters

Name	Staff ID/Status	Basic Salary	10% Basic Salary of Defaulted Months GH¢					Total
			Aug	Sept	Oct	Nov	Dec	
John Mbroh	761252/ Lecturer	3,664.97	366.50	366.50	366.50	366.50	366.50	1,682.50
James Kwesi Ansah	761290/ Assoc. Professor	4,719.38	471.94	471.94	471.94	471.94	-	1,887.76
Total								3,570.26

504. Failure by management to ensure that tenants pay their rents promptly, caused the anomaly.

505. The outstanding rent denied the University access to non-tax revenue of GH¢3,570.26.00 needed for development and maintenance of the University's buildings.

506. We recommended that the amount be recovered immediately from the defaulters, failure of which they should be made to vacate the bungalows.

507. Management accepted our recommendation for implementation.

Abandoned Project

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

509. We observed during a physical inspection of ongoing projects that, a Construction of Students' Lorry Park, Commercial area and Auditorium complex for the University which started in 2007 and 2015 with expected date of completion in 2009 and 2017 by Peemens Construction Ltd and Messrs Samwilco Construction Ltd respectively, had been abandoned by the contractors. The project is being financed by GETFUND. Details are in table 40.

Table 40: Abandoned Project

Contractor	Name of Project	Date of Contract Award	Expected Date of Completion	Original Contract Sum	Total Amount Paid	Amount Outstanding	Project Status	Name of Consultant	Remarks AS AT MARCH 2019
Peemens construction Ltd	Construction of Students ' Lorry park and commercial area procurement	20/3 / 2007	20/3 /2009	1,210,151.60	907,519.00	302,632.48	5% Completed	A.E.S.L	ON-GOING
Messrs Samwilco Const. Ltd.	Auditorium Complex	4/5/ 2015	4/5/ 2017	5,143,675.57	1,651,418.15	3,492,257.07	8% completed	Development office CCTU/ Cost Plan Consult Accra	ON-GOING

510. The situation is attributed to lack of budgetary allocation for the project. The structures continue to deteriorate due to the effects of the weather.

511. We urged Management to coordinate with GETFUND to provide budget allocation for the project and ensure their early completion.

512. Management accepted our recommendation for implementation.

Non Justification of Restoration of Salary

513. Section 71 (1) and (2) of the Civil Servant Act 1993, PNDCL 325 states “ A person holding a Civil Servant post shall in accordance with article 199 of the Constitution retire from the service on reaching the age of sixty (60) years.

514. Article 13.0 of the condition of service for senior staff & senior members of Polytechnic Teachers Association of Ghana (POTAG) (2006) state that, an employee shall retire from the Service of the Polytechnic at the end of the academic year in which he attains compulsory/Voluntary retiring age”.

515. The audit disclosed that Rev. Prof. J.K. Ansah, an Associate Professor, who attained the age of sixty (60) years on 27/7/2018 was still at post as the time of our audit in April 2019. Per the above stated condition of service for POTAG, Rev. Prof. J.K. Ansah should have retired on 31/7/2018 which

was the end of 2017/18 academic year at a point he attained compulsory retirement age of 60.

516. In our review of his personal file, we noted a letter No.CCP/ES.387/Vol.II/020 dated 23/7/18 from the University to NCTE requesting for confirmation whether the Professor's retiring age falls within 2017/18 or 2018/19 academic year. There was no reply from NCTE to this letter.

517. Management of the University then requested Controller & Accountant-General to restore the Professor's salary on 5 September 2018 without any approval from Ministry of Finance through NCTE.

518. The irregularity above resulted in payment of unearned salary amounting to GH¢40,084.95 from August 2018 31 March 2019, causing a drain on the national purse. Details are shown in table 41.

Table 41: Non Justification of Restoration of Salary

NAME OF STAFF	STAFF ID	DATE OF BIRTH	RANK	EXPECTED DATE OF RETIREMENT	DETAILS OF UNEARNED SALARY (GROSS AMOUNT)	REMARKS
Rev. Prof. J.K.Ansah	761290	26/7/1958	Associate Professor	26/7/2018	GHC 40,084.95	Still enjoying his salary.

519. We advised management to furnish us with the necessary documents that justified the restoration of Professor's salary, failing which C&AG should be notified to stop his salary, recover the unearned salary from him, pay same to government chest and notify us for verification.

520. Management accepted the recommendation and will duly inform the dissolved IMC Chairperson.

Unserviceable Vehicles & Store Items

521. Section 83 (1) of the Public Procurement Act 2003 (Act 663) requires "The head of a procurement entity shall convene a Board of Survey comprising representatives of departments with unserviceable, obsolete or surplus stores, plant and equipment which shall report on the items and subject to a technical report on them, recommend the best method of disposal after the officer in charge has completed a board of survey form".

522. We observed during the audit that five (5) Vehicles belonging to the University have become unserviceable and parked at the Mechanical workshop of the school.

523. We further observed that there was a serious congestion of unserviceable items at the main warehouse of the University. These included photocopier machines; computer monitors printers, swivel chairs, Toilet seats, Medical items Toyota Land cruiser (V8) Vehicle Parts etc. Details are shown table 42.

Table 42: Unserviceable Vehicles & Store Items

REG NO	MAKE/TYPE	YR OF MANUFACTURE	CHASIS NUMBER	CONDITION	REMARKS
GT 2941 W	Toyota Hilux(4x4)	2005	JDFDE6266 001 139631	Defect Engine and Gearbox. Weak front &Back dampers, noise hubs &bearing. Body spray etc.	Unserviceable
GV 1392-14	Toyota Hilux (4X4) Pick-up	2005	JOFDE 620- 2001390027	Front axle replacement, Repair brakes, body works etc.	Unserviceable
GV 1384-14	Nissan Truck	1994	CMF 87F 05467	Breakdown Extensive repair works on the brake system of the Truck etc.	Unserviceable
GV 1390-14	Toyota Hilux (2x4) Pick Up)	1994	Ln 85- 0138845	Replacement of engine. Body works, spraying &extensive electrical works etc.	Unserviceable
GV 1379-14	VW Passat	1990	WVWZZZ31 ZLE148275	Replacement of engine rewiring of electrical system of the Vehicle.	Unserviceable

524. An Interview with the Transport officer indicated that he has written to Administration on the status of all the Vehicles but has not seen any action from them.

525. The continuous lying of these Vehicles on the compound under the mercy of the weather could lead to their further deterioration.

526. We urged Management as matter of urgency constitute a board of survey to dispose of these unserviceable vehicles and items in order to decongest the compound as well as the warehouse.

527. Management accepted our recommendation for implementation.

Vehicles with Expired Insurance and Road Worthy Certificate

528. Regulation 7(1) of the Road Traffic Regulations (RTR), 2012 (L.I. 2180) states that a person shall not drive or use, or permit another person to drive or use a motor vehicle on a road, unless the motor vehicle has a valid road use certificate provided for under the Act.

529. Regulation 7(6) of the RTR also states “the owner of a vehicle shall ensure that the road use certificate is renewed at any time within one month before the date of its expiry and the renewal shall have effect from the date of expiry”.

530. We noted during our review of fixed assets management that, sixteen (16) of the University’s vehicles had their insurance and roadworthy expired in the previous years. The documents were still not renewed as at the time of the audit in March, 2019.

Table 43: Vehicles with expired Road Worthy and Insurance Certificates

S/No	Car model	Car No.	Expired date- Road worthy	Expired date- Insurance
1.	Toyota Hilux	GV 1392-14	At workshop	9/2/18
2.	Tata Bus	GV 1391-14	5/9/16	5/9/16
3.	BMC Water Tanker	GV 1386-14	3/4/15	31/12/18
4.	Mitsubishi L 200	GV 1380-14	At workshop	6/10/16
5.	Toyota Coaster	GV 1376-14	17/2/16	21/2/18
6.	Toyota Hilux(4x4) Pick Up	GV 1382-14	10/2/16	6/9/13
7.	VW Transporter	GV 1373-14	26/9/14	26/2/14
8.	Nissan Truck UD	GV 1384-14	1/2/15	3/3/08
9.	Nissan Terrano	GV 1378-14	Blank	26/2/14
10.	Nissan Hard Body Pick -Up	GV 1385-14	10/2/15	3/3/13
11.	Nissan Primera	GV 1388-14	10/1/15	6/9/12
12.	VW Passat	GV 1379-14	10/2/15	10/9/11
13.	Toyota(2x4) Pick-Up	GV 1390-14	8/7/16	2/6/16
14.	Toyota Coaster	GV 1387-14	11/3/11	3/3/11
15.	Coaster bus	GN 5196-15	25/8/17	-
16.	Royal Tricycle	M-12CK 196	4/4/15	Blank

531. The Transport Officer's failure to ensure that, the vehicles were insured at its required date, resulted in the lapse.

532. In the event of any accident, the vehicle and its occupants will not be covered by insurance.

533. We recommended to the Transport Officer to ensure that, all the affected vehicles have their roadworthy and insurance certificates renewed immediately failing which the Transport Officer shall be sanctioned accordingly.

534. Management accepted our recommendation and indicated that some of the vehicles were unserviceable and earmarked for auction.

HO TECHNICAL UNIVERSITY

Introduction

535. This report relates to the audited accounts of the Ho Technical University for the period 1 January 2018 to 31 December 2018.

Operational results

536. The year under review closed with a deficit of GH¢2,134,485 representing an 8,717.6% drop from the surplus of GH¢24,769 of 2017. Details of the performance indicators of the University's operational results are shown in table 44.

Table 44: Income statement for 2018

Income	2018 GH¢	2017 GH¢	% Change
Government Subventions	21,196,527	19,460,728	8.9
Internally Generated Funds	6,421,842	5,838,166	10.0
Annual GETFund Allocations		122,295	(100.0)
Other Income	539,773	632,138	(14.6)
Total	28,158,141	26,053,327	8.1
Expenditure			
Compensation of Employees	22,405,320	19,001,960	17.9
Goods and Services	7,887,306	7,026,598	12.3
Total	30,292,626	26,028,558	16.4
Surplus/(Deficit)	(2,134,485)	24,769	(8,717.6)

537. Total income of the University went up marginally by 8.1% from GH¢26,053,327 in 2017 to GH¢28,158,141 in 2018. This increment was primarily due to a 14.6% and 10.0% rise in Government subvention for Compensation of Employees and in Internally Generated Funds respectively.

538. Total Expenditure also increased by 16.4% from GH¢26,028,558 in 2017 to GH¢30,292,626. A 22.3% increase in Goods and Service and 17.9% rise in Compensation of Employees accounted largely for the upsurge in expenditure.

Financial position

539. The financial position of the University is as shown in the table 45.

Table 45: Financial position as at 31st December 2018

	2018 GH¢	2017 GH¢	% Change
Non- Current Assets	21,781,038	21,445,402	1.6
Current Assets	6,445,806	8,249,889	(21.9)
Non-Current Liability	938,873	1,188,873	(21.0)
Current Liabilities	4,097,645	3,901,350	5.0
Net Asset	23,190,325	24,605,068	(5.7)
Current Ratio	1.6:1	2.1:1	

540. Non-Current Assets increased slightly by 1.6% from GH¢21,445,402 in 2017 to GH¢21,781,038 in 2018. This was primarily due to addition to Property, Plant and Equipment through procurement and transfer from capital work-in-progress.

541. Current Assets however reduced to GH¢6,445,806 in 2018 from GH¢8,249,889 recorded in 2017, this represents a drop of 21.9%. This was due to a drastic drop in its Cash & Cash Equivalents by 140.5% which moved from GH¢2,115,630.20 in 2017 to (GH¢857,559.25) in 2018 as a result of an overdraft facility obtained during the year.

542. Non-Current Liability decreased by 21.0% from GH¢1,188,873 in 2017 to GH¢938,873 in 2018. The reduction is the recovery from the University's annual GETFund allocation.

543. Current Liabilities on the other hand increased marginally by 5% from GH¢3,901,350 in 2017 to GH¢4,097,645 in 2018. Trade Creditors and Other Creditors increased by 13.7% and 250.4% respectively, which solely resulted in the rise.

544. The University's current ratio of 2.1:1 in 2017 dropped to 1.6:1 in 2018, yet it will be able to meet its short-term debts when they fall due.

MANAGEMENT ISSUES

Delayed fees transfer and other bank errors -GH¢ 174,939

545. Regulation 17 (c) of the Financial Administration Regulations (FAR) 2004 (L.I.1802), requires a head of a department to monitor and ensure that all Non-Tax Revenue lodged in the transit bank accounts are promptly transferred into the main Consolidated Fund bank accounts.

546. Regulation 2(g) of the FAR, 2004 L. I. 1802, also requires a head of government department to manage and reconcile the bank accounts authorised for the department”.

547. Our examination of the monthly bank reconciliation statement (BRS) showed that fees paid by students of the University into the Agricultural Development Bank fees account (ADB) dating back to January 2017 and totalling GH¢144,287 were still outstanding as at the time of audit. Details attached in table 46:

Table 46: - Details of Uncredited Fees

S/N	NAME	Fees Paid GH¢
1	Abi Charles Richmond	890.00
2	Abotsi Richard Kwesi	1,897.00
3	Addey Elias Kwadzo	380.00
4	Addison Samuel	1,523.00
5	Addy Philip	1,896.00
6	Addy Phillip	1,100.00
7	Adjawla Eric Coomson	1,300.00
8	Adjoakatcher Marcel Larweh	1,000.00
9	Adortse Efua Mispah	500.00
10	Adrigo Eunice	1,000.00
11	Afedoh Esther Sefakor	1,886.00
12	Aflu Mabel Adzo	600.00
13	Agbeko Bernadette	1,060.00
14	Agbenyegah Justice	1,900.00
15	Agbleke Oscar	800.00
16	Agbo Kim Hilda	1,886.00
17	Agbodza Walter Bubune	1,300.00
18	Agbogodenu Julius	1,886.00
19	Agbomadzi Victoria	1,000.00
20	Agbonuglah Emmanuel K.	1,050.00
21	Agbonuglah Patrick	330.00
22	Agyei Paul Danso	1,897.00

23	Ahegbebu Sefakor	2,092.00
24	Ahiabor Hope	1,500.00
25	Ahiabu Hilda	1,896.00
26	Akakpo Anthony Taofic	1,897.00
27	Akpabli Confidence	800.00
28	Aku Selorm	1,886.00
29	Akwetey Evans	1,886.00
30	Amemasor Seyram	1,000.00
31	Amuzu Elizabeth	1,214.00
32	Ankomah Lawrence	1,000.00
33	Annan Michael Kwame	1,897.00
34	Ansah Derrick Tettey	1,886.00
35	Anum Mary Adole	1,896.00
36	Asamany Kekeli	1,897.00
37	Asamoah Florence	1,886.00
38	Asare Bediako Adwoa	954.00
39	Ashie Ernest Dzifa	1,300.00
40	Asumadu Osei Isaac	1,886.00
41	Atipoe Kuwornu Seyram	1,300.00
42	Atsu Rita Edem	1,886.00
43	Ayogu Blessing	1,886.00
44	Azuma Theophilus Elorm	1,877.00
45	Bansah Kloyo	1,897.00
46	Besie Delight Monica	1,896.00
47	Bonsu Emmanuel	1,891.00
48	Cudjoe Judith	400.00
49	Cudjoe Judith	755.00
50	Dadzie Papa Kwamena	1,326.00
51	Dasebu Mensah	800.00
52	Dawukpor Edinam	1,200.00
53	Debie Tawiah Albert	1,294.00
54	Dela Richeal Fortune	1,896.00
55	Denyo Portia	1,027.00
56	Dramado Akpene	1,027.00
57	Dugbazah Polycarb Kofi	1,896.00
58	Dunyo Agbo Jefferson	1,200.00
59	Edu Annan Prince Nenyi	897.00
60	Fanseey Delight	1,896.00
61	Fosu Jackline	1,896.00
62	Fosu Mavis	214.00
63	Frimpong Gideon	15.00
64	Gedzeve Bright	309.00
65	Gleku Vivian Dzifa	1,886.00
66	Gli Esiawonam	1,886.00
67	Joshua Emmanuella	384.00
68	Karikari Grace Yaa Serwaa	1,534.00
69	Katsekor Karen	1,886.00

70	Koppoe Frederica Naa	1,886.00
71	Kpatakpa Francis	1,897.00
72	Kportikla Augustine	1,523.00
73	Kumato Princess	1,281.00
74	Kwagbedzi Pious	1,625.00
75	Kwao Mandela Selorm	850.00
76	Mensah Charles	1.50
77	Mensah Wisdom Worlanyo	1,432.00
78	Muhammed Usman	950.00
79	Nana Adjei Benedicta	1,233.00
80	Nangyour Rita Zeta	950.50
81	Ntem Prince Kofi	1,886.00
82	Ntumi Selorm Prosper	1,030.00
83	Okang Naa Adjekai	1,000.00
84	Okwabi Daniel	1,886.00
85	Pearl Taokosi Adoboe	1,896.00
86	Pepra Nketia Stephen	1,897.00
87	Quarcoo Mavis	230.00
88	Quarcoo Mavis	1,200.00
89	Sackie Ezekiel Kodzo	1,897.00
90	Sackitey Tetteh	1,100.00
91	Segbedji Agnes	1,400.00
92	Semanhya Ernest	1,100.00
93	Setordzi Christine	1,300.00
94	Tagbor Patricia	1,886.00
95	Tekpor Irene	2,092.00
96	Tetteh Victoria Ama	1,896.00
97	Tettey Abigail	1,023.00
98	Tublue Priscilla	388.00
99	Tutu Darlington	1,000.00
100	Yeboah Philimon	1,886.00
101	Yegbe Daniel	1,625.00
102	Lartey Francis	1,896.00
103	Hlormenu Patience	250.00
104	Clinston Johnson	1,897.00
105	Tussah Stephen	1,000.00
106	Harriet Arhin	1,886.00
	Total	144,287.00

548. Further review of the monthly BRS of the same account (ADB) disclosed that at the end of December 2018, unresolved bank errors totalling GH¢30,652 which consist of wrong credits of GH¢12,515 as at 13th

September, 2017 and fees credited twice of an amount of GH¢18,137 had not been investigated and cleared. Details attached in Table 47.

Table 47: - Fees credited twice and wrong credits

Details	Amount GH¢	Remarks
HFC BANK	1,886.00	fees
CASH DEPOSIT	1,886.00	fees
Mikado Yayra Benedicta	12,515.00	wrong credits
NIB 000363	400	fees
MILLICENT	1,321.00	fees
20180274	1,886.00	fees
ERICA YAA	1,886.00	fees
3121130	200	fees
3151122	300	fees
3141170	214	fees
3141166	604	fees
201701728	1,896.00	fees
201701851	1,886.00	fees
201800094	1,886.00	fees
201800052	1,886.00	fees
	30,652.00	

549. Lack of supervision and review of bank reconciliation statements is the cause of these irregularities.

550. The University risk having their cash being used by the bank due to lack of prompt actions on such long outstanding deposits.

551. Fraudulent pay-in-slips might also not be detected early and thus resulting in loss of funds to the University.

552. We advised Management to immediately liaise with the officials of ADB for the onward transfer of these long outstanding deposits and to request for the Ag. Director of Finance to update them on such outstanding credits on a monthly basis.

553. The Acting Director of finance is also urged to ensure that all reconciliations are reviewed and long outstanding issues followed up.

Unsubstantiated expenditure-GH¢64,861.64

554. Section 13 (c & d) of the Audit Service Act 2000, Act 584, states “the Auditor-General shall examine in such manner as he thinks necessary the public and other government accounts and shall ascertain whether in his

opinion monies have been expended for the purposes for which they were appropriated and the expenditures have been made as authorised; (d) essential records are maintained and the rules and procedures applied are sufficient to safeguard and control public property”

555. Our examination of payment vouchers disclosed that a total amount of GH¢64,861.64 was expended on the activities of Conference of Rectors of Polytechnics (CORP) by Ho Technical University in 2018. Details are as shown table 48.

Table 48: Details of funds released for CORP activities

Date	Details	PV No.	Chq. NO.	Amount GH¢
2/26/2018	Being Contribution towards CORP Fund to facilitate CORP activities, as per the attached document	20710	" 005408	20,000.00
3/2/2018	Being payment of 2018, CORP dues, as per the attached document	20710	" 005408	20,000.00
8/6/2018	Being payment for accommodation and meals for CORP Members for the 110th CORP meeting, as per the attached document. HOTEL STEVENS LTD.	21372	" 979072	12,251.72
8/6/2018	Being payment of 1% Tourism Levy, as per the attached document. HOTEL STEVENS LTD	21372	" 979072	104.27
8/17/2018	Being payment for Dinner for CORP Members who were in the University for their 110th meeting, as per the attached document. SKY PLUS HOTEL LTD.	21343	" 005950	1,750.75
8/17/2018	Being payment of 1% Tourism Levy, as per the attached document. SKY PLUS HOTEL LTD.	21343	" 005950	14.90
10/11/2018	Being payment of Workshop fees for Chairman of Council, Vice-Chancellor, and Registrar of Ho Technical University, as per the attached document	24654	979132	10,740.00
Total				64,861.64

556. We noted that each Technical University and Polytechnic was requested to pay an amount of GH¢10,000.00 as dues for the year, we could not establish the source of authority for the payment of these dues since (CORP) was not featured in either the Status of the University or the Technical Universities Act,2016 Act 922.

557. Our enquiry indicated that CORP does not have a permanent secretariat, as the chairmanship rotates so does the secretariat.

558. We could not authenticate whether these funds were being used in the interest of the public.

559. We advised Management to produce the supporting documents for our verification.

560. Management stated that CORP is an association recognised by the NCTE and the Ministry of Education. Its expenses since its inception has been funded by subscription from member institutions. “Whilst noting your observation we wish to state that it is an accepted norm for higher educational institutions to belong to groups and associations for the enhancement of the goals of the institutions”.

Operating Multiple Bank Accounts

561. Section 46 (a & b) of the Public Financial Management Act 2016, Act 921,) state that there is established by this Act a Treasury Single Account, which is to serve as a unified structure of Government accounts to give a consolidated view of Government cash resources; and into which all Government cash including moneys received by covered entities shall be deposited and from which all expenditure of Government and covered entities shall be made.

562. During our review of cash management, we noted that the University operated a total of thirteen bank accounts with three banks namely GCB, ADB and Zenith bank with the same signatories. Details are provided in table 49.

Table 49 Details of bank accounts

Account Name	Account Number	Type of Account
GCB	5011130002180	Revenue account
GCB	5011130004139	Production Unit account
GCB	5011130002165	Main account
GCB	5011210000016	Call account (Deposit)
Zenith	6010220696	School fees account
Zenith	6010205433	Operations account
Zenith	6010205459	GetFund Hostel account
Zenith	6010205468	Training Restaurant account
Zenith	1060220059	Call Deposit account

ADB	5021000022569900	Fees income
ADB	5021800022569900	Call Deposit
Zenith	6040206926	Dollar
Zenith	7040220059	Pound

563. Management expended from all these accounts through the transfer of funds from one to the other.

564. We attributed this situation to the failure on the part of the Director of Finance to adhere to the above Act.

565. It would be more efficient to consolidate the operations of the bank accounts to reduce the cost associated with their operations, this point is buttressed by the fact that during the year under review, the University spent GH¢58,210.18 on bank charges alone.

566. To comply with efficient cash management and reconciliation of bank accounts, we advised Management to rationalise the number of bank accounts to reduce both operational cost and facilitate easy reconciliations.

567. Also, Management should ensure that immediate steps are taken for expenditures to be made from one Bank account in compliance with the Act.

568. Management accepted our recommendations but, however, indicated that the high bank charges were as a result of the overdraft facility the University secured in December 2018.

Payment for Overpriced Vehicle Parts- GH¢2,919.13

569. Regulation 2(c) of the FAR 2004, L.I. 1802, stipulates that the head of government department shall secure the efficient and effective use of appropriations under departmental control within the ambit of government policy and in compliance with any enactment, Regulations or instructions issued under the authority of any enactment.

570. We observed during our audit that Geof Gas Auto Works was paid an amount of GH¢5,522.50 for a motor starter on vehicle number GV1335-14 for the period under review.

571. However, upon a market survey, we noted that the starter could have been purchased at a lower cost of GH¢ 2,603.37 depicting an excess payment of GH¢2,919.13. Details of the payment are provided in table 50:

Table 50: Payments for overpriced vehicle parts

S / N	Date	Supplier	Description	PV #	Cheque #	Payment (a)	Market Price (b)	Excess Market Price (a - b)
1	9/20/18	GEOF-GAS AUTO	Being payment for replacement of starter on vehicle No. GV 1335-14 as per the attached document.	24184	006370	5,522.50	2,603.37	2,919.13

572. This resulted from management failure to do due diligence.

573. The University has been denied the usage of GH¢2,919.13 for other activities.

574. We recommended that Management seek refund of the excess payment of GH¢2,919.13 to the University from Geof Gas Auto Works. Failure, the Transport Officer should refund the money. Also, Management should be more meticulous in future transactions in order to avoid a recurrence of this over payment.

575. Management stated that they have communicated our observation to the Director of the above named company.

576. The Director of Geof-Gas Auto Works now re-introduced additional parts purchased which was supported with a new invoice numbered 000036 dated 27/08/2018, which was not attached to the payment voucher.

577. Our review of the new invoice showed the following inconsistencies

- The first invoice numbered 0000014 dated 29/08/2018 stated clearly that it was the labour cost for fixing starter and electrical fault check at GH¢470 and this was also supported with a VAT invoice for the same amount.
- There was a VAT invoice from Adom Spare Parts with TIN P000379468 dated 27/08/2018, with the description “NISSIAN URVAN STARTER” at a cost of GH¢5,522.50 which was attached to the payment voucher. However, the new invoice did not include any invoice from the said supplier.

578. Based on these inconsistencies stated above, we maintain our recommendation for a refund to the University.

Misapplication of Funds - GH¢2,590,548.21

579. Section 5 (a & c) of the Retention of Funds Act, 2007 (Act 735) states “Internally Generated Funds can only be utilized when the activities on which the expenditure will be incurred have been programmed and approved in that Ministry, Department, and Agency’s expenditure budget by Parliament”.

580. Regulation 170 (1) of the FAR 2004, L.I. 1802, also states that revenue and expenditure as approved by Parliament shall be arranged according to the Government of Ghana Budget Classifications or Chart of Account as well as any other classification approved by the Minister.

581. We noted during cash management that the Director of Finance created eighty additional codes for revenue items and fifty-three additional codes for expenditure without the approval of the Minister. Details are shown in table 51.

Table 51: Additional Revenue Codes created

S/N	New Codes	Name of code	Amount GH¢
1	1111003	Admissions	68,684.00
2	1111004	Registration	282,064.00
3	1111005	Examinations	782,460.00
4	1111006	Practicals	204,200.00
5	1111007	Matriculatio	46,930.00
6	1111008	Sports & Recreation	330,008.00
7	1111009	Medical Examination	68,740.00
8	1111010	Library Development	114,172.00
9	1111011	Students' Handbook	51,152.00
10	1111012	Identity Card	25,036.00
11	1111013	ICT Facility Development	325,810.00
12	1111014	Attachment Supervision	177,134.00
13	1111016	Project Supervision	78,079.00
14	1111018	Laboratory/Equipment Maintenance	551,381.00
15	1111020	Result Verification	40,608.00
16	1111021	Exam Question Moderation	102,210.00
17	1111027	Maintenance of Generator	59,454.00
18	1111029	Development Levy	71,340.00
19	1111030	Endowment Fund	67,540.00

20	1111101	Resit Examination Fee	75,216.00
21	1111111	Mature Students Entrance Exam Fee	26,070.00
22	1111151	Late Student Registration Fee	24,830.00
23	1111201	Sale of Admission Form	291,133.00
24	1111202	Apprenticeship Training Form	860
25	1111203	Remedial Classes Form	625
26	1111204	Sale of Admission Form-KNUST Graduate Program	340
27	1111205	Sale of Form-UEW Diploma Program	6,800.00
28	1111301	Acolatse/Vodzi Hall Students Fees	200,346.00
29	1111302	Adaklu Hall Students Fees	283,063.91
30	1111303	Rental of Acolatse/Vodzi Hall	2,880.00
31	1111401	Congregation Fee	266,786.00
32	1111402	Certificate Fee	78,999.00
33	1111403	Congregation Sponsorship	8,015.00
34	1111404	Congregation Accreditation Fee	945
35	1111501	Detailed Results	2,084.00
36	1111502	Transcript	45,581.00
37	1111503	Attestation	7,522.00
38	1111504	Result Slip	16
39	1111505	Letter of Introduction	549
40	1111506	Letter of Recommendation	858
41	1111507	Letter of Proficiency in English	1,216.00
42	1111508	Request for Student Bill	194
43	1111509	Request for Student Registration Code	25
44	1111510	Reprinting of Official Receipt	15
45	1111511	Replacement of ID Card	1,472.00
46	1111601	Rental of Auditorium	33,183.00
47	1111602	Staff Rent Income	187,059.48
48	1111603	Rental of Basement	12,600.00
49	1111604	Rental of Lecture Hall	400
50	1111605	Rental of Grounds	610
51	1111606	Rental of Other Facilities	46,700.00
52	1111607	Rental of Vehicle	4,120.00
53	1111702	Catering Services	70
54	1111707	Training Restaurant Receipts	41,928.10
55	1111708	Agric Engineering Department	2,698.00
56	1111709	Executive Restaurant Receipts	75,343.90
57	1111801	Investment Income	62,318.77
58	1111802	Bank Interest	12,421.13
59	1111901	External Examination Fee Received	21,302.00

60	1112102	Intercultural Exchange Workshops	30,151.85
61	1112206	Short Course in English Language	10,366.78
62	1112211	Remedial Classes Fee	7,640.00
63	1112216	Apprenticeship Training Fee	15,320.00
64	1112302	Registration of Supplies	10,450.00
65	1112303	Sale of Tender Documents	2,700.00
66	1112304	Other Income	3,882.50
67	1112305	Late Student Registration Fee	6,773.91
68	1112306	Profit on Disposal	750
69	1411103	Research Conference Participation Fee	7,095.00
70	1511213	SDF Project-II-235 Receipts	182,226.50
71	1511218	SDF Project-II-715 Receipts	175,057.00
72	1511223	Donation from Staff	1,070.00
73	1511226	Donation from Corporate Partners	25,578.00
74	1511227	Sale of Anniversary Paraphernalia	33,827.50
75	1511228	Anniversary Fund Raising	2,320.00
76	1511237	Ghana TVET Voucher Project Receipts-Welding	25,060.00
77	1511238	Ghana TVET Voucher Project Receipts-Automotive	26,460.00
78	1511239	Ghana TVET Voucher Project Receipts-Consumer Electronics	48,120.00
79	1511240	Ghana TVET Voucher Project Receipts-Cosmetology	55,240.00
80	1511241	Ghana TVET Voucher Project Receipts-Garment	73,920.00

Table 52: Details of additional expenditure code created without approved budget and Codes

S/N	New Codes	Name of code	Amount GH¢
1	2210113	Academic Gowns	114,875.90
2	2210910	Trade Promotion /Exhibition Enhancement	1,000.00
3	2210911	Matriculation Expenses	14,658.00
4	2210912	Congregation Expenses	211,604.50
5	2210914	Affiliation Expenses	10,112.00
6	2210915	Accreditation Expenses	110,496.09
7	2211105	CORP Dues	55,461.64
8	2211108	Legal Charges	8,192.33
9	2211304	Admission Process Expenses	17,085.00
10	2211305	Medical Examination for Students	46,480.00
11	2211307	Admission E-Voucher Cost	103,934.63
12	2211308	Commission on E-Voucher Sales	8,915.00

13	2211310	Admission Outreach Expenses	27,918.21
14	2211402	Invigilation Fees	135,824.39
15	2211404	Script Marking	1,016.73
16	2211405	Project Supervision	2,880.00
17	2211406	Examination Moderation Fees	2,700.00
18	2211407	Examination Fees	20,204.00
19	2211408	Part-Time Teaching Cost	242,335.83
20	2211409	Industrial Attachment Expenses	118,784.34
21	2211505	Training Restaurant Expenses	35,000.00
22	2211506	Executive Restaurant Expenses	88,400.00
23	2211601	Academic Partnership Expenses	14,176.03
24	2211602	Intercultural Exchange Workshops Expenses	2,000.00
25	2211714	Hall Dues	5,610.00
26	2212103	Facilitators' Fee	9,225.00
27	2212126	Training Module Development Expenses	66,000.00
28	2212127	Review of Training Module by External Experts	48,000.00
29	2212128	Training Module Piloting Expenses	41,118.00
30	2212130	Purchase of Equipment & Subscription	45,000.00
31	2212141	Training Module Development Expenses	44,775.00
32	2212142	Review of Training Module by External Experts	55,000.00
33	2212143	Training Module Piloting Expenses	41,400.00
34	2899601	Anniversary Launch Expenses	120,307.16
35	2899602	Post-Anniversary Launch Expenses	32,342.50
36	2899603	Anniversary Climax Expenses	304,590.74
37	2899607	Facilitation Fee	42,153.86
38	2899609	Logistics	37,492.00
39	2899610	Transportation for Learners	4,870.00
40	2899615	Facilitation Fee	20,770.86
41	2899617	Logistics	20,573.74
42	2899618	Transportation for Learners	4,860.00
43	2899623	Facilitation Fee	30,939.68
44	2899624	Consumables	19,396.19
45	2899626	Transportation for Learners	10,550.00
46	2899631	Facilitation Fee	30,118.11
47	2899632	Consumables	175.00
48	2899633	Logistics	53,670.21
49	2899634	Transportation for Learners	10,630.00
50	2899639	Facilitation Fee	48,965.93
51	2899640	Consumables	14,108.94
52	2899641	Logistics	19,050.67

53	2899642	Transportation for Learners	14,800.00
Total			2,590,548.21

582. Since there were no expenditure codes for these expenditures, the activities could not have been budgeted for.

583. The misapplied funds could have been used for other developmental programmes of the University.

584. Management should align its actual expenditure to the budgeted chart of accounts and the budget officer should confirm the availability of fund and assign the code before payment vouchers are raised.

585. We also advised Management to stick to the approved codes for revenue items and seek approval for the creation of additional codes.

586. Management responded that the codes were created by the Director of Finance mainly for operational activities of the University, to aid and to track outcomes of specific events to enable timely presentation of information for the purposes of quick decision making and so there is no misapplication of funds.

587. They however agreed to stick to the approved codes for revenue items and seek approval for the creation of additional codes.

Construction of Main Gate without Wall- GH¢563,038.57

588. Section 28(1) of the Public Procurement Authority Act (PPA) 2003, (Act 663) states “a procurement entity shall maintain a record of the procurement proceedings containing the following information a brief description of the goods, works or services to be procured, or of the procurement need for which the procurement entity invited proposals or offers”

589. On the other hand, a gate is supposed to be used to close an opening in a wall, fence or hedge.

590. During our physical inspection of the gate, we noted the following conditions:

- There was no wall, fence or hedge to support the constructed gate.
- Furthermore, the GETFund Hostel and the surroundings were very weedy with few security lights making the place unsecure.

591. The construction of this gate had not reduced the vices which are perpetuated in the University by miscreants. This is because after the construction, there were reported cases of rape, theft of cows, and equipment such as a PA system and projectors on campus.

592. The uneconomical use of funds in the construction of the Gate has not improved the security situation in the University.

593. We urged management to constantly engage in need assessment prior to major projects and prioritise appropriately.

594. We also advised management to improve upon the security situation by providing more lights and clearing the environment at the GETFund Hostel and the Main gate.

595. Management accepted our recommendation for compliance.

Absence of cash certificate - GH¢2,842.26

596. Best practice requires organisations to undertake periodic counting of their stock either quarterly or at year end. Cash certificates are issued to support cash balances reported in the Financial Statements as part of the annual stock taking reports.

597. Our examination of the bank reconciliation and financial reports of the University indicated that cash count was not done at the end of the year 31 December 2018 to support the reported cash of GH¢2,842.26 in its financial statements.

598. We further noted that seven (7) imprest custodians continued to spend 2018 imprest in 2019. Details are as shown table 53:

Table 53: Details of 2018 imprest balance expended in 2019

S/No.	Imprest Custodians	Closing Balances as at 31 Dec 2018 GH¢
1	Faculty of Engineering Petty Cash	470.90
2	Faculty of Applied Science Petty Cash	401.60
3	Faculty of Art and Design Petty Cash	380.00
4	Faculty of Business Petty Cash	47.60
5	Office of the Rector Petty Cash	1,151.26
6	Office of the Registrar Petty Cash	50.40
7	Director of Finance Petty Cash	1.00
	Total	2,502.76

599. The absence of an annual cash count exercise was the main reason for this anomaly.

600. As a result the cash balances incorporated in the financial statement could not be validated.

601. We recommended to the Director of Finance to ensure cash count is conducted at the end of each financial year.

602. Also, all imprest custodians should account to the Director of Finance at year end and desist from the current practice of carrying forward the previous year's imprest.

603. Management accepted our recommendation.

Absence of pre-numbered invoices – GH¢82,693.00

604. Regulation 210 (3) of the FAR, 2004, L.I 1802, states “Value books and forms shall for the purpose of records and control be identified by pre-printed serial numbers”

605. The University offers services such as hiring of tractor, rental of facilities and vehicles to third parties and invoices are issued.

606. Our examination of twenty-seven receipts sampled from these services amounting to GH¢82,693 during the year disclosed that the invoices issued were not pre-numbered. Details are shown in table 54:

Table 54: - Details of receipts without pre-numbered invoices

Receipt No.	Date	Details	Code	Amount
HTUR223478	1/15/2018	Miscellaneous Payment of UNIVERSITY OF EDUCATION WINNEBA-() - (HTUR223478) - 15-Jan-2018	Rental of Auditorium	2,500.00
HTUR224181	1/29/2018	Miscellaneous Payment of UNIVERSITY OF GHANA-() - (HTUR224181) - 29-Jan-2018	Rental of Auditorium	800.00
HTUR226444	2/21/2018	Miscellaneous Payment of EVENTIC GHANA-() - (HTUR226444) - 21-Feb-2018	Rental of Auditorium	3,700.00
HTUR230415	4/26/2018	Miscellaneous Payment of NURSES TRAINING COLLEGE SRC HO-() - (HTUR230415) - 26-Apr-2018	Rental of Auditorium	1,500.00
HTUR237237	7/3/2018	Miscellaneous Payment of NATIONAL COSRA-() - (HTUR237237) - 03-Jul-2018	Rental of Auditorium	20,000.00

HTUR241160	8/22/2018	Miscellaneous Payment of AGBAGBA PASCAL()- - (HTUR241160) - 22-Aug-2018	Rental of Auditorium	3,500.00
HTUR247077	11/5/2018	Miscellaneous Payment of TITRIKU JOHN KWAME()- - (HTUR247077) - 05-Nov-2018	Agric Engineering Department	900.00
HTUR229474	4/5/2018	Miscellaneous Payment of MOHAMMED (CALTECH)-() - - (HTUR229474) - 05-Apr-2018	Agric Engineering Department	700.00
HTUR249593	12/17/2018	Miscellaneous Payment of ASRAVOR RICHMOND()- - (HTUR249593) - 17-Dec-2018	Agric Engineering Department	200.00
HTUR230767	5/7/2018	Miscellaneous Payment of FARM MANAGEMENT COMMITTEE()- - (HTUR230767) - 07-May-2018	Agric Engineering Department	183.00
HTUR228873	3/23/2018	Miscellaneous Payment of WILLIAM AKPIH()- - (HTUR228873) - 23-Mar-2018	Agric Engineering Department	140.00
HTUR229766	4/12/2018	Miscellaneous Payment of JACOB DOEGAH()- - (HTUR229766) - 12-Apr-2018	Agric Engineering Department	140.00
HTUR240909	5/9/2018	Miscellaneous Payment of PHARMACEUTICAL SOCIETY OF GHANA()- - (HTUR240909) - 09-May-2018	Rental of Other Facilities	13,260.00
HTUR240481	8/13/2018	Miscellaneous Payment of KNUST()- - (HTUR240481) - 13-Aug-2018	Rental of Other Facilities	12,600.00
HTUR242492	3/29/2018	Miscellaneous Payment of ABNGGHAC()- - (HTUR242492) - 29-Mar-2018	Rental of Other Facilities	7,140.00
HTUR239305	2/21/2018	Miscellaneous Payment of NATIONAL COSRA()- - (HTUR239305) - 21-Feb-2018	Rental of Other Facilities	6,000.00
HTUR224526	2/5/2018	Miscellaneous Payment of GHANA IMMIGRAION SERVICE()- - (HTUR224526) - 05-Feb-2018	Rental of Other Facilities	2,000.00
HTUR244614	9/13/2018	Miscellaneous Payment of CONSOLIDATED BANK GH LTD HO()- - (HTUR244614) - 13-Sep-2018	Rental of Other Facilities	1,500.00
HTUR250127	12/19/2018	Miscellaneous Payment of DESAG UCC ORGANIZER()- - (HTUR250127) - 19-Dec-2018	Rental of Vehicle	1,000.00
HTUR237786	7/18/2018	Miscellaneous Payment of KNIGHTS AND LADIES OF MARSHALL(COUNCIL 122)-() - - (HTUR237786) - 18-Jul-201	Rental of Vehicle	900.00

HTUR229476	4/5/2018	Miscellaneous Payment of H.K LODONU (LODHILL CONST.)-() - - (HTUR229476) - 05-Apr-2018	Rental of Other Facilities	800.00
HTUR246035	10/16/2018	Miscellaneous Payment of CENTRAL NATION BUILDERS CORP-() - - (HTUR246035) - 16-Oct-2018	Rental of Vehicle	800.00
HTUR237642	7/16/2018	Miscellaneous Payment of ECOTOURS-() - - (HTUR237642) - 16-Jul-2018	Rental of Other Facilities	750.00
HTUR237646	7/16/2018	Miscellaneous Payment of PROF. E. K. SAKYI-() - - (HTUR237646) - 16-Jul-2018	Rental of Vehicle	600.00
HTUR236998	6/28/2018	Miscellaneous Payment of MAWULI SCHOOL, HO-() - - (HTUR236998) - 28-Jun-2018	Rental of Vehicle	500.00
HTUR228823	3/23/2018	Miscellaneous Payment of LT K.K MENSAH (66 ARTY.REGION)-() - - (HTUR228823) - 23-Mar-2018	Rental of Vehicle	300.00
HTUR228505	3/19/2018	Miscellaneous Payment of DZAH DAVID-() - - (HTUR228505) - 19-Mar-2018	Rental of Other Facilities	280.00
Grand Total				82,693.00

607. Management's violation of the above Regulation and the absence of a well-defined channel of communication between the Registrar's office and the Finance Directorate accounted for this anomaly.

608. The current system does not ensure accountability and transparency of income realised since the assertion of completeness and accuracy could not be ascertained.

609. We recommended to Management to obtain pre-numbered invoices from the Controller and Accountant General's office. Also, all approved rentals should be directed to the Finance Directorate for the issuance of pre-numbered invoice instead of the current system.

610. Management accepted our recommendations.

Un-supported cash withdrawal-GH¢356,134.13

611. Regulation 39 (2c) of the FAR 2004 (LI 1802), states that, the head of the accounts section of a department shall control the disbursements of

funds and ensure that transactions are properly authenticated to show that amounts are due and payable.

612. Payments totalling GH¢356,134.13 made in respect of refund of staff on scholarship fees and payment of ex-gratia to staffs were not supported with official receipts, signed claim sheets and the payment vouchers to validate the payments. Details are as shown in the table 55.

Table 55: Details of payments without supporting documents

S/N	Date	Details	PV No.	Cheque	Amount (GH¢)
1	8-Mar-18	Being payment of Ex-Gratia to Ex-employee of the University, as per the attached document. Emmanuel Kwame	20707	902109	7,873.56
2	5-Oct-18	Being payment of End-of Service Benefit (ESB), to Prof. E. K. Sakyi (Interim Vice Chancellor of Ho Technical University), as per the document attached.	24516	979125	216,188.80
3	1-Aug-18	Being payment of Ex-gratia difference to Ex-employee of the University, as per the attached document. Kuapah, Otilia	22209	979040	1,342.89
4	24-Jul-18	Being payment of Disengagement benefit to former Librarian of Ho Polytechnic, as per the attached document. Fiankor, David Kobla	21374	979003	29,728.88
5	5/4/18	Being refund of fees paid for the 2016/2017 and 2017/2018, academic year, as per the attached document. Cheque No.: 005597 Otoo, Richdave Nii Obeng	21554	005597	5,000.00
6	10/11/18	Being refund of Second Year School Fees (PhD Sponsorship) to Mr.	24505	979134	8,000.00

		Ernest Kafui Tsetse, a staff at the Department of Marketing, HTU, as per the attached document. Cheque No.: 979134 Tsetse, Ernest Kafui.Kwasi			
7	8/10/18	Being payment of One time School fees towards PHD Programme, as per the attached document. Cheque No.: 005854 BORMANN FRANKLIN	23112	005854	8,000.00
8	8/1/18	Being payment of one time school fees for PHD programme in Information Systems at the University of Ghana, as per the attached document. Cheque No.: 979039 Nyamadi, Makafui	22868	979039	8,000.00
9	5/4/18	Being payment for financial support for the pursuit of PhD Programme at KNUST, as per the attached document. Cheque No.: 005602 Yemidi, Solomon	21557	005602	8,000.00
10	5/17/18	Being release of funds for the payment of School fees (Doctoral degree in Civil Engineering), as per the attached document. Cheque No.: 005653 Afetorgbor, Emmanuel Kofi	21867	005653	8,000.00
11	7/12/18	Being financial assistant given towards PHD Programme, as per the attached document. Cheque No.: 005792 Coffie,, Harrison George	22763	005792	8,000.00
12	5/4/18	Being payment of fees for PhD Programme for the 2017/2018, academic year, as per	21558	005605	8,000.00

		the attached document. Cheque No.: 005605 Fiagborlo Dickson James			
13	2-Mar-18	Being payment of fees to Mrs Esther E. Appaw-Agbola, Rev Mawutor Wovenu, Mr Allen K. Agbola who are pursuing PHD and Master's Degree at AIT, as per the attached document.			24,000.00
14	28-Feb-18	Being refund of Second year school fees for Doctor of Philosophy degree to Tsetse Ernest Kafui Kwasi, as per the attached document.			8,000.00
15	27-Apr-18	Being payment of School Fees for PhD Programme to Ashiboe-Mensah Kofi, as per the attached document.			8,000.00
				Total	356,134.13

613. Mr Phanuel Klogo who was also given a special advance of GH¢4,775.00 to procure training materials for Skills development project via cheque no. 000013 on 9th October 2018 also did not retire the amount with the necessary documentation within 15 days as stated on the advance form.

614. The occurrence was due to the Cashier's inability to ensure that payment vouchers were adequately supported by the relevant documents such as signed acknowledgement sheets or receipts.

615. We recommended to the Acting Vice Chancellor that all fees refunded and ex-gratia which were not supported with the receipts and payment vouchers by 22 March, 2019 should be refunded to the University. Also, the advance of GH¢4,775 should be adjusted to the personal advance account in the name of Mr Phanuel Klogo.

616. In response management stated that the eleven staff had been duly informed to submit their receipts to the Finance Directorate without failure.

Failure to adhere to this directive will lead to a refund of the said amount by the recipients.

617. Management also said the amount of GH¢255,134.13 for which payments vouchers were not on file constituted Ex-gratia paid to separated staff of the University. This payment has become the subject matter of investigation for the Economic and Organised Crime Office (EOCO), Ho.

Uncompetitive tendering-GH¢64,053.22

618. Section 43 (1) of the Public Procurement Act 2003, Act 663, requires a procurement entity to request for quotations from many suppliers or contractors as practicable or at least from three different sources.

619. We noted from our review of payment vouchers that management procured services totalling GH¢64,053.22 without alternative quotations from different suppliers as stipulated in the above section. Details are shown in table 56.

Table 56: Details of procurement without alternative quotations

Date	Details	Name Of Supplier	Cheque No.	Amount
2/2/2018	Being payment for advertisement for Procurement of Computers and Accessories	Supreme Concept Co. Ltd	005248	2,358.23
2/3/2018	Being payment for advertisement of February,2018 Admissions of2017/2018	Supreme Concept Co. Ltd	005248	9,190.73
3/23/2018	Being payment for Renewal of DSTV Primium Subscription for VC's Residence for six months	Capital Const.& Services	978952	2,929.32
3/23/2018	Being payment for DSTV subscription for second semester of 2017/2018, academic year for Acolatse-Vodzi Hall (Male Block)	Capital Const.& Services	561820	1,464.66
3/23/2018	Being payment for DSTV subscription for second semester of 2017/2018, academic year for Acolatse-Vodzi Hall (Female Block)	Capital Const.& Services	561819	1,464.66
2/14/2018	Being payment of Air Fare for Prof. E. K. Sakyi who travelled to Hamm-Lippstad University, Germany of Official assignment, as per the attached document. Cheque No.: 005333 GLOBAL WINGS TRAVEL &TOURS LTD.	Wings Travel &Tours Ltd.	005333	14,941.00

3/2/2018	Being payment for Adverts for Registration of Supplies/Contractors Consultants, as per the attached document.	Supreme Concept Co. Ltd	005433	2,148.13
3/2/2018	Being payment for adverts for February, 2018 admission for 2017/2018, and academic year, as per the attached document. Cheque No.: 005433 SUPREME CONCEPT CO. LTD	Supreme Concept Co. Ltd	005433	9,190.73
9/24/2018	Being payment of Cedi equivalent of(\$1,968.34 @GHC4.99C)as Air Ticket Fees for Mr. Harrison Geoge Coffie, who is pursuing his PHD Programme i South Africa, as per the attached document. Cheque No.: 006379 SOUTH AFRICAN AIRWAYS	South African Airways	006379	9,822.02
12/21/2018	Being refund of Travel Expenses (Air Ticket) from South Africa to Ghana, as per the attached document. Cheque No.: 903077 DZANSI YAO DENNIS		903077	5,951.46
9/14/2018	Being refund of cost of Air Ticket to Mr Harrisson Coffie, in respect Prof. Sakuel Azasu, who travelled from Johannesburg to Ghana, on official duty the University, as per the attached document. Cheque No.: 006308 Coffie, , Harrison George		006308	4,592.28
				64,053.22

620. The University had lost the benefits to be derived from competitive procurement and also sole sourcing does not ensure value for money.

621. We urged the Acting Vice Chancellor to strictly adhere to this section of the Act in order to ensure that the funds of the University are used judiciously.

622. Management assured the audit team of compliance with the recommendation.

Disposal of Old vehicles and Unserviceable Items

623. Section 83 (1) of the Public Procurement Act 2003, (Act 663), mandates the head of a procurement entity to convene a Board of Survey to

report on unserviceable, obsolete or surplus stores, plant and equipment and recommend the best method of disposal by completing a Board of Survey form.

624. We observed during our physical inspection of the University's pool of vehicles and the Store that three (3) of the vehicles had been grounded and also a number of unserviceable items had been piling up in the central store of the University since 2015. Details are in table 57:

Table 57a: Details of Broken-down vehicles

Ne Reg. No.	Old Reg. No.	CHASSIS No.	Engine Capacity	Make/Type	Condition
GV1413-14	GR 5027-W	MAT38906652L00268	3000	TaTa Bus 2005	Broken down since 2015
GV1254-14	GR 7511 T	JIFED426300067721	2007	Toyota Hilux Pick-up	Broken down
GV1337-14	GV280 A	H2B50-0005545	4500	Toyota Coaster Bus	Broken down

57b: Other unserviceable items

No	Description of Item	Quality
1	Red Pen	102pkt
2	Pencil	78pkt
3	HP Toners	18pcs
4	Video Cassette Recorder	1
5	Nano Station Microwave Radio	3
6	Motorola Canopy Microwave Radio	9
7	Linksys 8 Port Ethernet Switch	1
8	Cable Telephone Handset	1
9	Netgear Port Ethernet Switch	2
10	Motorola Canopy Power Adaptor	1
11	System Unit	11
12	UPS	7
13	TP-Link 24 Port Ethernet Switch	2
14	3 Com 24 Port Ethernet Switch	2
15	Cathode Ray Tube Monitor	1
16	Allied Telesys 24 Port Ethernet	1
17	D-Link 24 Port Ethernet Switch	1
18	Tranzeo Microwave Radio	1
19	VSAT 1-Band Satellite Modem (Comtech)	1
20	Satellite IP Router Receiver	1
21	Pabx Telephone Exchange 16 SLC	2
22	Air Conditioner	3
23	Computer Mouse	4
24	Computer Speakers	2

25	HP Printer	5
26	Standing Fan	2
27	Stapler	1
28	Visitor's Chair	6
29	Industrial Sewing Machine	2
30	Photocopier Machine	2
31	Risograph	1
32	Monitor	6
33	Telephone Handset	2
34	Epson stylis photo printer	1
35	Keyboard	4
36	Monitor Screen Guard	1
37	IBM Typewriter	1
38	Industrial (sewing) Motor	3
39	Swivel Chair	1

625. A Board of Survey was constituted to dispose of used furniture via a letter dated 24 January 2018 signed by the Interim Registrar without the inclusion of these items.

626. We attributed this anomaly to management's non-adherence to the section stated above.

627. This continuous exposure of these items and vehicles to the mercy of the weather would result in further deterioration and reduction in the amount to be realised when sold. The situation has also led to overcrowding at the store as these items are occupying space.

628. We recommended that management should take the necessary step to dispose of these vehicles and unserviceable items without further delay.

629. Management accepted our recommendation for compliance

Maintenance of Vehicles

630. Section 52 (1) of the Public Financial Management (PFM) Act 2016, (Act 921) states "a principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets".

631. Regulation 1615 of the Store Regulations 1984, also states that, Officers in charge of vehicles are responsible for ensuring that the vehicles are serviced regularly.

632. We examined 23 vehicle files of the University so as to verify whether the vehicles were being maintained and serviced regularly.

633. Our examination disclosed that there was no proper documentation to confirm the frequency of maintenance and servicing of the vehicles. For example,

- Vehicles with registration number GV1329-14 and GV1261-14 were last sent for servicing on 23 January 2012 and 8 June 2012 respectively.
- While another vehicle with registration number GV1331-14 which was involved in an accident on 8 December 2018 was last serviced on 11th March 2014.

634. Failure to send these vehicles for regular servicing and maintenance could result in the vehicles breaking down frequently and increase expenditure on their maintenance.

635. This situation was due to absence of a policy on transport management coupled with non-supervision by Management to ensure that vehicles are sent regularly for servicing and records thereon kept on file.

636. We recommended that Management should ensure that the University's vehicles are regularly sent for servicing and appropriate records kept on file. We also urged Management to develop a transport policy to serve as guide for transport management.

637. Management accept our recommendation.

Absent from Council Meetings - Ing. Mrs. Sophia Abena Tijani

638. Statute 2 (b) of the Ho Technical University Statutes, states that where a member of the Council is absent for three (3) consecutive meetings, without a just cause, the office of the member shall become vacant.

639. The Council of the University held three (3) regular, two (2) emergency, and 10 special meetings during the year under review.

640. In our review of the council's meetings minutes we noted that Ing. Mrs. Sophia Abena Tijani who is a government appointee on the council did not attend any of these meetings.

641. We are of the opinion that the council had been deprived of the contributions she could have added to the deliberations and other major decisions made.

642. We recommended to management to declare her office vacant as required by Statutes 2(b) and the Minister of Education informed accordingly for replacement.

643. Management responded with a self-explanatory letter from Ing. Mrs. Sophia Abena Tijani to the Council Chairman that she had gained admission at the Texas A&M University and so she would be out of the country when school is in session.

644. Subsequently the Secretary to Council on 4 July 2018 wrote a letter to the Hon. Minister of Education for her replacement. The letter was received at the Ministry on 5th July, 2018.

645. We urged management to intensify effort to resolve the issue through following up with another letter.

Protection of 10KVA generator- GH¢9,888

646. Section 52 (1) of the Public Financial Management Act 2016, (Act 921) state that a Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.

647. During our physical verification of assets of the University, we noted that a new 10KVA generator bought by the University at a cost of GH¢9,888 was left at the mercy of the weather without cover.

648. This condition resulted from failure on the part of Management to ensure that proper control systems exist for the custody, care and management of the assets of the University.

649. The continuous exposure of the Generator to the weather may result in deterioration and thieves may also remove essential parts because it is not protected.

650. We advised the Management to ensure that measures are put in place to protect the Generator from deterioration and theft.

651. Management accepted our outlined recommendations.

Reporting Procedure

652. Contrary to Section 83 (2) the PFM Act 2016, Act 921, Our review of the reports of the Internal Audit indicates that the head of Internal Audit reports both administratively and functionally to the Vice Chancellor.

653. This anomaly could contribute to delays in the issuance of the Internal Audit reports, since records available to us indicated that it sometimes takes management a long time to respond to issues raised in the reports.

654. We attributed this situation to the failure on the part of head of Internal Audit to adhere to the Act by reporting functionally to the Audit Committee.

655. We advised the Head of Internal Audit to comply with the Act by reporting administratively to the Vice Chancellor and functionally to the Audit Committee.

656. Management accepted our recommendation for compliance.

KOFORIDUAL TECHNICAL UNIVERSITY

Introduction

657. This report relates to the audited accounts of the Koforidua Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

658. The University recorded a surplus of GH¢1,266,670.32 in 2018 financial year as compared to GH¢1,594,662.46 registered in 2017; representing 20% decrease of the previous year's surplus. The comparative performance indicators for the two years are shown in Table 58.

Table 58: Income statement for 2018

Income	2018 GH¢	2017 GH¢	% Change
Govt. Grants	29,429,776.82	29,496,661	0.23
Internally Generated Fund	16,541,824.06	15,942,183	3.76
ECREE Grant	60,672.40	-	-
Total Income	46,005,273.28	45,438,844	1.25
Expenditure			
Compensation of Employee	31,989,849.14	32,849,694	2.62
Goods and Services (including depreciation)	12,748,753.82	10,994,487	15.96
Total Expenditure	44,738,602.96	43,844,181	2.04
Surplus/(Deficit)	1,266,670.32	1,594,663	20.57

659. Total income registered an increase of 1.25%, from GH¢45,438,844 in 2017 to GH¢46,005,273.28 in 2018. The upward movement was due to an increase in Internal Generated Fund by 3.76%.

660. Total Expenditure also went up by 2.04% from GH¢43,844,181 in 2017 to GH¢44,738,602.96 in 2018. This was largely due to an increase in Goods and Services by 15.96%, from GH¢10,994,487 in 2017 to GH¢12,748,753.82 in 2018, this was as a result of increases in payments such as finance charges, maintenance/repairs of Vehicle, Industrial attachment, Staff development Foreign seminars/conferences Workshop, internet charges and Congregation.

Financial Position

661. The University's financial position as at 31 December 2018 is summarised in table 59.

Table 59: Financial position as at 31 December 2018

	2018 GH¢	2017 GH¢	% Changes
Non-Current Assets	19,530,434	21,165,613	7.7
Current Assets	12,000,135	9,867,970	21.6
Current Liabilities	1,947,293	2,266,618	14.1
Net Current Assets	10,052,841	7,601,351	32.3
Net Assets	29,583,275	28,766,965	2.8
Non-current Liabilities	1,827,286	2,277,646	19.8
Current Ratio	6.2:1	4.4:1	

662. Non- Current assets decreased by 7.7% from GH¢21,165,613 in 2017 to GH¢19,530,434 in 2018. This was due to depreciation charge for the year.

663. Current Assets went up by 21.6%, from GH¢9,867,970 in 2017 to GH¢12,000,134 in 2018. The rise was due to significant increase in Accounts Receivables which recorded GH¢5,527,801.06 at the end of the year under review as against GH¢4,199,809.90 in the previous year.

664. Current Liabilities recorded a decrease of 14.1% from GH¢2,266,618 in 2017 to GH¢1,947,293 in 2018. The fall was due to decreased in Accounts Payables.

MANAGEMENT ISSUES

Inappropriate Payment of Provident Fund from IGF-GH¢343,163.00

665. Section 5 (a) of Retention of Fund Act 2007, Act 735, states “Internally Generated Funds can only be utilized when the activities on which the expenditure will be incurred have been programmed and approved in that Ministry’s, Department’s and Agency’s expenditure budget by Parliament”.

666. On the contrary, our examination of IGF expenditure observed that management transferred a total amount of GH¢343,163.00 from the IGF to the Provident Fund in 2018 as employers’ contribution towards the Fund. However, there was no provision of provident fund payments in the budget approved by Parliament, nor were they supported by a provision in the Condition of Service (COS). Details are shown in table 60.

Table 60: Payment of Provident Fund

Date	PV. NO.	BANK	AMOUNT GH¢
29/5/18	FB & BC/00/0518	UMB	192,126.00
2/10/18	FRA/022/10/18	ADB	151,037.00
		TOTAL	343,163.00

667. We attributed the anomaly to management’s failure to abide by the provisions in the budget which had been approved by parliament.

668. The expending of the University’s IGF on unplanned activities could alter planned programmes as well as give rise to budget overruns. Payments that are not budgeted for also override controls put in place by the government to monitor the usage of IGFs.

669. We recommended that management should comply with the Retention Act as quoted above, spend according to the approved budget and apply for supplementary budget before committing funds into such expenditure. Management should also justify the payments into the Provident Fund or refund the amount into the University's account.

670. Management has stopped payment of the Provident Fund after receiving the letter from the Ministry of Finance not to use Internal Generated Fund (IGF) to finance the Provident Fund.

Under- deduction of Rent-GH¢21,688.40

671. Article 14.0 of the Condition of Service for Senior Staff and Senior Members of Polytechnic Teachers Association of Ghana (POTAG) states 'An employee shall be provided with accommodation if available, and shall be required to pay rent at the prevailing government rate'.

672. We noted during our audit that six officers occupying the University's bungalows were not deducted the correct rate of rent as required by POTAG's Condition of Service. Amounts paid by the officers ranged between GH¢10.00 to GH¢257.00 notwithstanding the observation made in last year's report; management has not taken action on this issue. Details are shown in table 61.

Table 61: Deducted Rent

Name	Position	Staff ID	Monthly Basic Salary (Jan. 2018)	Old Rent Paid	Council's approved Rate	Monthly Rent (10%) Payable	Total Rent Payable	Rent Paid for 12 Months	DIFFERENCE PAYABLE 12 months
			GH¢	GH¢	GH¢	GH¢	GH¢	GH¢	GH¢
S.T. Osei Tutu	Lecturer	753413	2,993.78	10.00	269.71	299.38	3,592.54	120.00	3,472.54
Dr. Nicholas Apreh Siaw	Dean (FHAS)	752078	3,727.28	64.94	182.50	372.73	4,472.74	779.28	3,693.46
Michael Owusu Acheaw	Ag. Librarian	755467	3,664.47	257.97	182.50	366.45	4,397.36	3,095.64	1,301.72
Phyllis Tetteh	Snr. Asst. Registrar	751459	3,426.00	25.00	82.50	342.60	4,111.20	300.00	3,811.20
Mathias Fred Adjei	Deputy Registrar Admin.)	768839	3,920.62	-	182.50	392.06	4,704.74	-	4,704.74

Dr. William Gyedu Aseidu		754315	3,920.62	-	182.50	392.10	4,704.74	-	4,704.74
TOTAL							25,983.32	4,294.92	21,688.40

673. This happened as a result of Management's disregard for the above stated law.

674. As a result, the occupants paid rent lower than the required one, thereby causing a loss of rent revenue amounting to GH¢21,688.40 to the University.

675. We recommended to management to enforce the deduction of the required statutory rent of 10% of the basic salary of the occupants. Meanwhile management should ensure that the officers involved refund the total amount of GH¢21,688.40 being arrears due to the under deduction.

676. Management stated that it will take all the necessary steps to enforce the deductions and recover all outstanding rent due the University.

Violation of Condition of Service - GH¢28,079.52

677. Article 4.5(1) of Condition of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG) states 'an employee may resign by giving three months prior notice to his principal, or in lieu pay three months' salary, provided that such notice shall be given to take effect for the end of an academic year'.

678. Our payroll audit of the University disclosed that Mr. Bernard Kwasi Boateng Barnor, former Lecturer in Renewable Energy Systems Engineering and Dr Godwin Ayitor Kafui, former Snr Lecturer attached to Automotive Engineering Department resigned on 1 February 2018 and 25 May 2018 respectively but did not notify management of their resignation 3 months earlier as required by Article 4.5(1) of Condition of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG). The breach of Article 4.5(1) of the Condition of Service requires the two former lecturers to pay a total amount of GH¢28,079.52 representing three months' salary in lieu of notice. Details are shown in table 62.

Table 62: Unearned salary payment

Name	Grade	Staff No.	Reason for separation	Date of separation	Required period of payment	Unearned salary GH¢	Total unearned salaries GH¢
Dr. Godwin Kafui Ayetor	Snr. Lecturer	752712	Resigned	25/05/2018	Feb. - April 2018 3 months' salary in lieu of notice	4,759.08*3	14,277.24
Bernard Kwasi Boateng Barnor	Lecturer	752750	Resigned	1/2/2018	1 st Feb. - April 2018 3 months' salary in lieu of notice.	4,600.76*3	13,802.28
Total							28,079.52

679. The anomaly was as a result of the Management inability to enforce to the provisions in the Condition of Service.

680. Management might not be able to immediately replace the lecturers which would eventually have negative effect on the studies of the students.

681. We recommended to management to recover the GH¢28,079.52 from the officers into the Consolidated Fund without further delay.

682. Management has taken note of our recommendation and all monies would be recovered and subsequently pay same into the consolidated fund.

Failure to Serve Bond Term GH¢680,826.01

683. Article 6 (g) of Koforidua Technical University (KTU) condition of service for senior members of Polytechnic Teachers Association of Ghana (POTAG) states that employees granted study leave shall be made to sign bonds before proceeding on the course.

684. Our review of the separated staff list disclosed that management granted full time scholarship study leave with pay to three (3) members of staff to pursue Doctor of Philosophy (PhD) in various fields of study however; they did not serve their bond terms after completion. Some of them did not return after completion and tendered in their resignation before completing their bond term. Details are shown in table 63.

Table 63: Staff who did not serve Bond Term

No.	Name Of Staff	Item	Amount GH¢
1	MR. Augustine Ntiamoah	Salary Paid (48 Months)	130,067.84
		Research & Books Allowance	16,098.85
		Air Ticket Fair	12,563.08
		Sub Total	158,729.77
2	Theophilus Okoe Hanson	Salary Paid (53 months)	189,266.56
		Research & Books Allowance	18,773.29
		Living Expenses/Health Insurance	15,668.18
		Sub Total	223,708.03
3	Ebenezer Miezah Kwofie	Salary Paid (65 months)	265,691.11
		Research & Books Allowance	22,941.10
		Living Expenses/Health Insurance	9,756.00
		Sub. Total	298,388.21
		GRAND TOTAL	680,826.01

685. Lack of commitment by the beneficiaries to abide by the undertakings caused these losses.

686. The University has been deprived of the benefit which could have been derived from the skills acquired by the beneficiaries, apart from the loss of funds to the Government if the expended amount is not retrieved.

687. We recommended that management should put in place strict policies to curb this phenomenon since it has been predominant in the University. We further recommended that management should pursue the affected staffs to recover the expenditure incurred on them or from their guarantors.

688. Management has taken note of our recommendations and appropriate measures will be taken to retrieve the money and prevent this from occurring in the future.

Bindery Equipment purchased not in use: GH¢26,500.00

689. Regulation 0602 of the Stores Regulations 1984 state “Requisitioning officers shall be held responsible for the proper use of supplies issued to them.”

690. We noted during our audit inspection that six equipment acquired by the University for the Business Development Unit for bindery services since 2013 had never been put to their intended use. Details are shown in table 64.

Table 64: Equipment not in use

S/ N	Items	COST GH¢	Department	Year of Purchase
1.	Drilling Machine	2,000.00	Business Development Department	2013
2.	Knife Trimmer	7,000.00	Business Department	2013
3.	Bucking Machine	4,000.00	Business Department	2013
4.	Set Type Phase	2,000.00	Business Department	2013
5.	Guillotine Machine	10,000.00	Business Department	2013
6	Pressing Machine	1,500.00	Business Department	2013
	Total	26,500.00		

691. Franklin Odoom, Ag. Business Development Manager stated that the machines acquired were too small and therefore, a bigger Electronic Foil machine is needed to activate the unit.

692. The amount of GH¢26,500.00 spent in acquiring the equipment could lead to waste of resources of the University.

693. Management should ensure that due diligent is done before undertaking a venture of such nature.

694. Management has taken note of our recommendation and will act appropriately.

Unapproved variation of contract sum - GH¢14,657,436.91

Section 87(1) of the Public Procurement (Amendment) Act 2016 provides that there should not be an aggregate increase in the original amount of a contract by more than 10% of the original sum unless authorised by a Tender Review Board.

695. On the contrary, we found that in the construction of a 5-Storey Engineering Block awarded to M/S Antarctic Ltd, management of the University varied the initial contract sum of GH¢3,951,137.00 by 370.97% to GH¢18,608,573.91 without recourse to the Tender Review Board.

696. Mr. Gilbert Torsutse, the Works Director indicated they were in a hurry to execute the project and will later refer it to Tender Review Board.

697. The situation could lead to loss of funds to the University.

698. We recommended that the process of variation should be adhered to failure of which the Director of Works should be held, liable in case of any loss.

699. Management indicated the Contractor was initially directed to return to the site, however, management on realizing that an important step had been skipped wrote to the contractor not to resume work until necessary approvals for the modification of contract is obtained.

Failure to take advantage of Contract Price Reduction GH¢18,427.84

700. Regulation 2(c) of the Financial Administration Regulations (FAR) LI 1802 of 2004 states that the head of government department shall secure the efficient and effective use of appropriations under departmental control within the ambit of government policy and in compliance with any enactment, Regulations or instructions issued under the authority of any enactment.

701. Our review of records showed that KTU had a contract with Messrs Scancom GH Limited to provide dedicated internet service at a price of GH¢40,196.34 per month. The contract expired on 1st August 2017. However, Messrs Scancom GH Ltd. wrote to KTU to continue to offer the internet service at a reduced cost of GH¢35,589.38 per month and this was followed with a letter to Public Procurement Authority for concurrent approval for single source which was granted on 29th September 2018.

702. As the time of our audit, the University continued to pay GH¢40,196.34 for four consecutive times instead of GH¢35,589.38 leading to an additional cost GH¢18,427.84 to the University.

703. The delay in the procurement process resulted in the lapse.

704. This has resulted in a loss of GH¢18,427.84 to the University.

705. We urged management to ensure that they take advantage of the reduced price to avoid additional cost to the Institution.

706. Management stated that the contract for extension was awarded in January 2019 and the performance bond has been provided by Scancom Ghana Ltd. The contract is at the stage of signing the agreement to complete the procurement processes to pave way for the payment of the new rate. The old rate is being paid in line with the old contract.

Uncompetitive Procurement GH¢64,850.61

707. The Public Procurement (Amendment) Act 2016 (Act 914) requires a procurement entity to request quotations from as many suppliers or contractors as practicable, but shall compare quotations from at least three

different sources that should not be related in terms of ownership, shareholding or directorship and the principle of conflict of interest shall apply between the procurement entities and their members and the different price quotation sources.

708. We reviewed procurement documents and found out that management awarded contracts to two suppliers valued at GH¢64,850.61 but failed to obtain at least three quotations. Details are shown in table 64.

Table 64: Uncompetitive Procurements

PV No.	PV Date	Supplier	Item	Amount
FRA/042/9/18	13/9/18	Eastern Chemist Ltd.	Purchase of drug	20,301.61
FRA/096/10/18	20/10/18	Loo-Blossom Enterprise	Clinical Equipment	44,549.00
Total				64,850.61

709. Management indicated in their evaluation reports that the items were procured under emergency and only two suppliers submitted their invoices.

710. Procurement of goods and services without obtaining price quotations from other sources does not provide an assurance that the University procured at the most economical prices. Therefore, there was the risk that the University did not pay fair prices of goods and services procured.

711. We recommended that the head of procurement unit of the University should comply with the procurement law so that value for money would be obtained.

712. Management stated that due to the shortage of the drugs in question, the two invoices picked from Inter-pharma and Eastern Chemist was considered for selection.

Improper keeping of Contract Register

713. Section 1.10.2 of the Public Procurement Authority Manuals on the Public Procurement Act 2003 (Act 663) requires Procurement Units to maintain Procurement Dossiers and Contract Registers, but each Procurement entity must ensure that complete documentation is maintained in respect of all procurement activities and for contracts and agreement entered into.

714. We noted that though the University maintains a contract register to record information relating to the projects being undertaken, the register

was not well kept. In some instances, payments that were not affected were recorded in the contract to reduce the contract sum.

715. Lack of collaboration between the works and Accounts departments resulted in this lapse.

716. Improper maintenance of a contract register undermines controls put in place to enhance monitoring of payments for contracts. Consequently, we could not easily ascertain the payments made to date as well as outstanding balances on the contracts among others.

717. We urged works department to update the contract register.

718. Management noted our recommendation for compliance.

Failure to update Asset Register- GH¢478,191.78

719. Regulation 2(n) of Financial Administration Regulations, 2004 L.I. 1802 states that the head of a department shall compile and maintain assets register of the department as determined by the Controller and Accountant-General.

720. Our review of records disclosed that Management did not update its asset register to include items worth GH¢478,191.78 purchased in 2018.

721. Lack of collaboration between the estate and accounts departments has resulted in this.

722. Failure to update asset register could lead to loss of property without detection. In addition, monitoring of age and maintenance cost of assets may not be easily managed to aid effective management decision making.

723. We therefore, recommended that the Head of estate should ensure that the asset register is updated.

724. Management indicated plans are made to have the assets captured in the assets register to prevent them from being stolen.

Failure to Register Land

725. Section 52 of Public Financial Management Act, 2016 (Act 921) states “A principal Spending Officer of a covered entity, state owned enterprise or public corporation shall be responsible for the assets of the institution

under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets’

726. The University acquired a 16.22 acre parcel of land in 2009 at Amanfrom in the Akuapim North District for a biofuel project by the renewable Energy System Engineering Department. However, the University failed to register the land at the Lands Commission for a title deed after an amount of GH¢7,050.00 was paid for an indenture.

727. The development directorate indicated, in their report, that in the process of registering the land, they realized that the University had three of the indentures instead of four, so the indenture was sent to the University legal advisor for affidavit to be prepared for the University to get the forth copy before they could continue with the registration process.

728. The University does not have a right of ownership to the land.

729. We urged the University to speed up the process to enable it obtain the title deed.

730. Management indicated it has started the process of registration of the land and will expedite action to complete the registration process.

KUMASI TECHNICAL UNIVERSITY

Introduction

731. This report relates to the audited accounts of the Kumasi Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

732. The overall financial performance of the University during the period under review showed that the University has increased its surplus by 42.7% from GH¢2,881,914.76 in 2017 to GH¢4,111,235.83 in 2018. Table 65. shows the details.

Table 65:

Income	2018 GH¢	2017 GH¢	% Change
Subventions	34,017,487.70	31,069,058.15	9.5
Internally Generated Fund	22,374,004.14	21,322,063.90	4.9
Total Income	56,391,491.84	52,391,122.08	7.6

Expenditures			
Compensation	38,286,238.13	36,504,408.81	4.9
Goods and Services	13,994,017.88	13,004,798.78	7.6
Total Expenditure	52,280,256.01	49,509,207.29	5.6
Excess of Income Over Expenditure	4,111,235.83	2,881,914.76	42.7

733. Total income for the period increased by 7.6% from GH¢52,391,122.05 in 2017 to GH¢56,391,491.84 in 2018. Total expenditure also increased by 5.6% from GH¢49,509,207.29 in 2017 to GH¢52,280,256.01 in 2018.

Table 66: Financial Position

Items	2018 GH¢	2017 GH¢	% Change
Non-current Asset	14,325,778.02	11,118,501.00	28
Current Assets	11,716,851.46	6,877,534.00	70
Current Liability	(1,494,435.75)	(922,668.00)	61
Net Assets	24,551,190.73	20,439,954.90	20.11
Current Ratio	7.9	11.10	

734. Non-current assets increased by 28% from GH¢ 11,118,501.20 in 2017 to GH¢14,325,775.02 in 2018. The increase was attributed to the construction of a new four classroom school block.

735. Current asset increased from GH¢6,877,534.00 in 2017 to GH¢11,716,851.46 in 2018, an increase of 70%. The increase was largely due to increase in deposits. The deposits increased from GH¢1,830,000.00 in 2017 to GH¢6,560,000.00 in 2018.

736. Current liability has increased by 61% from GH¢922,664.50 in 2017 to GH¢1,491,435.75 in 2018. The increase in liability has reduced the liquidity position of the University from 11:1 in 2017 to 7.9:1 in 2018, but the University financial position is strong enough to pay its creditors when they are due for payment.

MANAGEMENT ISSUES

Excessive cash transactions - GH¢1,332,259.06

737. Regulation 48(1b) and (2) of the Financial Administration Regulations 2004, (L.I.1802) states 1(b) "a head of department shall ensure that cash holdings are kept to the absolute minimum, consistent with the efficient discharge of public financial business by making payments by cheque wherever possible. (2) that the head of department shall ensure as well as it is consistent with the convenience of the public and control of

transactions that collections and payment are made by cheque, bank transfer or direct payment to bank account.

738. Our examination of sampled payment vouchers disclosed that physical cash were used to make payments instead of directly using cheques. We further noted that the Director of finance on several occasions withdrew cash in bulk from the bank to the office for payments. Details are table 67.

Table 67: Excessive Cash Transactions

Date	Cheque No.	No. of Payments	Amount GH¢
22/1/2018	146769	10	24,714.17
22/1/2018	146770	16	27,060.66
17/1/2018	150791	29	28,922.88
7/3/2018	150887	30	48,882.91
13/3/2018	150895	25	37,772.35
19/3/2018	150898	35	47,567.91
4/4/2018	150946	17	35,443.82
24/4/2018	151012	24	37,478.61
7/5/2018	151034	10	42,858.58
17/5/2018	151060	22	37,972.95
23/5/2018	151074	40	36,868.09
31/5/2018	151081	19	35,239.79
12/6/2018	151090	26	43,977.75
29/6/2018	151223	13	44,379.84
6/7/2018	151238	19	44,004.75
13/8/2018	151353	26	37,909.64
16/8/2018	151366	24	36,974.10
31/8/2018	151380	11	44,162.00
7/8/2018	151344	32	40,838.98
26/9/2018	151552	11	39,858.46
10/10/18	151606	29	44,513.49
16/10/18	151663	25	37,167.18
18/10/18	151664	11	41,628.00
29/10/18	151667	15	34,183.10
14/11/2018	151711	10	40,334.02
27/11/18	151784	28	43,712.06
12/12/2018	151835	23	37,464.84
17/12/18	151842	28	45,925.28
18/12/18	151843	15	46,668.74
20/12/18	151863	2	46,473.72
20/12/18	151866	2	47,832.82
20/12/18	151865	2	44,877.30
20/12/18	151862	2	48,590.26
Totals			1,332,259.06

739. This has resulted in the treasury officer having unclaimed payments as cash on hand. As at 18/3/19 total physical cash with the treasury officer amounted to GH¢108,301.98. An amount of GH¢43,417 was said to have been paid out as “I Owe You (IOU)” to individuals. The situation could also lead to diverting of funds for personal use which will go unnoticed.

740. The lapse could be attributed to management’s failure to adhere to the provisions of the Financial Regulations.

741. We urged management to strictly adhere to the above quoted financial regulations to avoid loss of funds to the University. The total unclaimed payments should be paid back to chest as early as practicable.

742. Management responded that they have engaged the services of a software developer for the development of software whereby all payments for the internal staff will be made to the Bank Accounts of the beneficiaries. The physical cash counted is meant for payment to the beneficiaries and notices are pasted for the beneficiaries to collect their monies otherwise within one month the money is paid back to chest.

Imprest not accounted for-GH¢412,063.34

743. Regulation 288(1) of the Financial Administration Regulations states “imprest shall be retired by the close of the financial year and any imprest not so retired shall be adjusted to personal advance account of the imprest holder.

744. Our review disclosed that out of an amount of GH¢1,269,275.92 paid as accountable Imprest to various officers, only GH¢857,212.58 was accounted for. The balance of GH¢412,063.34 remained unaccounted for as at 31 December 2018. The imprest paid every month and outstanding balances month by month is shown in table 68.

Table 68: Imprest not accounted for

Month	Imprest paid	Accounted for	Difference
JANUARY 2018	18,786.39	20,486.39	-1,700.00
FEBRUARY 2018	81,733.05	17,105.83	64,627.22
MARCH 2018	39,165.62	29,488.17	9,677.45
APRIL 2018	65,285.50	40,315.22	24,970.28
MAY 2018	47,560.39	29,865.49	17,694.90
JUNE 2018	183,891.60	153,857.90	30,033.70
JULY 2018	54,772.28	43,316.43	11,455.85
AUGUST 2018	52,895.00	41,436.95	11,458.05
SEPTEMBER 2018	139,759.79	79,897.20	59,862.59
OCT. 2018	255,701.30	58,851.80	196,849.50

NOVEMBER 2018	47,209.00	111,816.20	-64,607.20
DECEMBER 2018	282,516.00	230,775.00	51,741.00
Totals	1,269,275.92	857,212.58	412,063.34

745. The information made available to us did not disclose the names of various officers holding this imprest.

746. We attributed the irregularity to lack of effective monitoring and supervision by the Director of Finance whose responsibilities among others is to ensure that accountable imprest are fully retired within the stipulated timeframe.

747. The situation did not give us assurance that these expenditures were made in the interest of the University. The practice could lead to manipulation of underlining records to support imprest payment.

748. We recommended that the names of individuals who could not account for their imprest should be provided, so the necessary action be taken in accordance with FAR 280 (1) to account for the imprest.

749. Management responded that they have tasked the monitoring unit to identify all those who have not accounted for their stewardship and that their book and research allowances shall be absorbed and deductions will immediately be effected through the Controller and Accountant's General's Department for the refund.

Use of Invalid VAT Invoices by University Suppliers-GH¢713,070.48

750. Section 41. (1) of VAT Act, 2013 (Act 870) states "A taxable person shall, on making a taxable supply of goods or services, issue to the recipient, a tax invoice in the form and with the details that are prescribed by the Commissioner General.

751. Despite our recommendation in paragraph 103 of previous management letter number DAG/CAD/17/594 dated 22 January 2019, we noted that management continued to transact business with suppliers with invalid VAT invoices. Details shown in table 69.

Table 69: Use of invalid VAT Invoices by University Suppliers

PAYEE	CHEQUE /PV NO.	TIN NO.	DATE	VAT AMOUNT	AMOUNT	SERVICE PROVIDED
Sadmozanu Enterprise	150790/C B004813	P00068 61187	6/11/17	72.90	2,502.90	Supply of building material
Sadmozanu Enterprise	150790/C B004813	P00068 61187	6/11/17	72.90	2,502.90	Supply of building material

Below the Line GH LTD	146722/C B4863	C00023 96989	4/01/18	5,361.70	36,000.00	Printing of diaries
Royal Foam GH LTD	146721/C B4863		16/01/18	1,077.66	37,000.00	supply of students' mattress
Tradenet Computers Ltd	150709/C B5042	C00062 237177	26/1/18	3,872.40	26,000.00	supply of furniture
Danny Praise Computers	150710/C B5042	947100 1503	9/05/17	1,125.21	7,555.00	supply of computers
Capital systems Ltd	151460/C B809701	C00041 74011	5/10/18	2,450.00	16,450.00	SAGE 300 ERP
Univercell comp. Ltd	151082- 11/CB635 4		4/6/18	536.00	3,600.00	Supply of flat screen
Jamfe Ventures	150796/C B5132	424104 1287	5/2/18	210.90	7,240.90	supply of electrical items
Goldcity Ltd	150991/C B5031	C00059 98492	21/2/18	366.64	11,558.00	servicing fire extinguisher s
Rose Addai Enterprise	151690/C B8512	447000 00599	5/11/18	1,747.57	60,000.00	supply of 6000 brochure
STIDIJ Ventures	151687/C B8512	C00001 98358X	5/11/18	513.00	17,613.00	supply of toners
Diacon Medicals Ltd	CB8022- 23	C00049 84277	19/9/18	490.00	16,840.50	supply of lab consumables
Willbeck Consult	151677/C B8403	P00003 8007	31/10/18	2,056.25	13,806.00	supply of security jackets
STIDIJ Ventures	151673/C B8403	C00019 8358X	31/10/18	1,762.80	60,522.80	supply of photocopy parts
Freeman Printing Press	6299-01	P00065 42107	22/5/18	291.26	10,000.00	printing of script envelope
Atlantic Computers	8681-02	114600 0057		49.94	1,714.44	ICT materials
STIDIJ Ventures	8403-14	C00019 8358X	31/10/18	1,762.80	60,522.80	photocopy parts
Jamfe Ventures	5268-18	424104 1287	26/2/18	92.10	3,162.10	electrical materials
First African Page Ltd	12194/55 10-01	C00036 1489	5/3/18	5,167.00	177,398.00	classroom furniture
Josab Enginee- ring	8827-29	P00048 0940		420.00	14,420.00	fumehood for chemical eng.
Osei Nyame Kesse	7990-04	P00047 3545	19/9/18	895.63	30,750.00	protective clothing
STIDIJ Ventures	6256-12	C00019 8358X	14/5/18	272.25	9,347.25	supply of tonners
Diacon Medicals Ltd	6256-11	CD0049 8277	14/5/18	94.89	3,257.89	Reagent consumables
Mandate I.T solutions	7802-13		14/9/18	783.00	26,883.00	students ID cards
Osei Nyame	7890-05	P00047	19/9/18			cleaning

Kesse		3545		790.20	27,130.00	consumers
Osei Nyame Kesse	7890-03	P00047 3545	19/9/18	199.52	6,850.00	cleaning consumers
STIDIJ Ventures	6256-13	C00019 8358X	14/5/18	43.50	1,493.00	
Osei Nyame Kesse	6256-15	P00047 3545	14/5/18	550.20	20,950.00	Dustbins
TOTALS				33,128.22	713,070.48	

752. The VAT invoice these suppliers used were no more in use and have therefore been withdrawn from VAT registered companies and ceased to be used as a valid VAT invoices.

753. The situation did not provide assurance that management has been dealing with tax responsive companies. The practice also defeats government revenue generation effort since there is no assurance that the suppliers would return VAT amount collected of GH¢33,128.22 with invalid invoice to the Commissioner General.

754. We recommended that management should as a matter of principle deal with VAT registered suppliers only and obtain valid VAT invoices to support its transactions. These suppliers should be contacted to provide evidence of payment of the tax to the appropriate authorities or the VAT amount should be recovered from them.

755. Management responded that information gathered from Ghana Revenue Authority indicated that the merger of the three Divisions took a longer period and that they were made to use the old VAT invoices until the final merger took place.

756. We urged management to ensure that the suppliers provide evidence of tax payments lest the amount be recovered from the suppliers.

Students Debtors not captured in Financial Statements-GH¢1,007,293.88

757. Regulation 2(d) of the Financial Administration Regulations 2004, (LI 1802) states that the Head of government department shall secure the due and proper collection of government revenue collectible by the department within terms of any enactment.

758. The International Public Sector Accounting Standard (IPSAS) also requires that an item should be recognised as asset when it is possible that the future economic benefit associated with the asset will flow to the entity and cost of the asset can be measured reliably.

759. We reviewed the students' ledgers and noted that an amount of GH¢1,007,293.88 was standing in the ledgers as student debtors as at 31 December 2018, but this was not disclosed in the Financial statements as current asset to the University.

760. The fees meant for financing essential programmes including provision of teaching and learning materials have been locked up.

761. Omitting students' debtors from the Financial Statements affect the true financial position of the University.

762. We recommended to Management to incorporate the students' debtors of GH¢1,007,293.88 in the Financial Statements to show the true position of the Financial Statement.

763. Management responded that student debtors were not captured in the Financial Statements because the institution recognises revenue on cash basis. Management does not want to isolate just the school fees and work on it, but rather looking at all the issues that need to be resolved to be fully IPSAS compliant. The Governing Council has therefore approved an amount of GH¢300,000.00 to start with the implementation of IPSAS which could help us accrue school fees revenue.

Outstanding Loan to Contractors GH¢198,500.00 and payment of retention from IGF GH¢70,347.74

764. Regulations 125(1) and (2) of the FAR 2004(LI 1802) states 'recoveries in respect of contract advances shall be made from the contract payment by the head of department. A final payment on contract shall not be made until the head of department has confirmed that no balance of an advance is outstanding and certify this on the voucher for the final payment.

765. We noted that an advance of GH¢200,000.00 was paid to M/S Stivo company Ltd on 18/11/2015 to facilitate the completion of construction work on Junior staff flat, a project funded by the GETFUND.

766. Our review disclosed that the project has been completed and handed over and the final retention of GH¢12,918.34 and GH¢57,429.40 was released to the contractor from the IGF on 24/7/2017 and 22/01/2018 respectively. However, a balance of GH¢198,500.00 of the advance remained unrecovered.

767. Amount, which otherwise could have been invested and accrue interest for the development of the University has been kept by the contractor for over three years.

768. We recommended that effort should be made to retrieve the outstanding loan balance from the contractor without further delay. Steps should equally be made to apply and collect from GETFUND total amount of GH¢70,347.74 being retention the University paid for construction of the flat on behalf of GETFUND.

769. Management responded that the final certificate No. 6 and the retention amount of GH¢12,918.84 and GH¢57,429.40 respectively will be forwarded to GETFUND through NCTE for refund to the University. Management also responded with evidence that the loan to contractors was recovered on 2 January 2019 and promised to pursue the recovery of GH¢70,348.24 retention sum paid to the contractor from GETFUND.

Admission of student to pursue discontinued programmes

770. Section 8(3) of National Accreditation Board Act, 2007 (Act 744) states “an institution shall not operate or run a programme without accreditation.

771. Section 23(b) of National Accreditation Board Act,2007 (Act 744) further states “where the accreditation or a programme is not renewed and the institution continues to operate or run the programme the Board may recommend the appropriate actions or sanctions which may include withdrawal of public funds, students’ loans or the transfer of students to another institution”.

772. We observed on the contrary that, the Kumasi Technical University has not made any effort to renew the accreditation for HND Accountancy and HND Statistics since the programmes accreditation expired on 31/08/2018. Management said it has decided to discontinue these programmes. However, the University admitted students for the 2018/2019 academic year to pursue the unaccredited programmes. Details in table 70:

No.	Programme	Students Admitted	Fees Collected
1	HND ACCOUNTANCY	3086	3,164,384.40
2	HND STATISTICS	78	79,981.20

773. Lack of coordination between the Quality Assurance Unit and the Admission Board accounted for the lapse.

774. The University stands to suffer reputational damages and sanctions from the Accreditation Board and the student body as the students may complete their programmes without receiving valid certificates.

775. We recommended that Management should renew the accreditation of the two programmes immediately and avoid being penalised by the National Accreditation Board.

776. Management accepted our recommendation.

Overdue Vendor Tickets-GH¢4,025.00

777. Section 52(1) of the Public Financial Management Act, 2019, Act 921 state, “A Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets.”

778. Section 52(2a) further states that the control system specified in subsection (1) shall be capable of ensuring that preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.

779. Clause 3(vii) also states that Vendor should not default in the payment of dues. Clause 3(viii) further states that the Vendor shall not abandon their vending space for more than one month without permission. The act could lead to reallocation of the space.

780. Contrary to the above, we noted from vendor files that twenty-five vendors owed the University land rent amounting to GH¢4,025.00 at the close of 2018.

781. The anomaly was due to failure to enforce the agreement by the Estate Officer whose responsibility among others, is to ensure that, the conditions in the agreement are complied with.

782. The unpaid vendors’ rent may negatively affect the revenue budget of the University.

783. We recommended that management must ensure that the Vendors pay off their indebtedness.

784. Management accepted our recommendation.

Fuel not accounted for in the Vehicle Log Books-GH¢310,905.31

785. Regulation 1604 of the Stores Regulations 1984 provides that purchases and receipts of fuel /lubricant should be entered in the vehicle log book.

786. Contrary to the above provision, we noted that the University purchased fuel/lubricant amounting to GH¢339,553.79 for the use of 36 vehicles of the University during the period. Our review disclosed that only GH¢28,648.88 worth of fuel was logged in the vehicle log books.

787. We attributed the omission to lack of adequate supervision on the part of the transport officer over the drivers.

788. Consequently, fuel/lubricant worth GH¢310,905.31 could not be accounted for in the vehicle log books. The situation could not also help access the fuel consumption level of the vehicle realistically, so that necessary action could be taken to work on any defects that may be associated with the vehicles.

789. We recommended that the Transport Officer should ensure that lubricant purchased amounting to GH¢310,905.31 are accounted for in the log books by the drivers in compliance with the Stores Regulations.

790. Management accepted our recommendation and further stated that a control mechanism has been put in place upon agreement with Total Ghana, of which a tom card has been produced to track down all fuel purchases made at any particular point in time.

Ineffective Security System over cash at the Treasury

791. Section 52(1) (a) of the Public Financial Management Act 2016, (Act 921) stipulates that A Principal Spending Officer of a covered entity, state-owned enterprise or public corporation shall be responsible for the assets of the institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets. (2) A control system specified in subsection (1) shall be capable of ensuring that (a) preventive mechanisms are in place to eliminate theft, loss, wastage and misuse.

792. We noted during the audit of the treasury unit that, the unit receives revenue, make all payments, withdraws and keeps physical cash but does not have any effective security system in place to forestall theft and attacks.

Security systems such as an armed security man, enclosed security area or CCTV camera are not in place.

793. Management's inability to provide adequate safeguards of the financial resources of the University could lead to theft and loss of funds and precious lives as the Unit could easily be attacked.

794. We recommended as a matter of urgency to Management to put in place pragmatic and effective security system to forestall possible theft and loss of financial resources and even precious lives of officers.

795. Management in response stated that hopefully by the 2nd quarter of 2019, the installation of CCTV cameras in the cash office would be completed to address the risk of being burgled.

Limitation of scope of work of the Internal Audit Directorate

796. Section 83(3) (a) of the Public Financial Management Act 2016, (Act 921) requires that " An Internal Auditor of the Internal Audit Unit of a covered entity shall (a) appraise and report on the soundness and application of the system of controls operating in the covered entity."

797. We observed that the Internal Auditor could not audit the revenue and other relevant modules through the Sage System and produce report on the effectiveness or otherwise of the system as expected.

798. The Internal Audit Unit asserted that they did not have access to the Sage system on the Server thus was not able to appraise the system and consequently report on them. The Unit further stated that they required an audit integration software that could operate behind the system and be able to appraise the system without interfering with it.

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

800. We recommended to management to collaborate with the internal audit unit to be able to effectively appraise all modules of the Sage System in order to forestall the occurrence of fraud and diversion of funds to the detriment of the University.

801. Management responded that the condition existed because of a challenge with the networking of their IT system. Management has initiated measures to address the challenge, when that is done, the internal auditor

would be assigned access right relevant data on the servers for his audit work.

Broken Down Classroom Chairs

802. Regulation 0302 of the Stores Regulations 1984 states “Officers making departmental purchases have a duty to ensure that proper regard is paid to economy in the choice of articles and commodities to be purchased. Exercise of economy in this context involves not merely the making of a simple comparison of prices but the selecting of goods which represent the fullest value for money and which fit the purpose for which they are required.

803. The University on 30 May 2017 awarded a contract to MS 1st African Page Ltd to supply 1000 pieces of classroom chairs to the University at a total cost of GH¢282,000.00.

804. The first delivery of 729 pieces was made to the University on 30 May 2018, the remaining 371 pieces were delivered on the 28 June 2018.

805. We carried out an inspection to verify the existence of the 1000 classroom chairs and noted that 235 pieces have already been broken down beyond repairs.

806. We related the situation to lack of due diligence on the part of the tender evaluation committee, leading to the procurement of chairs that were produced by sub-standard materials.

807. The rate of breakdown of the chairs does not give the assurance that the chairs could survive their expectant life of six years as indicated in the University’s depreciation policy. Value for money has therefore not been achieved in this transaction.

808. We recommended that in future, sample of such items to be procured, should be delivered by interested suppliers/contractors for testing of their suitability and durability for a reasonable period, before orders are placed. Furthermore, the committee that did the evaluation together with the verification team should be jointly held accountable for the loss that the University has incurred.

809. Management accepted our recommendation.

Obsolete and abandoned vehicles

810. The Public Procurement Act 2016(Amendment) Act 914 states that the head of a procurement entity shall convene a board of survey comprising representative of departments with unserviceable, obsolete or surplus stores, plant and equipment which shall report on the items and subject to a technical report on them, recommend the best method of disposal after the officer in charge has completed a board of survey form.

811. We noted that six of the University's vehicles were unserviceable while four vehicles have been parked in the garage for over four (4) years, for having peculiar problems, which no efforts were being made by Management to address. Details in Table 71.

Table 71: Obsolete and abandoned vehicles

S/No	Type of Vehicle	Vehicle Number	Remarks
1	TATA INDIGO	GW 4187 Y	Obsolete
2	TATA INDIGO	GV 1582 – 14	Obsolete
3	TATA INDIGO	GV 1581 – 14	Obsolete
4	TATA INDIGO	GV 1584 – 14	Obsolete
5	TATA INDIGO	GN 1592 – 14	Obsolete
6	NISSAN PICK –UP	GV 19 X	Drive shaft & others
7	NISSAN PICK –UP	GV 1518 14	Drive Shaft
8	AGRIA TRACTOR	GV 1508 –X	Transmission leakage
9	TATA BUS	GN 7376 Y	Front Axle and others
10	FORD RANGER	GT 3001-13	Engine Breakdown

812. The continues abandonment of the vehicles at the garage had resulted in their further deterioration.

813. The situation has resulted in financial loss to the University since additional funds would be needed to salvage the vehicles.

814. We recommended that to avoid further loss in the economic value of the vehicles Management should constitute a board of survey and initiate the process for their disposal in accordance with the above stated Act.

815. Management responded that the committee was informed that valuation for boarding of the six Tata Indigo vehicles has been done by the STC which was in the custody of the Registrar, so preparations are advanced to sell the obsolete vehicles to the public. With respect to the other vehicles, transport committee has been set up by the Academic Board to maintain the parked vehicles back onto the road. A maiden report has been sent for the attention of the Vice Chancellor.

Full benefit not realized in Vodafone Agreement

816. Regulation 39(1) of the Financial Administration Regulations 2004(LI1802) stipulates “A head of department shall ensure that moneys are utilised in a manner that secures both optimum value for money and the intention of Parliament”.

817. The University renewed the provision of internet service contract with Vodafone on 1 January 2018 for another three years. Vodafone under the contract is expected to provide internet bandwidth (155 megabytes per seconds) to the University.

818. The University however, has not derived the full benefits of the agreement even though full payments were being made. The University could not procure the required infrastructure and facilities such as routers, gigabyte switch and other network equipment to manage the distribution of the network.

819. There is also the lack of coordination among the stakeholders such as ICT Directorate, the Council, and Head of Faculty to form a united front that will ensure that a common policy is designed and appropriate equipment are procured and put on a common platform for the University to derive the optimum benefit from the internet usage.

820. The University may not be achieving value for money if it continues to pay the monthly rent of GH¢35,000.00 but cannot derive the necessary benefit.

821. We recommended to management to ensure that all needed infrastructure are provided to enable the University enjoy the full benefit of the monies paid.

822. Management responded that they have made GH¢700,000.00 budget allocation towards the ICT infrastructure so as to ensure effective distribution of the 155 megabit per seconds.

WA POLYTECHNIC

Introduction

823. This report relates to the audited accounts of the Wa Polytechnic for the period 1 January 2018 to 31 December 2018.

Operational Results

824. The Polytechnic recorded a surplus of GH¢3,591,293.37 in 2018 as compared to deficit of GH¢1,213,049.36 in previous year, representing 396.1% increase. The comparative performance indicators for the two years are shown in table 72.

Table 72:

Income	2018 GH¢	2017 GH¢	% change
Government Subvention	14,525,688.65	8,093,960.07	79.5
Other Income (IGF)	1,624,794.44	921,084.08	76.4
Total income	16,150,483.09	9,015,044.15	79.2
Expenditure			
Employee Compensation	9,280,827.58	8,501,614.44	9.2
Goods and Services	3,278,362.14	1,726,479.07	89.9
Total Expenditure	12,559,189.72	10,228,093.51	22.8
Surplus /Deficit	3,591,293.37	(1,213,049.36)	396.1

825. The income registered an increase of 79.5% from GH¢ 9,015,044.15 in 2017 to 16,150,483.09. The increase was due to increase in Government Subvention by 79.5%.

826. The total expenditure also went up by 22.8% from GH¢10,228,093.51 in 2017 to GH¢12,559,189.72 in 2018 this was largely due to increase in goods and services by 89.9% from GH¢1,726,479.07 in 2017 to GH¢3,278,362.14 in 2018. However, employee compensation also increased from GH¢8,501,614.44 in 2017 to GH¢9,280,827.58 in 2018 representing 9.2% increase.

Financial Position

827. The polytechnic's financial position as at 31 December 2018 is shown in table 73.

Table 73: Financial Position 2018

Items	2018 GH¢	2017 GH¢	% Change
Non - Current Assets	17,833,363.09	13,201,308.05	35.1
Current Assets	1,059,746.76	911,122.58	16.3
Liabilities	2,568,186.51	1,333,544.73	92.6

Net current Assets	(1,508,439.75)	(422,422.15)	(257.1)
Liquidity Ratio	0.41:1	0.68:1	

828. The Non -Current Assets increased from GH¢13,201,308.05 in 2017 to GH¢17,833,363.09 representing 35.1% increase. The increase was due to additions in Plant Property and Equipment.

829. Current Assets increased by 16.3% from GH¢ 911,122.58 in 2017 to GH¢1,059,746.76 in 2018. The increase was due to in staff debtors, inventories and student debtors.

830. The Current Liabilities recorded 92.6% increase from GH¢1,333,544.73 in 2017 to GH¢2,568,186.51 in 2018. This was mainly due to non-payment of debt owed Trade Creditors totaling GH¢2,489,269.13.

831. The liquidity position as measured by current ratio of 0.41:1 in 2018 and 0.68:1 in 2017 financial years indicate the inability of the polytechnic to meet its short term debts when they fall due.

832. We urged management to improve the liquidity position of the polytechnic.

MANAGEMENT ISSUES

Unsupported Payment-GH¢ 111,789.70

833. Our review of payments disclosed that forty-two (42) payment vouchers amounting to GH¢111,789.70 were not supported with the relevant expenditure particulars such as official receipts, invoices, minutes of meetings, and other necessary documents.

834. This contravenes Regulation 39(2c and d) of the Financial Administration Regulations 2004 (L.I. 1802) which stipulates “the head of accounts section of a department shall control the disbursement of funds and ensure that transactions are properly authenticated to show that the amounts are due and payable and order disbursements that does not meet the requirement is rejected”.

835. We attributed this anomaly to weak internal controls exercised over cash management by the Ag. Rector and Ag. Finance Officer.

836. This could result in diversion of Polytechnic funds for personal gains.

837. We recommended that the Ag. Rector and Ag Finance Officer should ensure that the affected payment vouchers are properly supported for vouching, failing which the total amount of GH¢111,789.70 should be recovered from the Ag. Rector and Ag Finance Officer.

838. Management in response indicated that the payments have been supported for verification.

839. Our verification disclosed that out of one hundred and twelve (112) payment vouchers amounting to GH¢409,930.30 only seventy payment vouchers amounting to GH¢298,140.60 had been supported with relevant documents with forty two (42) payment vouchers amounting to GH¢111,789.70 not supported.

Failure to remit Withholding Taxes-GH¢18,618.66

840. Our audit disclosed that the Polytechnic withheld taxes from allowances, supply of goods and services amounting to GH¢79,523.40 but paid only GH¢60,904.74 to the Commissioner of Ghana Revenue Authority leaving a balance of GH¢18,618.66 not paid as at 31 December 2018. Details are the table 74.

Table 74: Failure to remit Withholding Taxes

Month of Deduction	Year	Amount Deducted GH¢	Due Date for Payment	Payment GH¢	Outstanding Tax GH¢
November	2017	18,789.96	15-Dec-17	-	18,789.96
December	2017	5,240.53	15-Jan-18	-	24,030.49
January	2018	1,297.94	15-Feb-18	-	25,328.43
February	2018	1,456.28	15-Mar-18	-	26,784.71
March	2018	4,860.01	15-Apr-18	-	31,644.72
April	2018	5,994.38	15-May-18	-	37,639.10
May	2018	1,135.59	15-Jun-18	-	38,774.69
June	2018	5,994.16	15-Jul-18	-	44,768.85
July	2018	4,759.87	15-Aug-18	-	49,528.72
August	2018	2,188.03	15-Sep-18	-	51,716.75
September	2018	1,219.83	15-Oct-18	42,878.85	10,057.73
October	2018	9,858.16	15-Nov-18	-	19,915.89
November	2018	10,282.05	15-Dec-18	18,025.89	12,172.05
December	2018	6,446.61	15-Jan-19		18,618.66
Total		79,523.40		60,904.74	18,618.66

841. This contravenes section 117 (1) of the Income Tax Act, 2015 (Act 896) which provides that a withholding tax agent shall pay to the Commissioner-

General within 15 days after the end of each calendar month a tax that has been withheld in accordance with this tax laws during the month.

842. The anomaly was as a result of the finance officer's failure to adhere to the Income Tax Act.

843. The anomaly could attract penalty from the Commissioner of Ghana Revenue Authority.

844. We recommended that management should pay the withheld tax amounting to GH¢18,618.66 to the Commissioner-General, Ghana Revenue Authority and ensure that all withheld taxes are paid 15 days after the end of each calendar month to avoid penalty from the Commissioner-General of Ghana Revenue Authority.

845. Management in response indicated that the total amount of GH¢18,018.66 has been disclosed in the financial statements for the 2018 financial year and promised to pay it in due course.

Unaccounted for Fuel–GH¢9,689.63

846. Section 52 (7) (a) of the Public Financial Management Act, 2016 (Act 921) stipulates, "The Principal Spending Officer is discharged of accountability of government stores where the stores have been consumed in the course of public business and records are available to show that the stores have been consumed".

847. Contrary to the above provision, we noted during our audit that the Polytechnic purchased fuel amounting to GH¢9,689.63 for running of official vehicles. Our review of the vehicle log books however, disclosed that the said fuel had not been accounted for in the log books and there was no evidence of its usage to the benefit the Polytechnic.

848. We could therefore not authenticate that the fuel was bought and used for official purpose.

849. We attributed the lapse to weak internal controls exercised over fuel management by the transport officer.

850. This could lead to diversion of Polytechnic fuel for personal use.

851. We recommended that the Transport Officer should provide evidence of utilisation of the fuel in the interest of the Polytechnic. Failing which, the

Transport Officer and the affected officers should pay the total amount of GH¢9,689.63 to the Polytechnic.

852. The transport officer responded that the fuel purchased was approved and used for the Polytechnic but failed to produce any evidence of usage of the fuel to the benefit of the Polytechnic during verification.

853. We therefore maintain our position that failing to provide evidence of usage to the benefit of the Polytechnic, the Transport Officer and the affected officers should pay the total amount of GH¢9,689.63 to the Polytechnic

Unpresented Payment Vouchers-GH¢30,287.38

854. Regulation 1(1) of the Financial Administration Regulations 2004 (L.I 1802) stipulates that any public officer, who is responsible,

- a) for the conduct of financial business on behalf of the government of Ghana
- b) the receipt, custody and disbursement of public and trust money or
- c) for the custody, care and use of public stores, shall keep proper records of all transactions and shall produce records of transaction for inspection when called upon to do so by the Minister, Auditor-General, the controller and Accountant- General or any officer authorised by them.

855. On the contrary, the Polytechnic did not present seventeen (17) payment vouchers amounting to GH¢30,287.38 for audit. As a result, we could not ascertain whether the transactions actually took place.

856. We attributed this anomaly to failure on the part of the Finance Officer to prevail on the schedule officers to present the said payment vouchers for audit.

857. This could lead to the Polytechnic funds being diverted for personal use.

858. We recommended that the Finance Officer should ensure that the payment vouchers are made available for audit, failing which the total amount of GH¢30,287.38 should be recovered from the Finance Officer.

859. Management responded that the affected payment vouchers were available for verification.

860. Our verification disclosed that out of twenty-nine (29) payment vouchers with face value of GH¢114,928.18 only twelve (12), with a value of GH¢84,640.80 were presented. Seventeen (17) payment vouchers were not presented for audit.

Payment not accounted for-GH¢ 10,110.39

861. Regulations 39(2c and d) of the Financial Administration Regulations 2004, stipulates that, the head of accounts section of a department shall control the disbursement of funds and ensure that transactions are properly authenticated to show that the amounts are due and payable and other disbursements that do not meet the requirement is rejected.

862. We observed during our audit that out of a total amount of GH¢28,521.39 withdrawn from bank by the Rector and the Finance Officer for various activities of the Polytechnic only GH¢18,411.00 was accounted for with a balance of GH¢10,110.39 unaccounted for. Details are shown in table 75.

Table 75: Payments not accounted for

Date	Payment Voucher Number	Amount on payment voucher GH¢	Amount Accounted for GH¢	Unaccounted for Amount GH¢	Beneficiary
31-Jan-18	ISA/01/34	3,950.00	1,500.00	2,450.00	Prof. Emmanuel Marfo-Owusu
22-Feb-18	ISA/02/23	2,550.00	1,500.00	1,050.00	Prof. Emmanuel Marfo-Owusu
16-Apr-18	ISA/04/18	2,400.00	1,200.00	1,200.00	Matthew Zangina
16-Apr-18	ISA/04/11	3,000.00	2,100.00	900.00	Dr. Baba Insah
2-Oct-18	ISA/10/09	1,050.00	450.00	600.00	John K Kpiepana
7-Feb-18	SSB/02/06	3,250.00	1,500.00	1,750.00	Prof. Emmanuel Marfo-Owusu
12-Mar-18	SSB/03/04	2,900.00	1,500.00	1,400.00	Prof. Emmanuel Marfo-Owusu
17-May -18	SSB/5/15	3,721.39	3,491.00	230.39	Adamu Ibrahim
9-July -18	GCB/7/02	5,700.00	5,170.00	530.00	Mwaab K. Justin
Total		28,521.39	18,411.00	10,110.39	

863. We attributed the lapse to the Finance Officer’s disregard for the Regulations quoted.

864. Such practices undermine the genuineness of the transactions.

865. We recommended that the Rector and the Finance Officer should fully account for the total amount of GH¢11,310.39, failing which the total amount of GH¢11,310.39 should be recovered from the Rector and the Finance Officer.

866. Management responded that the affected officers to whom the amount was advanced to undertake various activities of Polytechnic were yet to account for the amount.

Payment of Avoidable Judgment Debt-GH¢6,776.76

867. Regulation 12 of the Financial Administration Regulations, 2004 (L.I. 1802) demands “A person entrusted with custodial duties for public and trust moneys shall protect public and trust moneys against unlawful diversion from their proper purposes and against accidental loss, and locate such moneys so as to facilitate the efficient and economical discharge of public financial business”.

868. On the contrary our audit disclosed that the Polytechnic paid an amount of GH¢6,776.76 via payment voucher number ISA/2/01 dated 9/2/2018 as Judgment debt to Lewabang Enterprise for the supply of refreshment for the 2016/2017 academic year first semester examination.

869. From the invoice the items were supplied by Lewabang Enterprise on 29 March 2017 with an invoice value of GH¢5,128.88 but the Management refused to pay the invoice value until the supplier obtained a court judgment on 31 January 2018 to compel Management to pay the supplier the invoice value, interest and award of cost totalling GH¢6,776.76.

870. Management blamed the anomaly on the suspended Rector Professor Emmanuel Marfo-Owusu for his refusal to approve the payment.

871. The lapse led to financial loss to the Polytechnic.

872. We recommended that the suspended Rector Professor Emmanuel Marfo-Owusu and the Finance Officer should refund the total amount of GH¢1,647.88 being interest and the Court cost awarded to the supplier for causing financial loss to the school.

873. Management responded that the anomaly was caused by the suspended Rector Professor Emmanuel Marfo-Owusu since he refused to

approve the expenditure and refused to appear before court leading to the default judgment.

874. The audit team could not get the suspended Rector to confirm the basis of his refusal to approve the expenditure. In our view the authorising officers who caused the anomaly should be held liable for the interest and the cost.

Payment of Unapproved Allowances GH¢18,986.28

875. Regulation 39(2c and d) of the Financial Administration Regulations 2004 (L.I. 1802) stipulates, “the head of accounts section of a department shall control the disbursement of funds and ensure that transactions are properly authenticated to show that the amounts are due and payable and order disbursements that does not meet the requirement is rejected”.

876. Contrary to this provision, our audit disclosed that Management paid unapproved honorarium and allowances totalling GH¢18,986.28 to Council Members, Audit Committee Members and other members of staff.

877. We attributed the anomaly to the Finance Officer’s failure to obtain statutory approval or authority before payment.

878. We recommended that the finance officer should produce statutory authority for the payment of the allowances, failing which the total amount of GH¢18,986.28 should be refunded by the beneficiaries.

879. Management responded that it is their responsibility to transport Council Members and Audit committee members in and out for meetings and the basis for their payment was the 2018 fiscal year, approved budget for the Polytechnic, fair wages and salaries commission letter no. FWSC/D/SCR.133/VOL.2/24 dated 6 October 2015.

880. Our review of the 2018 fiscal year approved budget for the Polytechnic only provided for council committee allowances. Additionally a review of the fair wages and salaries commission letter no. FWSC/D/SCR.133/VOL.2/24 dated 6 October 2015 provides for workers in public service on the single spine salary structure and not Council Members and Non-Public Servants, hence the Ministry of Finance has provided for Council Members and Non-Public Servants in its circular No.BD/CMU/BCA/2018/001 dated 2 November 2018 and the Guidelines for the effective functioning of Audit Committees respectively which does not provide for the allowances paid.

881. We therefore maintain our position that that the allowances paid were not approved and should be refunded by the beneficiaries.

Unearned salary GH¢5,814.46

55. Our review of the validated salary vouchers of the Polytechnic disclosed Mr. Iddrisu Ngmenipuo Mohammed the Ag. Rector, Joseph Bendah Ag. Finance Officer and Madam Jinjong Kombian Niibman the Human Resource Manager validated the late Dogoli Cletus who died on 20 March 2018 to receive unearned salary amounting to GH¢5,814.46 for the month of April to November 2018. Additionally, Management did not write to the bankers of the late Dogoli Cletus not to pay any salary and return same to government chest. Table 76 shows details.

Table 76: Unearned salary

Month	Name of staff	Staff number	Rank	Salary
April 2018	Dogoli Cletus	767245	Security	1,132.78
May 2018	Dogoli Cletus	767245	Security	938.88
June 2018	Dogoli Cletus	767245	Security	748.23
July 2018	Dogoli Cletus	767245	Security	748.23
August 2018	Dogoli Cletus	767245	Security	748.23
October 2018	Dogoli Cletus	767245	Security	749.05
November 2018	Dogoli Cletus	767245	Security	749.06
Total				5,814.46

882. This contravenes Regulation 297(1a-f) of the Financial Administration Regulations 2004, (L.I. 1802) which stipulates that, a head of department shall cause the immediate stoppage of salary to a public servant when that public servant retires, vacates post, resigns, and is granted leave without pay or dies.

883. We attributed the lapse to negligence on the part of Ag. Rector, Ag Finance Officer and the Human Resource Manager.

884. This led to the payment of unearned salary for no services rendered to government.

885. We recommended to Management to recover the total amount of GH¢5,814.46 and pay same to government chest, failing which the total amount of GH¢5,814.46 should be recovered from Mr. Iddrisu Ngmenipuo Mohammed the Ag. Rector, Mr. Joseph Bendah, Ag Finance Officer and Madam Jinjong Kombian Niibman the Human Resource Manager who validated the deceased.

886. Management in response indicated that they advised Controller and Accountant General's Department through a leaving/termination input form to stop the salary in 2018 and in December 2018 they validated the officer as unknown.

887. Management response proved that the validation was deliberate since they were in the known that the officer had died since April but continued to validate the deceased as living for salary purposes. Additionally, management in writing to Accountant General's Department to stop the salary refused to write to the deceased bankers not to pay any salary from the deceased account.

Over Payment of Part-Time Teaching Claims - GH¢GH¢1,310.00

888. Regulation 45 of the Financial Administration Regulations 2004, (L.I. 1802) states that if any expenditure is made in excess of the amounts actually due, the overpayment shall be recovered immediately and paid into the account from which it was originally paid and the officer concerned shall report the circumstances immediately to the head of department or the appropriate authority.

889. Contrary to the above Regulation, our review disclosed that Management overpaid Mr. Paschal Dakurah by an amount of GH¢1,310.00 via payment voucher number SSB/04/23 dated 10/4/2018 for Part-Time Teaching. Mr. Paschal Dakurah worked for 131 hours for which per his appointment letter he was to be paid GH¢15.00 per hour but the finance officer paid GH¢25.00 per hour and therefore paid total amount of GH¢3,275.00 instead of GH¢1,965.00 leading to an over payment of GH¢1,310.00 to the officer.

890. We attributed this anomaly to negligence on the part of the Finance Officer.

891. This led to loss of funds to the Polytechnic.

892. We recommend that Management should recover the total amount of GH¢1,310.00 from Mr. Paschal Dakurah and same paid to the Polytechnic's Account.

893. Management responded that the amount was not over payment because the Academic Board in its 41st Regular Meeting approved the rate for Part-Time Teaching from GH¢15.00 per hour to GH¢25.00 per hour.

894. Our review of the Academic Board's 41st Regular Meeting minutes disclosed that the decision was taken on 15 August 2018 and there was no indication in the minutes that the decision takes retrospective effect and since the payment was for the period of March 2017 to June 2017 the decision does not affect this payment, hence the officer was overpaid.

Payment of three months termination of employment Compensation without Justification - GH¢29,243.52

895. Section 15 of the Labour Act, 2003 (Act 651) stipulate that A contract of employment may be terminated:

- (a) by mutual agreement between the employer and the worker;
- (b) by the worker on grounds of ill-treatment or sexual harassment of the period of employment;
- (c) by the employer on the death of the worker before the expiration of the period of employment;
- (d) by the employer if the worker is found on medical examination to be unfit for employment;
- (e) by the employer because of the inability of the worker to carry out his or her work due to
 - (i) sickness or accident; or
 - (ii) the incompetence of the worker; or
 - (iii) proven misconduct of the worker.

896. Our Vouching of payments however, disclosed that Management paid an amount of GH¢29,243.52 as three months' salary in lieu of notice via payment voucher number ISA/8/16 dated 29/8/18 to Mr. Mathew Zangina the Internal Auditor for termination of employment.

897. Further review disclosed that the Registrar Mr. Vitus Songotuah in a letter with reference number WAP/SAT/01/VOL.1 dated 29 August 2018 terminated the appointment of Mr. Mathew Zangina without indicating the basis for the termination. The Registrar only indicated that the Governing Council that directed the termination decided to pay three months' salary in lieu of notice. The Registrar could not produce minutes of the Governing Council's Meeting that took decision.

898. We attributed this lapse to the absence of a human resource management policy to direct procedures for appointment, promotions, dismissals, termination and other conditions of service.

899. The anomaly could lead to judgment debt against the Polytechnic.

900. We advised the Registrar to produce a copy of the minutes of the meeting that made the termination decision and reasons for the termination of the employment contract, failing which, the Registrar should refund the total amount of GH¢29,243.52 and same paid to the Polytechnic's account. Additionally, the Registrar may be surcharged with any further cost associated with the termination.

901. The Registrar in his response indicated that the termination was based on terms of employment. However, minutes of the Council Meeting that made the decision to terminate the appointment, had been corrected for the Council Chairman for signing.

902. In the absence of documents to support the termination we maintain that the termination was not justified.

Payment of Unapproved Post-Retirement Contract of Employment- GH¢26,000.00

903. Our vouching of payments disclosed that management paid an amount of GH¢26,000.00 to Mr. Stephen Yomoah for post-retirement contract of employment. Further scrutiny disclosed that Mr. Stephen Yomoah who retired from the Polytechnic on 27 February 2013 was first given a two-year post retirement contract from 1 March 2013 to 1 March 2015 for which he was fully paid by Central Government because approval was given for the employment contract.

904. However, after the expiration of the two years contract the former Rector Prof. G.K.S Aflakpui unilaterally extended the post retirement contract for an additional two years from 1 March 2015 to 1 March 2017 without approval from the Polytechnic Council and financial clearance from the Ministry of Finance.

905. The unapproved extension was not accepted by Central Government hence refusal to pay the officer but was paid from Internally Generated Fund. Table 77 shows details of payment:

Table 77: Payment of Unapproved Post-Retirement Contract of Employment

Date	PV No.	Chq. No.	Payee	Item	Amount GH¢	Account Area
4/12/2018	SSB/12/06	5983	Payment of outstanding salary	Stephen K Yomoah	4,000.00	IGF SSB ACCOUNT
10/9/2018	ISA/9/1	787	Payment of	Stephen K.	4,000.00	Stanbic

	3		outstanding salaries	Yomoah		
10/9/2018	ISA/9/13	787	Payment of outstanding salaries	Stephen K. Yomoah	4,000.00	Stanbic
31/10/18	ISA/10/54	873	Payment of outstanding salary	Stephen K. Yomoah	2,000.00	Stanbic
12/3/2018	GCB/7/01	726954	Payment of post outstanding salaries	Stephen Yomoah	12,000.00	GCB Project
Total					26,000.00	

906. Additional reviews disclosed that the extension was granted before the officer applied for an extension on 10 September 2015 while the extension was granted on 9 April 2015.

907. This contravenes Section 7(f) of the Polytechnic Act, 2007 (Act 745) which stipulates that the council of a Polytechnic shall appoint the Rector, Vice Rector, Lecturers and other persons to academic and administrative positions in the Polytechnic.

908. We attributed this lapse to the Rector's desire to award employment contract without due processes.

909. This has led to the depletion of the Polytechnic Internally Generated Funds.

910. We recommended that the total amount of GH¢26,000.00 should be surcharged on the former Rector Prof. G.K.S Aflakpui for committing the Polytechnic to unapproved contract of employment.

911. Management responded that the Polytechnic Council in its 47th regular meeting ratified the post retirement contract and in its 50th regular meeting resolved to consider the affected officer for part time lecturing since the institution needed his service and government failure to grant the institution financial clearance for recruitment, hence the payment from internally generated fund.

912. Management failed to support its claim with minutes of the 47th and 50th Regular Council Meetings during which they ratified the post retirement contract and considered the affected officer for part time lecturing. Additionally, Management did not produce any part time lecturing contract between the officer and the Polytechnic.

913. In the absence of the above documents the audit team maintains its position that the post retirement contract was not approved.

Uncompetitive Procurement - GH¢85,019.56

914. Section 40(1a-c) of the Public Procurement Act, 2003 (Act 663) as amended stipulates that a procurement entity may engage in single-sourced procurement with the approval of Public Procurement Authority.

915. Contrary to this provision our audit disclosed that the Polytechnic single sourced procurement contracts amounting to GH¢85,019.56 without approval from the Public Procurement Authority.

916. Our further review of the procurement process proved that there was no invitation to the public or other suppliers to bid or provide price quotations for the procurement process before selection and award of supplies.

917. We blamed the anomaly on the Finance Officer and Procurement Officer for engaging in uncompetitive procurements.

918. This lapse denied the Polytechnic comparative advantage of discounts from other bidders which could have been lower.

919. We recommended that the Procurement Officer and the Finance Officer be sanctioned per Section 92 (1) of the Public Procurement Act, 2003 (Act 663) as amended.

920. The procurement officer responded that the items were procured out of emergency and out of accountable imprest hence the anomaly.

Unrecovered Salary Advances - GH¢250,424.19

921. Regulation 113(1) of the Financial Administration Regulations 2004, states that recoveries from official salaries shall commence from the salary of the next complete month after the month in which the advance was made. Regulation 115 (1a-c) of the 2004 (L.I 1804) further states that an advance payment to a public officer shall not be made under these Regulations if;

- (a) any advance of the same class in the name of the public officer has not been fully repaid;
- (b) any advance of any class in the name of the public officer is not being regularly recovered;
- (c) any advance outstanding against the officer on account of losses, un-cleared cheques or unretired imprest;

922. Contrary to these provisions our audit disclosed that the Polytechnic granted salary advances to seventy-three (73) members of staff amounting to GH¢300,941.74 for the period April 2016 to December 2018 but recovered only GH¢50,517.55 leaving a balance of GH¢250,424.19.

923. We attributed the anomaly to the inability of the finance officer to enforce salary advance recovery procedures.

924. This anomaly could lead to depletion of the Polytechnic's coffers thereby denying the Polytechnic funds for its activities or assistance to other needy staff.

925. We recommended to Management to recover the amount of GH¢246,540.19 from the affected officers. Additionally, Management should put in place stringent modalities for timely recovery of advances.

926. Management noted our observation for compliance.

Staff on Study Leave with pay without Academic Progress Report

927. Our audit disclosed that officers granted study leave with pay did not present their academic progress reports to the Polytechnic to track their academic activities.

928. This contravenes condition three (3) in the approved study leave letter with reference number WAP/ADM/P/016 dated 7 November 2017 which directs that officers granted study leave shall submit quarterly progress report to the office of the registrar for the entire period of study.

929. The audit team could not confirm if the officers were in school or not since there was no evidence that they were in school.

930. We blamed the anomaly on the Scholarship and Staff Development Committee's failure to develop procedures for granting of study leave with pay.

931. The anomaly could lead to the payment of scholarships and salaries to officers who obtained study leave with pay but may not be in school but doing other businesses and drawing salaries from government.

932. We recommended that all members of staff on study leave with pay should produce their academic progress reports endorsed by their supervisors or programme heads, failing which all salaries and allowances to

the affected persons be stopped and any cost incurred on them should be refunded.

933. Management accepted our observation for compliance.

Staff on Study Leave with pay occupying Polytechnic Bungalow

934. Article 15.6(i) of the Condition of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG) stipulates that an employee on study leave with pay shall be allowed to retain their houses for a maximum of one year.

935. On the contrary our audit disclosed that an officer Mr Ibrahim Denka Kariyama who had been granted study leave with pay since 1 September 2016 to study Power Engineering and Engineering Thermo-physics at Jiangsu University China is still in possession of the Polytechnic bungalow as at 31 December 2018.

936. We blamed this on the estate unit of the Polytechnic's failure to enforce the condition of service on accommodation.

937. The anomaly has denied other officers who are in need of accommodation to ensure effective teaching.

938. We recommended that the condition set out in the Condition of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG) should be enforced and the bungalow allocated to officers who are in need.

939. Management accepted our observation for compliance

Running of Non- Accredited Programmes

940. Section 8(3) 24 (b and c) of the National Accreditation Board Act 2007 (Act 744) demands that an institution shall not operate or run a programme without accreditation and a person who runs an unaccredited programme, advertises an unaccredited institution or an unaccredited programme commits an offence and is liable on summary conviction to a fine of not more than three hundred penalty units or to a term of imprisonment of not more than two years or both.

941. Our audit however, disclosed that the Polytechnic had five (5) unaccredited programs running during the audit period. Details are shown in table 78.

Table 78: Non-accredited programmes

Programme	Accreditation Status	Head of Department
Electrical/Electronic Engineering	No Accreditation	Ms Agnes Galyuoni
Dispensing Technology	No Accreditation	Mr Bayaa Martin B. Sixtus
Fashion, Design and Modelling	No Accreditation	Mr Robert Ahiabor
Purchasing and Supply	No Accreditation	Mr Samuel Adu-Poku
Secretary ship And Management Studies	No Accreditation	Mr Ronald B. Wulnye

942. We attributed this lapse to management failure to ensure that the programmes are accredited before they are run by the Polytechnic.

943. The students offering these programs stand the risk of not obtaining valid certificates for their future development.

944. We urged management to expedite action on the affected programmes for accreditation.

945. Management responded that plans are advanced to get the affected programmes accredited.

Expired Road Worthy Vehicles

946. Section 3 of the Road Traffic Offences Regulations outlines “no person shall drive a motor vehicle unless a valid certificate of road worthiness is carried on the vehicle”.

947. On the contrary our audit disclosed that ten (10) vehicles of the Polytechnic had expired roadworthy certificates. These vehicles were in use yet their road worthy certificates have not been renewed. Table 79 shows vehicles with expired road worthy certificates.

Table 79: Vehicles with expired road worthy certificated

No.	Vehicle Number	Up To Date	No of Days	Expired Date	Status
1	GN 976-12	13-Mar-19	378	28-Feb-18	On Road
2	GN 1338-10	13-Mar-19	403	3-Feb-18	On Road
3	GT 8985 W	13-Mar-19	544	15-Sep-17	On Road
4	GV 2907 Y	13-Mar-19	905	19-Sep-16	On Road
5	GG 6987-09	13-Mar-19	1,073	4-Apr-16	On Road
6	GE 6979-09	13-Mar-19	1,068	9-Apr-16	On Road
7	GV 101 T	13-Mar-19	529	30-Sep-17	On Road

8	GV 1518 Q	13-Mar-19	704	8-Apr-17	On Road
9	GT 7941 X	13-Mar-19	529	30-Sep-17	On Road
10	GN 977-12	13-Mar-19	378	28-Feb-18	On Road

948. We blamed this lapse on the transport manager's failure to remind management to renew the roadworthy certificates of these vehicles.

949. The users of the vehicle could be punished under Regulation 44 of the Road Traffic Offences Regulations 1974, (LI 952).

950. We advised that the Transport Manager should renew the roadworthy certificates of the vehicles and proper monitoring systems be established to ensure that vehicles with impending expiration of roadworthiness are promptly renewed.

951. Management noted our observation for compliance.

Expired Vehicle Insurance

952. Section 4 (1) of The Motor Vehicles (Third Party Insurance Act 1958 stipulates that "it shall not be lawful for any person to use, or to cause or permit any other person to use a motor vehicle on a road, unless there is in force in relation to the user of the vehicle by that person or that other person, as the case may be, such a policy of insurance or such a security in respect of third-party risks as complies with the requirements of this Act".

953. On the contrary we noted during our audit that the insurance cover for seven (7) vehicles in use had expired since 28 November 2018 to 20 April 2019 and there was inadequate system for monitoring the imminent expiry of vehicles' insurance cover. It takes a long time for the vehicles to be reinsured.

Table 80: Expired Vehicle Insurance

NO.	Vehicle Number	Up to Date	No. of Days in Default	Expired Date
1	GV 101 T	13-Mar-19	470	28-Nov-17
2	GT 7941	13-Mar-19	470	28-Nov-17
3	GN 1338-10	13-Mar-19	366	12-Mar-18
4	GV 1518 Q	13-Mar-19	366	12-Mar-18
5	GN 976-12	13-Mar-19	1,462	12-Mar-15
6	GN 977-12	13-Mar-19	327	20-Apr-18

954. We blamed the anomaly on the absence of a transport policy.

955. In an event of any accident, the Polytechnic will solely be liable for all damages.

956. We recommended that the Transport Section of the Polytechnic should have a database of all the vehicles with their insurance expiry date. The insurance renewal process must be initiated at least two months prior to the date of expiration.

957. Management noted our observation for compliance.

Failure to dispose of unserviceable items

958. Regulation 1101 of Store Regulations 1984 states “It is the responsibility of all supervisory officers and staff directly in charge of stores and equipment to determine what surplus, obsolescence and unserviceable stores are laying in their store house and compound. It is their further responsibility to take immediate action to dispose of such categories of stores and, when necessary to report the circumstances to the appropriate authority for disposal action”.

959. We observed during the physical inspection of the stores that unserviceable and obsolete items were not disposed of and were occupying space in the store room and thus causing congestions. The items are listed in table 81.

Table 81: Obsolete items

Descriptions	Quantity	Location
Car tyres	53	Store Room
Photocopier machines	3	Store Room
Fire extinguishers	3	Store Room
Telephones	5	Store Room
Television	1	Store Room
Desktop computers	44	Store Room
UPS	15	Store Room
Empty Cartridges	115	Store Room
Printers	4	Store Room
Laptop computers	3	Store Room
Ceiling fan	1	Store Room
Fax machine	1	Store Room
D – Link	5	Store Room
Cable manager	150	Store Room
Dust bin	1	Store Room
Steel cabinet	1	Store Room

960. We blamed this lapse on Management failure to constitute board of survey to dispose of the items.

961. The congested store impedes the free movement of staff in the store room and could cause injuries to them. They also continue to lose value due to unfavourable weather condition.

962. We advised Management to constitute a board of survey to take stock of the items and auction them.

963. Management accepted our recommendation and indicated that it will constitute the board of survey for compliance.

Audit committee failure to prepare Annual Statement

964. Section 88 (1b) and (2c) of Public Financial Management Act, 2016 (921), States “An Audit Committee shall ensure that the head of a covered entity to which the Audit Committee relates, prepares an annual statement showing the status of implementation of any recommendation contained in internal audit report, Parliament’s decision on the Auditor-General’s report, Auditor-General’s Management letter, the report on financial matters raised in an internal monitoring unit of a covered entity and any other related directive of Parliament.”

965. We noted on the contrary that the Audit Committee of the Polytechnic did not issue annual statement to indicate the remedial action taken or proposed to be taken to address the audit observations.

966. We blamed the anomaly on the Audit committee’s failure to adhere to their mandate.

967. The anomaly could lead to financial impropriety.

968. We recommended to the Audit Committee to carry out their mandate as contained in the Act.

969. Management in response indicated the anomaly was as a result of late receipt of the 2017 financial year Management letter but noted the observation for compliance.

ACCRA TECHNICAL UNIVERSITY

Introduction

970. This report relates to the audited accounts of the Accra Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

971. The operations of the Technical University ended in an income surplus of GH¢13,721,322.99 in 2018 as against GH¢7,163,613.45 in the 2017 financial year, representing an increase of 91.5%. Details provided in table 82.

Table 82: Statement of Financial Performance

Income	2018 GH¢	2017 GH¢	% Incr/(Dec)
Government Subvention	24,253,595.87	21,586,803.05	12.3
Internally Generated Fund	33,932,388.74	23,563,903.31	44.0
Total Income	58,185,984.61	45,150,706.36	28.9
Expenditure			
Compensation of Employees	27,439,931.74	24,728,638.24	11.0
Goods & Services	17,024,729.88	13,258,454.67	28.4
Total Expenditure	44,464,661.62	37,987,092.91	17.0
Excess of income over Expenditure	13,721,322.99	7,163,613.45	91.5

972. Total Income for the Technical University increased significantly by 28.9% from GH¢45,150,706.36 in 2017 to GH¢58,185,984.61 in 2018. The above increase is attributed to a marginal increase in Government Subvention by 12.4% from GH¢21,586,803.05 in 2017 to GH¢24,253,595.87 in 2018. Internally Generated Funds increased significantly by 44%, thus, from GH¢23,563,903.33 in 2017 to GH¢33,932,388.74 in 2018.

973. Total Expenditure also increased by 17% from GH¢37,987,092.91 in 2017 to GH¢44,464,661.62 in 2018. This was due to 28.4% increase in expenditure on Goods and Services from GH¢13,258,454.67 in 2017 to GH¢17,024,729.88 in 2018.

974. The financial position of the Technical University is presented in the table 82.

Table 82: Statement of Financial Position

Non- Current Assets	2018 GH¢	2017 GH¢	% Incr/(Dec)
Property, Plant & Equipment	30,899,377.34	31,843,391.72	(2.9)

Current Assets	45,663,648.38	35,556,731.69	28.4
Current Liabilities	17,846,496.86	22,404,917.53	20.3
Net Assets	58,716,528.86	44,995,205.88	30.4
Liquidity Ratio	2.6:1	1.6:1	

975. Non-Current Assets decreased by 2.9%, from GH¢31,843,391.72 in 2017 to GH¢30,899,377.34 in 2018 as a result of increase work projects.

976. Current assets increased by 28.4% from GH¢35,556,731.69 in 2017 to GH¢45,663,648.38 in 2018 due to the increase in bank balances.

977. Current liabilities decreased by 20.2% from GH¢22,404,917.53 in 2017 to GH¢17,846,496.86 in 2018. This was as a result of decrease in payables.

978. The liquidity ratio of 2.6:1 in 2018 means that the Technical University has the ability to meet its current liabilities as they fall due.

MANAGEMENT ISSUES

Unretired Accountable Imprest - GH¢38,720.00

979. Regulation 288 (1) and (2) of the Financial Administration Regulations states that, (1) Imprest shall be retired at the close of a financial year and any imprest not so retired shall be adjusted to a personal advance account in the name of the imprest holder.

980. We noted during our review of the payment vouchers that, an amount of GH¢38,720.00 advanced as accountable imprest for the execution of activities related to foreign travels, were not retired. Details are shown table 83.

Table 83: Unretired Accountable Imprest

DATE	PV NO.	CHEQUE NO.	NARRATION/DETAILS OF TRANSACTION	NET AMOUNT	PAYEE
11/12/2018	698	39394	Workshop in South Africa	9,660.00	Francis Geydu
15/05/2018	989	39672	Conference Registration	3,841.00	Prosper Agumey
22/05/2018	1063	39737	Conference Registration	4,900.00	ICA GH
2/8/2018	1675	29059	Conference Fee	13,945.00	Evelyn Bentil
25/10/2018	4133	40825	Payment of Registration Fee	2,900.00	Essa Elorm
19/04/2018	777	39460	Payment Decoration	1,464	HOD Fashion
17/04/2018	754	39436	Payment of Tableware	2,010	HOD HCIM
			TOTAL	38,720.00	

981. We could not confirm whether those activities were actually executed.

982. We recommended that the staff members involved should be contacted to retire their imprest, failing which the amounts be adjusted to their personal advance accounts as stipulated in the Financial Administration Regulation.

983. Management accepted the recommendation and stated that effort is being made to contact the affected staff members to retire their imprest.

**Penalty on SSNIT Contributions not Disclosed In Financial Statement
GH ₵ 21,587.35**

984. Section 64 (1) of the National Pensions Act, 2008, as amended by NPA Act, 2014 Act 883, states that “subject to subsection (2) if a contribution is not paid within the specified period

(a) A sum equal to three per centum per month of the contribution payable shall be added to the contribution as penalty;

(b) if a person without reasonable excuse fails to pay the contribution and a penalty imposed under paragraph (a), the Director-General may direct the person to pay an additional penalty of a sum equal to three per centum of the total of the outstanding contribution and penalty imposed under that paragraph for each month during which the default continues.

985. Our review of the payment of staffs SSNIT contributions revealed that a penalty for delay payment imposed on the institution to the tune of GH₵21,367.85 as at January 2018 was not paid during the year, and accumulated to GH₵21, 587.35 as at 31st December, 2018.

986. We further noted that the amount was also not disclosed in the 2018 financial statements as liability to the Institution in contravention of best accounting practice.

987. The continuous non-payment of the penalty means the amount will be compounding, and could lead to litigation with the statutory body.

988. We recommended to Management to take advantage of Section 64(2) of the NPA Act, and negotiate for a waiver or make the necessary arrangement to pay the penalty involved. We also recommended to the Finance Directorate to ensure that the penalty is disclosed in the accounting records so long as it is outstanding, in order to show a true and fair view of the financial position of the University.

989. Management has taken advantage of the waiver clause in the NPA, and a follow up is being made to receive an official response on the petition.

Unearned Salaries - GH¢152,127.14

990. Regulation 297(1c&f) and 298(4) of the Financial Administration Regulations LI 1802, States that “A head of department shall cause the immediate stoppage of payment of salary to a public servant when the public servant has retired or died.

991. Regulation 298(4) also states that failure to effect the stoppage within the time required is a breach of financial discipline under Regulation 8(1).

992. Contrary to the above, we noted that seven (7) academic staff members who retired in 2018, were validated on the payroll and paid salaries after their retirement, totalling GH¢147,376.99. We also noted that Ms. Agnes Acquaaah Mensah, a temporal worker whose appointment period expired in July 2017, was paid salary for the period August 2017 to March 2018 totalling GH¢4,750.15. Details re shown table 84.

Table 84: Unearned Salaries

DATE RETIRED	EMPLOYEE NUMBER	EMPLOYEE NAME	SALARY DATE	GROSS SALARY	RE-ENGAGEMENT DATE	REMARKS
8Th February 2018	789501	Ms. Mary Baisie	MAR 2018	5,180.44	3rd Sept,2018 - 31st Aug 2019	
			APR 2018	5,180.44		
			MAY 2018	5,180.44		
			JUN 2018	5,180.44		
			Jul-18	5,180.44		
			Aug-18	5,180.44		
			TOTAL	31,082.64		
6th February 2018	758383	Mr. Olufemi Fatonade	MAR 2018	4,376.38	3rd Sept,2018 - 31st Aug 2019	
			APR 2018	4,484.83		
			MAY 2018	4,484.83		
			JUN 2018	4,484.83		
			JULY 2018	7,537.78		
			Aug-18	4,980.36		
			TOTAL	30,349.01		
6th February 2018	758293	Mr. Edward Laryea Holm	JULY	2,472.26	NIL	Not on contract appointment list
			AUGUST	1,835.00		
			SEPT	2,153.32		
			OCTOBER	2,153.32		
			NOVEMBER	2,153.52		
			TOTAL	10,767.42		
9th March	758223	Mrs. Adelaide	MAR 2018	3,625.67	NIL	Not on

993. Management's delay in stopping the salaries of the separated staff members resulted in payment of GH¢147,376.99 as salaries for no work done, leading to loss of funds to the University.

994. We recommended that Management should ensure immediate stoppage of salaries of separated staff members and all unearned salaries should be recovered, paid back to Government Chest and receipts made available for our verification, failure of which the amount involved will be recovered from the validating officers.

995. In response, Management stated that Article 13(1) of the Condition of service of senior staff and senior members of the Polytechnic Teachers Association of Ghana (POTAG) provides that an employee shall retire from the service of the Polytechnic at the end of the academic year in which he attains compulsory/voluntary retiring age, also emphasized in status 76(3)(i). These requirements have been complied by Controller and Accountant General.

996. We disagreed with the response by management above and reiterate our recommendation.

Temporary workers not paid through Bank

997. Best cash management practice require that salaries of workers are paid through the bank to ensure that monies are paid to the right people for accountability and transparency to prevail.

998. We noted during our review that, 98 temporal workers of the University were paid salaries by cheques on table top instead of paying them direct through their bank accounts.

999. Management did not impress upon the temporary staff to present their bank account details before engaging them.

1000. The above practice is not prudent because the institution uses a full cheque booklet each month, only to pay the ninety-eight (98) temporary staff members currently at post, a situation that increase financial charges.

1001. We recommended that, Management review the payment process and ensure that temporary staff members are paid through their bank accounts.

1002. Management accepted our recommendation and stated that respective Banks of the Temporary staff will be engaged to effect direct payment to their Bank Accounts

Non Performance of Contracts - GH¢5,632,282.15

1003. Section 22 of The Public Procurement Act, 2003, Act 663, states that (1) A tenderer in public procurement shall

- (a) possess the necessary
 - (i) professional and technical qualifications and competence;
 - (ii) financial resources;
 - (iii) equipment and other physical facilities;
 - (iv) managerial capability, reliability, experience in the procurement object and reputation; and
 - (v) the personnel to perform the procurement contract;

1004. Contrary to the above Act, eight (8) suppliers of goods failed to perform their contractual obligations to supply various items within the contractual period of 30 days, spanning from 13th December 2018 to 16th January 2019. As at the time of our audit (March to April 2019) the goods had still not been supplied.

1005. We further noted that with the exception of Dizengoff Ghana Limited and Margins ID System, the rest of the vendors were required to submit performance bond. However, none of them had submitted the bond even after they had accepted the contracts. Details are stated in table 85.

Table 85: Non-Performance of Contracts

No.	Description	Contract start date	Contract end date	Payee	Amount
2	CCTV cameras	13/02/2019	30 days	Dizengoff Ghana Limited	203,058.02
3	Supply of writing desk and swivel Chairs	13/12/2018	30 days	Alsale Services Limited	78,070.00
4	Supply of answer booklets	13/12/2018	30 days	Kendard Office Equipment	121,900.00
5	Digital embossing machine	13/12/2018	30 days	Margins ID System	70,294.97

6	Supply and installation of Wifi services	13/12/2018	60 days	Sparkx (SM) Ghana Limited	4,996,682.66
7	Supply and installation of 50 pieces of 2.5HP split Air Conditioners	13/12/2018	30 days	Alsale Services Limited	140,621.50
8	Supply and installation of ID card printer	13/12/2018	30 days	Kendard Office Equipment	21,655.00
	Total				5,632,282.12

1006. The Tender Evaluation Committee members' failure to carry out due diligence, but relied solely on the documents submitted as sufficient evidence to the eligibility of tenderers, resulted in the selection of unqualified suppliers.

1007. Non-performance of the contract within the agreed period adversely affected the activities of the university.

1008. We recommended that the contracts be immediately terminated and rearward them to deserving vendors to effectively execute the contract. Furthermore, the non performing suppliers be notified and terms of exiting Clause should be applied.

1009. Management responded that Dizengoff is yet to be met over the 40% advance payment it requested. Alsale's contract has been cancelled whiles Kendard Office equipment is being pursued to deliver the outstanding answer booklets. The digital embossing machine by Margins ID System, WiFi services by Sparkx (SM) Ghana Limited and the ID card printer by Kendard Office Equipment are at the trial stages.

Division of Procurements – GH¢124,600.00

1010. Public Procurement Act, 2003, Act 663, Section 21(5) requires that a procurement entity shall not divide a procurement order into parts or lower the value of a procurement order to avoid the application of the procedures for public procurement in this Act.

1011. We noticed that procurement of Air conditioners amounting GH¢124,600.00 from Madson Japan Engineering Co. have been divided into smaller parts to circumvent the procurement process contrary to the requirements of the Public Procurement Act. Details are shown in table 86.

Table 86: Division of Procurements

Date	Purpose	PV/Cheque No	SRV No	Payee	Amount
Air conditions					
02/02/2018	2.5 HP Split Air Conditioners (5)	LPO 0003780	12/18	Madson Japan Eng (Gh) Ltd	16,000.00
09/04/2018	2.5 HP Split Air Conditioners (5) and 2.0 HP Split Air Conditioners	LPO 0000620	34/18	Madson Japan Eng (Gh) Ltd	18,600.00
22/11/2018	3.0 HP Air conditioners (2)			Madson Japan Eng (Gh) Ltd	13,000.00
26/03/2018	1.5 HP Air conditioners (42 pcs)			Madson Japan Eng (Gh) Ltd	77,000.00
Total					124,600.00

1012. The anomaly was as a result of procurement department's failure to follow the procedures of the PPA by planning and budgeting for bulk purchases.

1013. There was no value for money, economic and efficient use of the University's funds in the furtherance of its operational activities.

1014. We therefore recommended that management should desist from this act and consider the economic use of the available funds of the Institution.

1015. Management stated that analysis of the observation does not support bulk breaking because items involved is of different in nature.

1016. We emphasize our recommendation.

Improper Keeping of Tender Register

1017. Regulation (1) of the Financial Administration Regulations states that Any public officer who is responsible

- (a) for the conduct of financial business on behalf of the Government of Ghana,

- (b) the receipt, custody and disbursement of public and trust moneys, or
- (c) for the custody, care and use of public stores.

1018. Shall keep proper records of all transactions and shall produce records of the transactions for inspection when called upon to do so by the Minister, the Auditor-General, the Controller and Accountant-General or any officers authorized by them.

1019. We noted that the tender register kept at the accounts department does not have prices attached to the tenderers making it difficult to confirm revenue from the sale of tenders.

Details are shown in table 87.

Table 87: Improper Keeping of Tender Register

Project Name	Work number	Number of tenders
Renovation of new & old hostel	GR/Atu/WK/0011/18	4
Renovation of flats on campus	GR/Atu/WK/0010/18	4
Renovation of classroom blocks & workshops	GR/Atu/WK/005/18	4
Supply of copy printer	GR/Atu/GD/0012/18	2
Supply of digital embossing machine	GR/Atu/GD/0017/18	1
Supply of answer booklet	GR/Atu/GD/0003/18	8
Supply of double cabin 4x4 Pick-Ups	GR/Atu/GD/0035A/18	2
Supply & installation of ID card printer	GR/Atu/GD/0021/18	3
Supply of swivel chairs and desk	GR/Atu/GD/006/18	9
Supply & installation of laboratory equipment	GR/Atu/GD/009/18	7
Procurement of Wi-Fi services	GR/Atu/GD/0015/18	7
Supply and installation of air conditioners	GR/Atu/GD/005/18	8
Supply & installation of software	Gr/Atu/GD/0032/18	2

1020. We attributed the anomaly to lack of supervision on the schedule officer by the Head of Accounts.

1021. We could not confirm GH¢9,800.00 recorded as sale of tender documents on the financial statement as part of internally generated fund.

1022. We therefore recommended that the schedule officer henceforth starts recording the amount paid for each tender document against the company's name in the register.

1023. Management accepted our recommendation for compliance.

Non-repair of Broken-down Machinery-GH¢43,475.00

1024. Regulation 1520 of the Store Regulations 1984 states that in the event of any defect or breakdown of plant or machinery, an immediate report shall be made to an officer authorized by the Head of Department to receive such reports, and he shall be responsible for making arrangements for its early repair.

1025. We noticed during our asset verification exercise that 25 industrial sewing machines that had minor faults which can easily be fixed were packed at the fashion design & textiles garment laboratory for over six (6) months.

1026. This neglect is as a result of lack of maintenance policy by management of the University for its assets.

1027. The delay in repairing these machines would lead to their deterioration which is also affecting performance of students because, student ratio to machine have reduced.

1028. We therefore recommended that the sewing machines be repaired as soon as possible to help improve the performance of students.

1029. Management accepted our recommendation and have initiated action to repair the affected machines.

Insanitary Conditions at Demonstration Kitchen

1030. Section 7 (1) of Food and drugs Law1992, PNDC Law (305) state “any person who sells, prepares, packages, conveys, stores or displays for sale any food under insanity condition commits an offence.”

1031. We observed during our physical inspection of the Demonstration Kitchen, that preparation of food in large quantities for sale as well as for tutorials were done under insanitary conditions. There was no tap running water, gutters were chocked and dropping of rodents could visibly be spotted on the floor surface.

1032. The condition above could be attributed to absence of Sanitation policy and management's failure to regularly inspect and ascertained the sanitary condition of the Facility in order to make strategic decision.

1033. The anomaly could expose staff, students, Council members who patronize Food from this facility to health complications and even lead to loss of valuable human capital of the Institution and other participatory organizations.

1034. We recommended that, management should as matter of urgency put in place Sanitation Policy and rehabilitate the facility to befit modern learning centre in compliance with the Regulation quoted above and also to safeguard lives of staff and other participants of various meetings held at the instance of the University.

1035. Management accepted our recommendation and has put a committee in place to draft the policy, while the facility has been schedule for repair and maintenance in 2019.

Absence of a Memorandum of Understanding between Accra Technical University and Collection Banks

1036. Regulation 272 of Financial Administration Regulations refers to a legal document as a document which might be required to be produced to establish a claim or settle a dispute.

1037. A memorandum of Understanding is a legal document that outlines the terms and details of agreement between parties which could relate to contracts, loans, advances, subventions or any other financial matter.

1038. During our review, we noted that Accra Technical University has no written agreement in the form of a Memorandum of Understanding with its two (2) collection banks, namely Fidelity Bank and Bank of Africa. The transfer of collections into the Designated Account at Bank of Ghana is as and when the university require funds.

1039. The absence of a formal agreement with the bankers could lead to legal dispute in case there is misunderstanding.

1040. This is due to laxity on the part of management to draft a Memorandum of Understanding with the banks.

1041. We recommended that Management should take steps to draft a Memorandum of Understanding stating all terms of agreement, key performance indicators for regular monitoring and ensure efficient as well as timely transfer of collections into the designated account.

1042. Management has accepted our recommendation and will liaise with the Banks to draft a memorandum of understanding to govern their operations.

TAKORADI TECHNICAL UNIVERSITY

Introduction

1043. This report relates to the audited accounts of the Takoradi Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

1044. The operations of the University for 2018 ended with a reduction in operational surplus by 90.0% from GH¢2,912,742 in 2017 to GH¢284,894 in 2018. Details are provided in table 88.

Table 88: Income and Expenditure for 2018

Income	2018 GH¢	2017 GH¢	DIFF GH¢	% Change
Government Subventions	39,329,594.34	35,633,446.36	3,696,147.98	10.4
Internally Generated Funds	20,913,569.11	19,119,637.58	1,793,931.53	9.4
Total	60,243,163.45	54,753,083.94	5,490,079.51	10.0
Expenditure				
Compensation for Employees	45,203,598.52	39,147,308.67	6,056,289.85	15.5
Goods and Services	14,754,670.81	12,693,033.15	2,061,637.66	16.2
Total	59,958,269.33	51,840,341.82	8,117,927.51	15.7
Income Surplus	284,894.12	2,912,742.12	(2,627,848.00)	(90.2)

1045. Total Income, which is made up of government subvention and internally generated funds increased by 10% from GH¢54,753,083.94 in 2017 to GH¢60,243,163.45 in 2018. This was due to 10.4% and 9.4% increases in government subventions and internally generated funds respectively.

1046. The increase in government subvention was as a result of increases in compensation of employees. Even though, there was no increase in school fees, the increase in IGF was due to increase in student enrollment.

1047. Total expenditure also grew by 15.7% from GH¢51,840,341.82 in 2017 to GH¢59,958,269.33 in 2018. This resulted from a 15.5% increase in expenditure for compensation of employees, from GH¢39,147,308.67 in 2017 to GH¢45,203,598.52 in 2018. Expenditure on goods and services also increased by 16.2% from GH¢12,693,033.15 in 2017 to GH¢14,754,670.81 in 2018.

Table 89: Financial Position

Items	2018 GH¢	2017 GH¢	DIFF GH¢	% Change
Non-current Assets	22,864,200.31	12,862,922.33	10,001,277.98	77.8
Current Assets	6,800,195.17	7,775,337.19	(975,142.02)	(12.5)
Total Assets	29,664,395.48	20,638,259.52	9,026,135.96	43.7
Current Liabilities	8,288,532.07	6,246,522.67	2,042,009.40	32.7
Net Assets	21,375,863.41	19,391,736.85	1,984,126.56	10.2
Liquidity Ratio	0.8:1	1.2:1		

1048. Non-Current Assets increased by 77.8% from GH¢12,862,922 in 2017 to GH¢22,864,200 in 2018. This was as a result of additions to property, plant and equipment to the tune of GH¢12,370,949.26.

1049. Current Assets on the other hand decreased by 12.5% from GH¢7,775,337.19 in 2017 to GH¢6,800,195.17 in 2018. This was mainly due to a 62.5% decrease in Cash balances from GH¢730,936.37 in 2017 to GH¢274,269.29 in 2018.

1050. Current Liabilities increased by 32.7% from GH¢6,246,522.67 in 2017 to GH¢8,288,532.07 in 2018, as a result of a 426.6% increase in bank overdraft from GH¢741,864 in 2017 to GH¢3,906,520.27 in 2018.

1051. The liquidity ratio of 0.8:1 (2017: 1.2) shows that the University is now only able to pay 80% of its short term financial obligation compared to 2017 where it could pay all its short term obligation with extra 20% capacity.

MANAGEMENT ISSUES

Budget Overruns – GH¢4,881,711.77

1052. Section 7 (1) (a) of the Public Financial Management Act, 2016 (Act 921) provides that a Principal Spending Officer of a covered entity shall

ensure the regularity and proper use of money appropriated in that covered entity.

1053. On the contrary, we noted that for only sixteen (16) budget lines sampled from the 2018 budget, Management budgeted to spend GH¢6,098,983.76 in the 2018 financial year. However, they spent GH¢10,980,695.53; resulting in budget overruns of GH¢4,881,711.77. This is 80 per cent more than what was budgeted for. Details are presented the table 90.

Table 90: Budget Overruns

Expenditure	Approved Budget	Act. Expenditure	Variance	% age
Board/Council Allowance	242,183.00	393,782.50	(151,599.50)	(62.60)
Evening & Non-Tertiary Expenses	1,499,683.94	2,000,585.70	(500,901.76)	(33.40)
Invigilation Allowance	655,696.39	1,003,770.40	(348,074.01)	(53.08)
Extra Marked Scripts Allowance	267,566.09	476,664.92	(209,098.83)	(78.15)
Other Allowances (incl. P/Time)	966,303.85	1,123,303.76	(156,999.91)	(16.25)
Medical Supplies	189,555.00	319,863.31	(130,308.31)	(68.74)
Clothing Expenses	105,654.00	1,131,168.25	(1,025,514.25)	(970.63)
Telephone/Postal Charges	150,000.00	377,011.14	(227,011.14)	(151.34)
Running Cost of Official Vehicle	338,499.00	910,622.29	(572,123.29)	(169.02)
Travelling Allowance	330,904.00	455,816.52	(124,912.52)	(37.75)
Foreign Travel Cost	261,850.00	448,449.09	(186,599.09)	(71.26)
Mtce. Of Furniture/Fittings	41,369.49	231,808.87	(190,439.38)	(460.34)
Staff Training/Development	347,103.00	532,451.33	(185,348.33)	(53.40)
Purchase of Vehicles	384,069.00	860,496.26	(476,427.26)	(124.05)
Purchase of Plant/Equipment	318,547.00	714,901.19	(396,354.19)	(124.43)
Total	6,098,983.76	10,980,695.53	(4,881,711.77)	(80.04)

1054. We attributed this anomaly to management's failure to prepare a supplementary budget to cater for the extra expenditure required.

1055. Budget overruns have the potential of disrupting the implementation of the budget as other essential budget lines may be denied or not implemented fully.

1056. We recommended that Management should justify the extra expenditure or in lieu be surcharged with the amount of GH¢4,881,711.77.

1057. Management responded that most of the expenditure which caused the budget overruns were expenditure which could not be paid in the year 2017, but had to be paid in the year 2018 together with the year 2018 budgeted items.

Illegal VAT Receipts: -GH¢786,333.10

1058. Section 1(1) of the Ghana Revenue Authority (GRA) Act, 2009 (Act 791) provides that there is established by this Act a body known as the Ghana Revenue Authority.

1059. The Ghana Revenue Authority (GRA) replaced the Internal Revenue Service, the Customs Exercise and Preventive Service and the Value Added Tax Service. VAT Service ceased to exist legally since December 2009.

1060. We noted that “VAT Service” receipts were used to support payment vouchers to the tune of GH¢786,333.10 during the year under review. Details are shown in table 91.

Table 91: Illegal VAT Receipts

BATCH NO.	DATE	Details	VAT REC NO	Supplier	TIN	REC DATE	REC AMOUNT	3 % VAT	Remarks
TTU16926PV	4/10/18	Cleaning Materials	12858562	Irebabs Trading	P000329822	20/8/18		-	Vat Service
			12858563	Irebabs Trading	P000329822	20/8/18	62,948.45	1,833.45	Vat Service
TTU16192PV	7/9/18	Carpentry Materials	12858559	Unik Kelik Co. Ltd	C0003073998	7/8/18		-	Vat Service
			12858560	Unik Kelik Co. Ltd	C0003073998	7/8/18		-	Vat Service
			12858561	Unik Kelik Co. Ltd	C0003073998	7/8/18	99,947.70	2,911.10	Vat Service
TTU15221PV	13/8/18	Plumbing Mat.	24587821	Basintale Ent.	524330526	1/8/18		-	Vat Service
			24587822	Basintale Ent.	524330526	1/8/19		-	Vat Service
			24587823	Basintale Ent.	524330526	1/8/20		-	Vat Service
			24587824	Basintale Ent.	524330526	1/8/21	94,408.26	2,749.76	Vat Service
TTU15222PV	13/8/18	Toners and Cartridges	12282454	Jahcian Ventures	P0003953580	2/8/18	50,542.10	1,472.10	Vat Service
TTU6098PV	19/1/18	Teach. /Learning Mat.	12759912	Anasta Trad. & E. Wks.	P0000148199	27/11/18		-	Vat Service
			12759913	Anasta Trad. & E. Wks.	P0000148199	27/11/18		-	Vat Service

			12759914	Anasta Trad. & E. Wks.	P0000148199	27/11/18		-	Vat Service
			12759915	Anasta Trad. & E. Wks.	P0000148199	27/11/18	81,387.00	2,370.50	Vat Service
TTU3723PV	26/10/18	Teach. /Learning Mat.	10990408	Westville Investment	P00029894X	17/10/17		-	Vat Service
			10990409	Westville Investment	P00029894X	17/10/17		-	Vat Service
			10990410	Westville Investment	P00029894X	17/10/17		-	Vat Service
			10990411	Westville Investment	P00029894X	17/10/17	97,292.36	2,833.76	Vat Service
TTU5129PV	11/12/19	Computer Lab. Chairs	13369282	Kingsdeco Limited	C0003921999	13/11/17	51,844.00	1,510.02	Vat Service
TTU16196PV	9/7/18	4x4 Engine	20828644	Yelkena Ventures	P0000815101	8/30/18	39,994.90	1,164.90	Vat Service
TTU12865PV	30/5/18	Printing of Ans. Booklet	11445663	Sly-Laudeesco Ent.	P0004228469	28/3/18		-	Vat Service
			11445664	Sly-Laudeesco Ent.	P0004228469	28/3/18	94,667.30	2,757.30	Vat Service
TTU13019PV	31/5/18	Examination Materials	11125309	Nickonn Beck Ent.	000329010	26/4/18		-	Vat Service
			11125311	Nickonn Beck Ent.	000329010	26/4/18	24,042.26	700.26	Vat Service
TTU12586PV	24/5/18	Const. Of Borehole	12283493	Vissan Ent.	P0008156077	6/4/18	28,428.00	828.00	Vat Service
TTU5240PV	13/12/18	Curtains for ICT Lab	23833810	Abivans Curtain Shop	P000120928	21/11/17	6,947.35	202.35	Vat Service
TTU5576PV	8/1/2018	Examination Materials	13386151	Basintale Ent.	524330526	27/11/17	9,594.45	279.45	Vat Service
TTU6728PV	2/2/2018	Computer Server	12282455	Jahcian Ventures	P0003953580	27/11/17	44,288.97	1,289.97	Vat Service
Total							786,333.10	22,902.91	

1061. We attributed this to the negligence of the Finance Officer in ensuring that the legal VAT receipts are used as supporting documents to acquit payment vouchers.

1062. As a result of these illegal VAT receipts, we were unable to determine if the VAT component of GH¢22,902.91 in these transactions were remitted to the GRA.

1063. We recommended that the VAT component of these transactions be recovered from the suppliers and paid to the GRA or in lieu the Finance Officer and Vice Chancellor be surcharged with the amount. Additionally, management should blacklist all the suppliers who issued the illegal VAT Invoice.

1064. Management responded that various VAT Invoices being used by the suppliers with the inscription VAT Service were authorized by the Ghana Revenue Authority to continue until they are exhausted.

Collection of Revenue without Issuing Receipts - GH¢105,952.00

1065. Regulation 28(1) of the Financial Administration Regulations 2004 (LI 1802) reads “A collector who is satisfied that money tendered is in order, shall issue an original receipt to the payer, and shall deal with the duplicate and triplicate copies as required by Departmental Accounting Instructions”.

1066. However, our interaction with the Cashier and Coordinators, in charge of five departments within the Production Unit of the University, revealed that a total amount of GH¢84,517.50, collected and paid to the Cashier for lodgement to Bank were not supported with Receipts to payers.

1067. We further noted that a total amount of GH¢21,434.50 was collected by revenue collectors in the Plasue Restaurant and the Guest house but no receipts were issued to the payers. The details are shown in table 92.

Table 92a: Collection of Revenue without Issuing Receipts

Department/Section	Amount –GH¢	Period of collection
Bakery	38,000.50	January – December 2018
Beauty Culture	7,184.00	January – December 2018
Library	1,560.000	January – December 2018
Washing Bay	11,323.00	January – December 2018
Cesspit Emptier	26,450.00	January – December 2018
Total	84,517.50	

Table 92b

Date	Amount–GH¢	Department/Section
18/09/18	304.50	Plasue Restaurant
3/11/2018	30.00	Guest House
12/11/2018	20,603.00	Plasue Restaurant
18/11/18	60.00	Guest House
24/11/18	60.00	Guest House
1/12/2018	50.00	Guest House
8/12/2018	30.00	Guest House
15/12/18	60.00	Guest House
21/12/18	237.00	Plasue Restaurant
Total	21,434.50	

1068. The coordinators explained that they have not been given receipt books to collect the revenue in their respective departments.

1069. The neglect or omission on the part of Management to put in place adequate controls for the collection of revenue at the Production Unit caused this anomaly.

1070. Failure to issue original receipts to support money collected is not only a breach of the Regulation quoted above but also casts doubts on the correctness of the amount declared for accounting purposes.

1071. We advised Management to ensure that this practice is stopped immediately and receipts, tickets or coupons with pre-printed serial numbers are procured, in accordance with all relevant Regulations, for use at all revenue points in the University.

1072. Management accepted our recommendation for compliance.

Late Remittance of Withholding Taxes to GRA-GH¢76,503.48

1073. Section 117(1) of the Income Tax Act, 2015 (Act 896) states “a withholding agents shall pay to the Commissioner-General, within fifteen days after the end of each Calendar month a tax that has been withheld in accordance with this Division during the month”.

1074. Our review of payment vouchers of the University disclosed that, withheld taxes amounting to GH¢76,503.48 within the period of June 2017 and April 2018 were paid to GRA on 25 September, 2018, in contravention of the provision of the Tax law stated above. We also did not see receipts from GRA for the payment.

1075. Failure on the part of the Director of Finance (Mr. Emmanuel Boadi) to comply with the provisions in the tax law above caused the infraction.

1076. Delay in remitting tax withheld to GRA on the stipulated date could attract penalties that would cause a drain on the scarce Internally Generated Fund (IGF) of the University.

1077. We recommended that the Finance Director be cautioned to desist from this practice. Again, the Finance Director should obtain receipts for payment of the tax from GRA and make it available for our verification.

1078. Management explained that the late payment was as a result of oversight by the Schedule Officer. The GRA only gives Tax credit certificate which is given to the various companies' and people from whose income the taxes were withheld.

Failure to Withhold Tax: - GH¢7,982.64

1079. Section 116(2) (c) of Income Tax Act, 2015 (Act 896) provides that a resident person other than an individual shall withhold tax on the gross amount of the payment at the rate specified in the First Schedule when the person makes a payment to another person for the supply of services.

1080. However, we observed that payments totaling GH¢121,119.00 were without any deductions of withholding taxes amounting to GH¢7,982.64. Details are shown in table 93.

Table 93. Failure to Withhold Tax

No.	Date	PV No.	Chq No.	Details	Payee	Amount GH¢	WHT Rate	WHT Not Deducted
1	16/2/18	TTU6704PV /02/18	002888	Cost of inter-hall athletic competition	Dejess Food Services, Mystic Bus. Services and others	24,473.00	3%	734.19
2	19/4/18	TTU7834PV TTU8296PV	002955	Round trip to South Africa-DR. Eudora and Ms.Irene Seh Tah =8771*2 and prof. Eshun to Abidjan	Global Wings Travel & Tours	19,336.00	7.5%	1,450.20
3	22/6/18	TTU137669 PV	003193	Vacation to Dubai for the vice chancellor	Global Wings Trav & Tour	50,588.00	7.5%	3,794.10
4	25/9/18	TTU16555P V	003388	Trip to Abidjan by the vice chancellor - and Abuga by Prof.Victor K.B Micah and others.	Global Wings Travel & Tours Ltd	12,897.00	7.5%	967.28
5	3/10/18	TTU16556P V	003505	Mr.Kumassah to China	Global Wings Travel & Tours Ltd	4,855.00	7.5%	364.13
7	5/11/18	TTU16914P V	003637	Sponsorship to pursue PHD In South Africa- Airfare cost	Global Wings Travel & Tours Ltd	8,970.00	7.5%	672.75
Total						121,119.00		7,982.64

1081. The lapse occurred as a result of Director of Finance's failure to review the payment vouchers properly before authorising same for payments.

1082. This may lead to the imposition of penalty by the Commissioner General of the GRA.

1083. We recommended that Management should pay the withholding taxes of GH¢7,982.64 to Domestic Tax Revenue Division of the GRA without further delay and recover same from the affected beneficiaries as the law requires.

1084. Management responded that the agent received commission from the airline and if tax is withheld it will be double taxation since the airline only pays commission to the travel and tours company.

Failure to Change Ownership of the University's Ambulance: - GH¢384,243.26

1085. Section 52 (1) of Public Financial Management Act, 2016 (Act 921) states "A Principal Spending Officer of a covered entity, State-Owned Enterprise or Public Corporation shall be responsible for the assets of the Institution under the care of the Principal Spending Officer and shall ensure that proper control systems exist for the custody and management of the assets".

1086. In contravention of the above law, we observed that the University's Toyota Hiace Ambulance supplied in 2017 and paid for in 2018 still have Toyota Ghana Limited as its owner.

1087. According to the Transport Officer of the University, Management was in the process of changing the ownership of the ambulance. We are of the opinion that the change of ownership should have been done just after the payment.

1088. The University stands the risk of losing the ambulance in the event of any legal tussle.

1089. We therefore urged management to expedite action on the change of ownership and make the documents available for our verification.

1090. Management explained that they have filled the various forms for the change of ownership of the ambulance to Toyota Ghana to effect the changes, and that the form will be made available for our verification when it is ready.

Inflated Engine Price - GH¢18,832.00

1091. Section 7(a) of the Public Financial Management Act, 2016 (Act 921) state “A Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity”.

1092. We noted when reviewing the payment vouchers of the University that the price of a 4X4 Nissan Navara home used engine was inflated by GH¢18,832.00. Details are provided in table 94.

Table 94: Inflated Engine Price

BATCH NO.	DATE	DETAILS	PAYEE	CHQ. NO.	AMNT PAID	MKT. PX	DIFF.(GHC)
TTU16196PV	7/9/18	PURCHASE OF NISSAN NAVARA (4X4) HOME USED ENGINGE (D20-YD25)	YALKKENA VENTURES	003353	38,832.00	20,000.00	18,832.00

1093. Our market survey carried out on the price of the engine revealed that, a complete engine price should not exceed GH¢20,000.00.

1094. Failure on the part of the evaluation panel to conduct a market survey on the price of the engine caused this anomaly.

1095. This action has resulted in a loss of GH¢18,832.00 which could have been used for other programmes by the University.

1096. We recommended that the Evaluation Panel which had a composition of: Mr. Agyeman Ofori (Procurement Office), Mr. Emmanuel Asare (Asst. Internal Auditor), and Mr. Daniel Kyei Kankam (Transport Officer) should refund the GH¢18,832.00 together with interest at the prevailing Bank of Ghana rates.

1097. Management responded that the evaluation team insisted that they would work with the estimate of the Transport Officer, who is an expert.

Repair of Official Vehicle without Works Order - GH¢18,740.48

1098. Regulation 1522 of the Stores Regulations, 1984 states “A request to any of the listed workshops for the repair or maintenance of an item of plant or machinery shall be made by means of a Departmental Purchase Order, which shall in all cases be supported by a written estimate of the cost of repairs or other work required, signed by a manager or a supervisor of the workshop. The officer who signs the certificate of satisfactory completion of

service must satisfy himself that the work has in fact been satisfactorily performed”.

1099. During the review of payment vouchers in respect of payment on maintenance of official vehicles, we realised that, no works orders were attached as evidence of assessments made to determine the extent of maintenance works needed to be carried out on the official vehicles before actual maintenance work took place. Details provided in table 95.

Table 95: Repair of Official Vehicle without Works Order

Date	PV No.	Payee	Chq No.	Details	Amt. GH¢
19/03/2018	TTU10494PV	Toyota Ghana Co. Ltd	002993	Mtce. of Official Vehicles	5,130.85
07/02/2018	TTU7107PV	K.A. Kwansa Co. Ltd.	003238	Mtce. of Official Vehicle	3,128.73
23/02/2018	TTU8643PV	Japan Motors	003184	Mtce. of Official Vehicle	2,034.64
30/01/2018	TTU6431PV	Japan Motors	002890	Mtce. of Official Vehicle	8,446.26
	Total				18,740.48

1100. Failure on the part of the Transport Officer to comply with the Regulations above resulted in the anomaly.

1101. The practice can lead to shoddy work done on the vehicles, leading to the same services being carried out repeatedly or fictitious claims may be paid for resulting in loss of funds to the University.

1102. We recommended that all vehicle repairs should have a written estimate from the workshop duly certified by the transport officer and approved by Management to avoid inflation of bills and shoddy works being carried out. We also advised that, all future repairs on vehicles and plants should be undertaken through the approved procedures.

Failure to obtain approval to write off a Bad Debt – GH¢65,325.60

1103. Regulation 258 (2) of the Financial Administration Regulations, 2004 (L.I. 1802) entreats principal spending officers to apply to the Minister of Finance for write-off of public bad debts.

1104. The Minister of Finance per section 53 (1) of the Public Financial Management Act 2016, (Act 921) shall in turn seek the approval of Parliament for eventual write-off of public bad debts.

1105. During our validation of the Financial Statement for 2018, we noted that, an amount of GH¢65,325.60 described as Debtor–Contractor, remains outstanding since 2002. This represents advance mobilisation monies paid to three Contractors in 2002 for construction of Auditorium, Library complex and students’ hostel, whose contracts were cancelled due to non-performance. However, neither the Director of Finance nor his deputies provided documentation to support the amount.

1106. Negligence of duty of successive Rectors or Vice Chancellors and their Directors of Finance to pursue recovery of this debt caused this anomaly. They also failed to apply for the amount to be written off.

1107. The continual presentation of the Debtor–Contractor balance of GH¢65,325.60 as receivable on the University’s financial statements is misleading and without explanatory note to the accounts.

1108. We recommended that management apply to the minister for finance for the write off of the GH¢65,325.60 contractor debtor balance. In the meantime, the Director of Finance should add explanatory notes to the financial statement to fully disclose the status of this uncollectable debt.

1109. Management responded that our recommendation has been noted and will be complied with.

Undisclosed Bank Accounts

1110. Section 80(1) of the Public Financial Management Act 2016, (Act 921) provides that a Principal Spending Officer of a covered entity shall, within two months after the end of each financial year, prepare and submit to the Auditor-General and Controller and Accountant-General, the accounts and information set out in the Schedule.

1111. Section 80 (3) (a) Act 921 further provides that the accounts submitted under subsection (1) shall be prepared in accordance with accounting standards and associated policies.

1112. We identified from our review of the University’s financial records that, Management opened three bank accounts since 2017 but did not to disclose these bank accounts in the University’s Financial Statements

presented to the Auditor-General for the year ended 31 December 2018. Details are shown in table 96.

Table 96: Undisclosed Bank Accounts

No.	BANK	ACCOUNT NUMBER	UNIT/NAME
1	CAL BANK LIMITED	1400003305831	UNIVERSITY PRINTING PRESS
2	CAL BANK LIMITED	1400003305874	UNIVERSITY CLINIC
3	REPUBLIC BANK	02037600051029	RENT REVOLVING FUND

1113. The Director of Finance –Emmanuel Boadi explained that these bank accounts were operated independently by the entities involved and as such could not be disclosed as part of the University’s bank accounts in the Financial Statements.

1114. We, therefore, advised the Vice Chancellor and the Director of Finance to provide evidence of Controller and Accountant-General’s authorisation letter to open these Bank accounts and further recommend that, any balance on these undisclosed Bank accounts as at 31 December 2018 be disclosed in the 2018 year- end Financial Statements of the University.

1115. Management indicated that they would write to Controller and Accountant-General for retrospective approval whilst we incorporate the accounts balance of the Republic Bank into the account.

SUNYANI TECHNICAL UNIVERSITY

Introduction

1116. This report relates to the audited accounts of the Sunyani Technical University for the period 1 January 2018 to 31 December 2018.

Operational Results

1117. The operations of the Technical University for the financial year, 2018 ended with a deficit of GH¢104,546.00 as compared with also surplus of GH¢478,583.00 for the previous year 2017. Details are provided in table 97.

Table 97: Income & Expenditure for the year 2018

Incomes	2018 GH¢	2017 GH¢	Diff. GH¢	% Change
GoG Subvention	25,503,874.00	22,728,742.00	2,775,132.00	12.21
GETFUND	1,611,616.00	1,839,814.00	(228,198.00)	(12.40)
Internally Generated Fund	11,246,348.00	9,952,751.00	1,293,597.00	13.00
Total Incomes	38,361,838.00	34,521,306	3,840,531	11.13
Expenditure				
Employees Compensation	26,652,561.00	24,094,503.00	2,558,058.00	10.62
Use of Goods & Services	11,604,730.00	9,948,220.00	1,656,510.00	16.65
Total Expenditure	38,257,292.00	34,042,723.00	4,214,569.00	12.38
Income Surplus/Deficit	104,546.00	478,583.00	(374,037.00)	(78.16)

1118. Total Income for the Technical University increased by GH¢2,775,132.00 representing 11.13% from GH¢34,521,306.00 in 2017 to GH¢38,361,838.00 in 2018. The above increase was due to increase in GoG Subvention by GH¢2,775,132.00 representing 12.21% from GH¢22,728,742.00 in 2017 to GH¢25,503,874.00 in 2018. However income from GETFUND decreased by 12.40% over the period.

1119. Total Expenditure also increased by GH¢4,214,569.00 representing 12.38% from GH¢34,042,723.00 in 2017 to GH¢38,257,292.00 in 2018. This was largely due to increase in employees' compensation.

Financial Position

1120. The Financial Position of the Technical University as at 31 December 2018 is shown in table 98.

Table 98: Financial position as at 31 December 2018

	2018 GH¢	2017 GH¢	Increase/Decrease GH¢	% Change
Non-Current Assets	17,140,393.00	17,452,396.00	(312,003)	(1.98)
Current Assets	7,290,771.00	5,478,314.00	1,812,457.00	33.08
Total Assets	24,431,164.00	22,930,710.00	1,500,454.00	6.54
Non-Current Liabilities	4,723,144.00	5,317,481.00	(594,337.00)	(11.18)
Current Liabilities	7,409,293.00	5,419,048.00	1,990,245.00	36.73

Net Assets	17,021,871.00	17,511,662.00	(489,791.00)	(2.80)
Current ratio	0.98:1	1.01:1		

1121. Non-Current Assets decreased by GH¢312,003.00 or 1.98% from GH¢17,452,396.00 in 2017 to GH¢17,140,393.00 in 2018 because some of the assets of the University have exhausted their useful but still in the books. There were however some additions during the year amounting GH¢970,485.00.

1122. Current Assets however increased by GH¢1,812,457.00 representing 33.08% from GH¢5,478,314.00 in 2017 to GH¢7,290,771.00 in 2018. This was due to increase in cash at bank.

1123. Non-current liabilities also decreased by GH¢594,337.00 representing 11.18% over the period. The decrease was largely due to the servicing of the loans.

1124. Current liabilities increased by GH¢1,990,245.00 from GH¢5,419,048.00 in 2017 to GH¢7,409,293.00 in 2018 representing an increase of 36.73%.

1125. The liquidity position represented by current ratio plummeted to 0.98:1 from 1.01:1. The University's ability to meet its short term obligations as and when they falls due continues to worsen.

MANAGEMENT ISSUES

Failure to give six months' notice before resignation - GH¢80,804.34

1126. Statute 56(1) of the Technical University provides states "Except as may be otherwise provided by Council, a Senior Member may resign from a position of appointment and thereby terminate the engagement within the Technical University on giving, in writing under the Senior Member's signature to the Vice-Chancellor at least six (6) calendar months' notice.

1127. Contrary to the above Statute, we noted from the review of the personal files of the separated staffs that two senior members who resigned from the University did not give the minimum notice of six months. These officers, we also noted did not pay any amount in lieu of the six months' notice totalling GH¢80,804.34. Details of these officers are stated table 99.

Table 99: Resignation without notice

S/No	Name	Designation	Staff ID	Date of Separation	Monthly Salary	Amount in lieu of notice
1	Emmanuel Opoku Marfo	Senior Lecturer	754206	31-08-18	7,346.6	44,079.60
2	Kofi Asamoah Adu-Poku	Lecturer	880034	30-07-18	6,120.79	36,724.74
	Total					80,804.34

1128. The anomaly was due to Management's failure to strictly enforce the provisions of the Statute.

1129. The University may find it difficult to readily get replacements to fill the vacancies created by the actions of these separated staffs.

1130. We recommended to Management to recover the six months in lieu of notice amount of GH¢80,804.34 from the two officers and pay same into government chest, failure of which the Vice Chancellor, Ing. Professor Kwadwo Adinkra-Appiah, the Registrar- Mr. Samuel Ankamah Obour, and the Director of Finance, Prince Menzo Benjamin may be surcharged with the amount.

1131. Management accepted our recommendation and also indicated that they will write to the affected staffs for the recovery of the said amount.

Failure to submit progress report on staff granted study leave with pay

1132. The University as part of the conditions for granting study leave with pay to its staff requires the submission of progress report directly from the project supervisor/head of department of the various universities on yearly basis.

1133. Our review of the personal files of staff on approved study leave pursuing PhD programmes in various Universities disclosed that these officers were not submitting reports on the progress of their academic studies as provided in their approval letters. Details are provided in the table 100.

Table 100: Staff on study leave

Name	Designation	Department	Institutions Name	Course of Study	Period
Agyenim Boateng George	Lecturer	Procurement and Supply Chain Management	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Peter Kwateng	Lecturer	Secretarial and Management Stds	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Kwabena Adjei	Lecturer	Procurement and Supply Chain Management	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Augustine Kwasi Amoateng	Lecturer	Secretarial and Management Stds	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Addy Edward(Rev)	Lecturer	Building Technology	University of Johannesburg , South Africa	PhD in Construction Management	March 8, 2017 to December 31, 2021
Joseph Amankwaah	Lecturer	Secretarial and Management Stds	European University of Lefke, Turkey	PhD in Management and Organisation	September 25, 2017 to September 2021
Kwaku Amofa	Lecturer	Secretarial and Management Stds	University of Lleida, Spain	PhD in Law and Business Administration	September 25, 2017 to September 2020
Moses Kwaku Golly	Lecturer	Hospitality & Tourism	Jiangsu University, China	PhD in Food Science & Engineering	February 2017, to January 2020
Opoku Frimpong	Lecturer	Mechanical Engineering	A&T State University, North Carolina	PhD in Mechanical Engineering	August 15, 2017 to August 15, 2021
Isaac Yaw Deh	Lecturer	Marketing	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021

Kwame Ernest	Lecturer	Marketing	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Ofori Alex	Lecturer	Secretarial and Management Stds.	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Boateng Kwadwo	Assistant Lecturer	Accountancy	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021
Dominic Effah Bediako	Lecturer	Procurement and Supply Chain Management	KNUST	PhD in Business and Management	August 25, 2017 to December 31, 2021

1134. The Deputy Registrar in charge of Human Resources explained that the situation was due to the Personal Data Protection Policy of the various universities making it difficult to obtain the reports.

1135. As a result, the University was not able to monitor the performance of the staff. Staff who may have been dismissed from their Universities could continue to be receiving bursaries from the University.

1136. We recommended to Management to ensure that all staff on study leave with pay submit on regular basis their progress reports in order to monitor their performance.

1137. Management accepted our recommendation and also stated that the affected staff will be notified to submit progress reports on their academic work on regular basis.

Failure to serve the mandatory bond period of five years after completion of course- GH¢124,143.04

1138. Section 5.4 of the Sunyani Technical University sponsorship/scholarship policy provides that applicants who benefit from scholarship, or sponsorship for their studies and are to return to serve the Technical University shall serve the bond as specified by the Government of Ghana Scholarship Regulations and Conditions of Service of the Technical University. Failure would attract a penalty of the full cost of the sponsorship

plus interest. This shall be done by way of signing a bond before the applicant is allowed to take the sponsorship.

1139. The University sponsored Dr Emmanuel Opoku Marfo a Senior Lecturer at the Accountancy Department to pursue a PhD programme in Business Administration (Finance option) at the St Louis University, Philippines for the period September 1,2013 to 30 September 2017. The applicant later changed to Jiangsu University in China to pursue a PhD programme in Management Science and Engineering between the period October 2013 to July 2016. We however, noted that the applicant only served the University for two years and two months after completion contrary to the bond conditions.

1140. The University has been denied the full benefit of the service of the applicant since he has not finished serving his bond. We noted that during the period of his study abroad, Management paid a total of GH¢124,143.04 as salary to Dr Emmanuel Opoku Marfo.

1141. The staff in his resignation letter indicated that he was leaving because of the discrimination against him on the award of the GETFUND sponsorship which he complained about on several occasions but was not addressed.

1142. We recommended to Management to recover the salary of GH¢124,143.04 paid to Dr. Emmanuel Opoku Marfo, during his study period for failing to serve his bond, failing which the Vice Chancellor, the Registrar, and the Director of Finance may be surcharged with the amount.

Unearned Salary- GH¢2,221.50

1143. Regulation 297(1) of the Financial Administration Regulations (FAR), 2004, (L.I. 1802) provides that a head of department shall cause the immediate stoppage of payment of salary to a public servant when that public servant;

- a) Has been absent from duty without leave or reasonable cause for a period as stipulated in the Administrative Regulations of the establishment.

1144. Article 29.10(d) of the Unified Conditions of Service for Unionized staff of the Technical University states “where an employee is absent from duty without permission or reasonable cause for more than ten consecutive

working days he shall be regarded as having vacated his post and shall be liable to summary dismissal”.

1145. Contrary to the above provisions, we noted from our review of the payroll of the University that Alex Ngwere, a labourer at the development office who vacated post after taking his annual leave was paid unearned salary totalling GH¢2,221.50 for the period November 2017 to February 2018. Details as provide in table 101.

Table 101: Unearned salary

Month	Amount (GH¢)
November	526.94
December	526.94
January	583.81
February	583.81
Total	2,221.50

1146. The anomaly we noted was due to the failure on the part of the Head of department to inform Management on the failure of the staff to return to post after he was granted his annual leave.

1147. Management via letter dated 23 March, 2018 to the Manager of the Agriculture Development Bank, Sunyani branch instructed the bank to place embargo on the salary of Mr. Alex Ngwere. The bank failed to return the salaries to chest with the explanation that it had used the money to defray his outstanding loan balance at the bank.

1148. The University and consequently the state had lost a total of GH¢2,221.50 as unearned salary paid to Alex Ngwere.

1149. We recommended that Management should take the necessary steps to recover the monies paid to the affected staff without further delay and pay same to chest.

1150. Management in their response explained that that bankers of Mr Ngwere’s have agreed to correct the anomaly. ‘

Absence of Agreement with Fuel suppliers - GH¢208,320.49

1151. Section 7(2) of the Public Financial Management Act, 2016 (Act 921) states “A Principal Spending Officer shall, in the exercise of duties under this Act, establish an effective system of risk management, internal control and internal audit in respect of the resources and transactions of a covered entity.”

1152. The University had an arrangement with two companies namely Franciscan Investment Co. and Gyebi for the supply of fuel to its fleet of vehicles on credit. These companies supply fuel to the vehicles of the University upon the presentation of a requisition form approved by the authorising officer. Normally a driver and an officer from the accounts department go to the station to buy the fuel. This arrangement, we noted have not been reduced into a Service level agreement to regulate its operation. The two companies for the period under review supplied fuel worth GH¢208,320.49 as detailed in the table 102.

Table 102: Fuel Supplied

Date	Payee	PV No.	Cheque No.	Amount GH¢
08-02-18	FRANCISCAN INVESMENT CO.	73	3153	20,000.00
08-02-18	ANTHONY GYEBI	74	3154	20,000.00
21-May-18	FRANCISCAN INVESTMENT	107	4122	13,527.14
26-Jun-18	FRANCISCAN INVESTMENT	85	4606	20,000.00
26-Jun-18	ANTHONY GYEBI	86	4607	20,000.00
16-10-18	FRANCESSCA INVESTMENT	Z164	4994	23,316.59
16-10-18	ANTHONY GYEBI	Z165	4995	20,000.00
08-10-18	FRANCESSCA INVESTMENT	Z80	4894	7,668.14
29-11-18	FRANCESCA INVESTMENT		5324	20,000.00
29-11-18	ANTHONY GYEBI		5325	20,000.00
19-12-18	FRANCESCA INVESTMENT	Z246	5685	8,624.57
19-12-18	ANTHONY GYEBI	Z251	5690	13,576.50
08-12-18	FRANCESCA INVESTMENTS LTD	Z143	5554	1,607.55
	Total			208,320.49

1153. The University may not be able to settle amicably any disputes that may arise, since there is no formal agreement as to the terms of payment as well as the responsibilities of either parties.

1154. We advised Management to as a matter of urgency develop a service level agreement with each of the two companies stating in clear terms, the responsibilities of each party including exit clauses.

Unsigned contract agreement

1155. Regulation 39 (2c) of the Financial Administration Regulations, 2004 (L.I 1802) states “The head of the accounts section of a department shall control the disbursements of funds and ensure that transactions are properly authenticated to show that amounts are due and payable.”

1156. Our examination of the payment vouchers of the University disclosed that both the Procurement Officer and the suppliers did not sign the Contract agreement form provided by the PPA though he attached them to the financial records for payment.

1157. We attributed this anomaly to the laxity on the part of the Procurement Officer to ensure that the agreement was signed before payments were made.

1158. In case of a dispute it may be difficult for the University to assert its rights since there would be no agreement to fall on.

1159. We advised Management to ensure that the contract agreement form is duly signed before payments are made to any supplier.

1160. Management accepted our recommendations for compliance

Inefficient control of value books stocks

1161. Regulation 214(1) of the Financial Administration Regulations 2004, (LI 1802) provides that a head of department shall ensure the effective and efficient control of stocks of value books.

1162. Our review of the Value book register disclosed that the Director of Finance who is the stockholder of the value books issued the University official receipt booklet over and above what was needed at a time to the Revenue officer.

1163. The minimum number of receipt books issued to the revenue officer at a time was 20 booklets up to a maximum of 101 booklets. The University has five revenue collection points and therefore could not have exhausted all the books issued.

1164. We noted that each of the revenue collection points on weekly basis was not able to exhaust a minimum of two books. The Revenue Officer also did not return to the stock holder all the used value books for the update of the stock register. The details of the various issues to the Revenue Officer are shown in table 103.

Table 103: Value Books Issued

No	Date issued	Serial Number	Quantity	Recipient
1	03-01-18	003501 to 005400	38	Kofi Antwi
2	08-02-18	005401 to 007350	39	Kofi Antwi
3	19-02-18	007351 to 009000	33	Kofi Antwi
4	18-03-18	009001 to 011000	40	Kofi Antwi
5	13-04-18	011001 to 014050	61	Kofi Antwi
6	01-05-18	014051 to 15950	38	Kofi Antwi
7	21-06-18	15951 to 18000	41	Kofi Antwi
8	01-08-18	18001 to 23050	101	Kofi Antwi
9	28-09-18	23051 to 25000	39	Kofi Antwi
10	17-10-18	25001 to 28000	60	Kofi Antwi
11	23-11-18	28001 to 30000	40	Kofi Antwi
12	13-12-18	30001 to 31000	20	Kofi Antwi
	Total		550	

1165. This practice was due to lack of monitoring and tracking of usage of the value books at the Revenue points.

1166. The value books could be misused and cash receipts may be suppressed and not properly accounted for.

1167. We recommended that value books usage should be tracked and monitored effectively to ensure their safe keeping and accountability. We also advised that the stock holder regulate the issue of the value books and ensure that only officers who return their used books are reissued with new ones to effectively monitor the usage of the value books.

1168. The Director of Finance in his response stated that the University uses separate value books for each revenue item. Also, separate value books were used for each bank in which students pay fees and therefore bulk value books were issued to the Revenue Officer to cater for the different purposes. He further explained that the bulk issues were normally during the re-opening days when many students were usually served on a particular day which means that more officers have to be deployed to the Revenue Office to assist in the issuance of receipts in order to avoid pressure on the Revenue Officers.

Fixed Assets Register not updated

1169. Section 52(3 to 5) of the Public Financial Management Act, 2016 (Act 921) provides among others that the Spending Officer shall maintain a register of

- a. Lands and Buildings under the control or possession of that Principal Spending Officer
- b. All other assets under the control or possession of the Principal Spending Officer

1170. Contrary, to the above we noted during our audit that the University did not have a properly maintained Assets Register. Details such as the date, cost, life span and the rate of depreciation of the assets were not provided in the register. The Estate Officer also did not capture into the improvised register the details of its twenty - two (22) Vehicles and an Electric Generating Plant.

1171. Assets procured totalling GH¢970,485 for the period under review have also not been recorded in the Assets Register.

1172. The anomaly was due to the Director of works ineffective monitoring of the Estate Officer's work.

1173. These lapses undermined an effective audit trail as missing assets of the University would be very difficult to identify among the lots or go undetected. The team is also unable to establish whether assets which are fully depreciated have been taken out of the depreciation expenses computed for the period under review.

1174. We recommended that the schedule officer be made to update the assets register and provide all the relevant information including those procured for the period under review.

1175. Management accepted our recommendation and also stated that the schedule officer will be tasked to update the asset register.

Absence of data on students who visit the clinic and not registered on NHIS

1176. Regulation 1(a-c) of the Financial Administration Regulations 2004, (L.I 1802) states that any public Officer who is responsible for the conduct of financial business on behalf of the Government of Ghana shall keep proper records of all transactions and shall produce records of the transactions for

inspection when called upon to do so by the Minister, the Auditor General, the Controller and Accountant-General or any officers authorised by them.

1177. The Technical University as part of its fees structure charges each student an amount of GH¢50.00 as clinic maintenance fees. Included in this amount is a portion for the registration of students with the National Health Insurance Scheme (NHIS). We noted during our interactions with the Administrator of the Clinic, that not all the students register with the scheme on time though they have paid their fees. These students who are not registered with the scheme visit the clinic and are treated at no cost. However, there was no record on them to help the clinic determine claims from NHIS due to the failure of the students to register with the scheme.

1178. The Administrator explained that it was not the practice in the clinic's administration to maintain separate record of patients. He further explained that all patients were treated equally without any priority being given to anyone leading to the lapses. The Administrator also stated that, the delay was to be blamed on the NHIS inability to come and register the students on campus because of network challenges.

1179. The University was denied claims from the National Health Insurance Scheme for the services rendered to the students since they were not registered. The system may also be opened to abuse since monies received from other patients who were not students and also not registered with the Scheme but visit the clinic for treatment may not be properly accounted for.

1180. We recommended to Management to include in its student's registration policy the use of health insurance registration details to enable the University access the needed claims from the scheme. We also advised management to as a matter of urgency keep records on all students who visit the clinic but not registered with the scheme and also ensure that they are made to register or made to pay for the service to ensure that every student get registered.

1181. Management accepted our recommendation to ensure that all unregistered students are registered for the NHIS. Management however stated that the University is not making any losses because the students pay upfront for the use of the clinic. Management further explained that it is unable to distinguish and separate the students from the other patients since the OPD attendance book as provided have specific columns and fields making it difficult to insert other fields.

1182. We stand by our recommendation that the clinic administrator should be made to keep separate records on students who were not registered with the Scheme but visit the clinic in a separate book.

No periodic stock-taking at the University Dispensary

1183. Regulations 1202 and 1203 of Stores Regulations 1984 state that effective stocktaking shall be conducted regularly throughout the year and at the end of the financial year to ensure that the records reflect the true stock position.

1184. We noted during our review of records of the Clinic that the Administrator, Accountant and the Pharmacy Technician did not conduct periodic stock take at the Dispensary. Therefore, stocks at the year-end were not evaluated and disclosed in the financial statement for the period under review.

1185. We attributed this anomaly to the Internal Auditor's failure to conduct regular stock take with the schedule officers. The Clinic Administrator and the Accountant also failed to conduct stock take as a control on the Pharmacy.

1186. Differences between the ledger balances and physical quantities may not be detected. The practice if allowed to continue exposes the Clinic to the risk of theft as actual quantities are not reconciled with system quantities. We therefore could not confirm the inventory figure in the financial statement.

1187. To effectively manage the store items at the dispensary, we recommended to Management to conduct on regular bases a physical stock take as well as end of year stock count. The Internal Auditor should on quarterly bases also conduct stock count with the schedule officers.

1188. In response management explained that the schedule officers at the clinic conducted the stock take as at 31/12/18 which was later valued by the Ledger Accountant responsible for the Final Accounts and incorporated into the financial statement.

1189. We recommended that the Internal Auditor should be involved in the clinic's future stock take.

Inappropriate Stores records at the University Dispensary

1190. Section 52(6) of the Public Financial Management Act, 2016 (Act 921) requires that A Principal Spending Officer shall maintain adequate records of government stores.

1191. We noted that the Dispensary unit of the University Clinic did not use the requisite store documents such as Store Receipt Voucher (SRV), Store Issue Voucher (SIV) for receiving and issuing of stores. The store record in use was the Tally card and a requisition books which are used in making issues. The Dispensary Unit does not also maintain stores ledger to record the movement of the drugs at the dispensary. The Clinic as a result failed to issue SRV on goods procured totalling GH¢69,169.29 during the year under review though they were said to have been utilized.

1192. This increases the risk of misappropriation of store items. The practice does not promote transparency and accountability and could result in drugs purchased to the Dispensary not being fully accounted for.

1193. We recommended to the Clinic Administrator to ensure that the pharmacy Technician prepares and maintains stores ledger so as to monitor the movement of stocks and provide up to date information on stock balances. Also, SRVs and SIVs should be regularly used in both receiving and issuing of drugs and other items at the dispensary.

1194. Management in their response explained that the University Clinic is not totally autonomous to allow it to procure materials and drugs on its own. Currently what the University does is to route all procurements through the Main Stores for issuance to the Clinic. Such SRVs in relation to procurement is kept by the Main Stores and periodic issues are made therefrom to the Clinic.

1195. The Pharmacy has also procured the Analysis Book for use at the clinic. Management however, noted our recommendations for implementation in future when the Clinic attains an autonomous status.

Defunct value books not boarded for disposal

1196. Section 83 (1) of the Public Procurement (Amendment) Act, 2016 (Act) states that The head of a procurement entity shall convene a Board of Survey comprising representatives of departments with vehicles unserviceable, obsolete or surplus stores, plant and equipment which shall report on the items and subject to a technical report on them, recommend

the best method of disposal after the officer in charge has completed a Board of Survey form.

1197. We noted during the review of the stock Register that, the University has in use 80 booklets (serially numbered 0000001 to 0004000) of its defunct and unused official Receipts. We also did not find any report from the Board of survey recommending for the disposition of the various books. However, four of the eighty booklets were used to collect moneys as at 28/02/2019. The details of the booklets being used are shown in table 104.

Table 104: Obsolete value books not boarded for disposal

DATE	REVENUE POINT	SERIAL NUMBER	AMOUNT COLLECTED
11/01/18 to 23/01/19	Building Technology	137 to 150	15,843.00
4/01/18	Restaurant	0099500	751.00
24/01/18 to 28/02/19	Restaurant	0088866 to 0088885	54,913.31
17/01/18 to 10/10/18	Agric production unit	0002877 to 0002879	37,320.00
TOTAL			108,827.31

1198. The Vice Chancellor did not convene a Board of Survey or a committee to take decision to dispose of the receipts.

1199. The unused official receipts in stock could be illegitimately used to collect the University's revenue for private use.

1200. We recommended that the Vice Chancellor institute a Board of survey in order to ensure immediate disposal of the stock of the defunct receipts.

1201. Management accepted our recommendation and would take immediate step to recall all defunct value books for disposal.

Failure to take stock

1202. Regulation 1202 of the Stores Regulation 1984, states "Effective stocktaking shall be conducted regularly throughout the year and at the end of the financial year to ensure that the records reflect the true stock position, which is essential to accurate provisioning and stock control processes".

1203. The stocktaking at the end of the year shall be carried out by officers other than those immediately responsible for the operation of the stock.

1204. Our review of store records revealed that stock taking was not carried out neither regularly nor annually. Some stock balances for inclusion in the financial statement were omitted. Details are stated in table 105:

Table 105: Failure to Take Stock

NO	ITEMS	Ledger Folio	Stock Balance (Per Ledger)	Stock Balance As Per Audit	Diff In Stock Balance
STATIONERY					
1	A4 paper (REAMS)	A-12	10	21	11
2	A3 paper (REAMS)	A-50	15	15	0
3	Arch Files	A-61	38	38	0
4	Application Form	A-65	1500	1500	0
5	Answer Booklets	A-71	18000	18000	0
6	Stamp Pad	A-78	0	0	0
7	A4 Bag Envelop	A-82	1	201	200
9	Ball Pens(pcs)	A-111	1	11,010	11009
10	A3 Bag Envelopes (Pkts)	A-154	25	225	200
11	Board Markers (Pkts)	A-173	-41	341	300
12	Sellotape (pcs)	A-198	41	41	0
13	Drawing Pins	B-71	532	532	0
14	Finance Committee File	B-121	0	1,272	1272
15	Tipp Ex	B-132	9	9	0
16	Council Meeting Files	B-141	1240	1,240	0
17	Flat Files	B-153	7,399	7,399	0
18	Quarto Sized Envelopes (pkts)	C-22	0	20	20
19	Rubber Bands (rolls)	C-31	21	21	0
20	Staple Machines (pcs)	C-51	34	34	0
21	Staple Pins (pkts)	C-63	185	184	-1
22	Stamp Pads (pcs)	C-85	5	5	0
23	Foolscap Sheet(reams)	C-132	5	5	0
24	Gloy Paste	C-141	22	22	0
25	Graph Sheet(pcs)	C-145	1100	1,100	0
26	Official Envelops(pkts)	C-164	148	125	-23
27	Letterhead (Reams)	D-21	9	9	0
28	Requisition Books(pcs)	D-91	62	76	14
29	Board Dusters (Pkts)	D-122	162	162	0
30	Eraser(pcs)	D-131	22	22	0
31	Foolscap Note Book (psc)	D-151	5	5	0
32	HP 85 A Toner	E-31	3	3	0
33	HP 35 A Cartridge	E-35	25	25	0
34	78 A Toner	E-91	6	6	0
35	Canon 1r 2016/2020	E-132	10	10	0
CLEANING MATERIALS					
36	Izar (gallons)	F-1	47	47	0
36	Mosquito Spray(tins)	F-4	42	42	0
37	Polythene sheets(pcs)	F-11	60	60	0
38	Mopping Brush(pcs)	F-21	33	33	0
39	Mopping Buckets(pcs)	F-27	15	15	0
40	Cleaning Dusters(pcs)	F-31	26	26	0
41	Lux Soap (pcs)	F-36	5	5	0

42	Toilet Roll	F-49	1054	1404	350
43	Snake Repellent (bottles)	F-71	108	96	-12
44	Liquid Soap(gallons)	F-121	1	12	11
FITTING MATERIALS					
45	Louver Blades(boxes)		0	27	27
46	T & G Kit(pcs)		0	31	31

1205. Management disregard for proper store procedures resulted in this anomaly.

1206. The store records could easily be manipulated. The anomaly would affect the valuation of stock and consequently affect the financial statement.

1207. We recommended that management should organize regular stock-takes to maintain an economic level of stock items.

1208. Management accepted our recommendations for implementation.

1209. However, management explained the stocks were not “omitted stocks” but rather stocks which were issued to bulk consuming departments/units like the Exams Unit, but due to the lack of space in those departments, they were being kept in the Main Store in trust for those departments.

1210. We still insist that those stocks at the main stores were “omitted stocks” unless Management produces documentation on the supposed returned goods for our validation.

Failure to Properly Hand Over Store Items

1211. Regulation 1(3) of the Financial Administration Regulations, 2004 (LI 1802) states that where a Public Officer is proceeding on transfer, leave or is for any other reason being relieved of the duties under sub-Regulation (1), the Officer shall hand over the financial and accounting records to the person taking over from the Officer.

1212. Regulation 1(4) of the Financial Administration Regulations, 2004 (LI 1802) states “the obligation of a public officer to keep proper records of transactions and to produce the records for inspection under sub-Regulation (1) shall not be complete until that officer has properly handed over the financial and accounting records kept by that officer to the officer who takes over that duty under sub-Regulations (3)”.

1213. Our review of store records revealed that the Store Keeper, Mr. Daniel Buah Kwamena who retired from active service on 1 July 2018 did

not properly hand over the stock records to the officer who took over from him.

1214. Management failed to ensure that Mr. Daniel Buah Kwamena properly handed over the store records before proceeding on retirement.

1215. The store records could easily be manipulated. We could therefore not confirm whether the items as stated in the records were the true reflection of the state of affairs at the stores.

1216. We recommended to management to ensure that officers going on leave or retirement are made to properly hand over records under their responsibilities.

1217. Management in their response explained that the anomaly was due to the medical condition of the schedule officer, Mr Buah six (6) months prior to his retirement which rendered him completely disabled to have been compelled, to do the proper handing-over.

1218. Management further explained that, the current Accountant in charge of the Stores is assisting in correcting all those discrepancies in order to put the Stores in a better shape.

Unserviceable Stores

1219. Regulation 1101 of the Stores Regulations 1984 states that it is the responsibility of all supervisory officers and staff directly in charge of stores and equipment to determine what surplus, obsolescent and unserviceable stores are lying in their store-house and compounds.

1220. It is further their responsibility to take immediate action to dispose of such categories of stores and when necessary to report the circumstances to the appropriate authority for disposal action.

1221. 128. We noted in our store review that unserviceable items have been occupying space at the stores without any action being taken. The details are shown in table 106.

Table 106: Unserviceable Stores

NO	DATE	ITEMS	SRV NO.	SRV BALANCE (PER LEDGER)
1	20/11/18	750R16 Kumho Tyre	002498	2
2	28/03/18	Tail Light (Nissan patrol)	002834	1
3	16/06/18	255/70 R15 C Goodyear Tyre	002717	2
4	16/05/18	258/70 R15 C Goodyear Tyre	002715	4
5	16/05/18	750 R16 Combo Tyre	002716	2
6	18/9/18	Bulb Flaws	006051	95
7	"	UPS	006051	51
8	"	Ceiling Fan Blades	"	12
9	"	Ceiling Fan Hooks	"	7
10	"	Standing Fans	"	2
11	18/12/18	Colour Printer	006054	1
12	19/12/18	Photocopier Machine	006055	1
		Gas Stove and Oven		1

1222. Management's failure to comply with the Regulation above resulted in this anomaly.

1223. The store items would lose their values completely.

1224. We advised management to decongest the store by constituting a Board of Survey to dispose of the unserviceable items.

1225. Management accepted our recommendations for implementation.

Abandoned Vehicles

1226. Regulation 1520 of the Stores Regulations, 1984 requires that in the event of any defect or breakdown of plant or machinery, an immediate report shall be made to an officer authorised by the Head of Department to receive such reports, and he shall be responsible for making arrangements for its early repair.

1227. We noted however, that two of the University's vehicles with registration numbers GV 669 S and GV 1561-14 have been abandoned without any attempt to salvage them. We noted that the vehicle with registration number GV 669 S was grounded since 2012 while the one with registration number GV 1561-14 which is a BMC Cargo Truck has been parked for a year with no attempt of deriving any value from both vehicles.

1228. The transport Officer said the BMC Cargo truck has outlived its usefulness to the University resulting in its neglect.

1229. These vehicles are exposed to the mercy of the weather causing further deterioration and compromising their scrap value if they were disposed of.

1230. We advised the Vice Chancellor to ensure that the vehicles are repaired or a Board of survey is constituted to put the vehicle on auction sales to salvage it from further wear and tear.

1231. Management in their response stated that the Transport Department met on 22nd March, 2019 to discuss proper usage of the vehicles and subsequently agreed that the vehicle should be maintained and allocated to the General Agriculture and Hydraform Blocks Production Unit. The Auto Mechanics department of the University has been tasked to undertake the needed assessment and cost benefit analyses on the vehicles.

Fuel not accounted for-GH¢23,222.63

1232. Regulations 1604 and 1605 of the Stores Regulations 1984, require that a vehicle log book shall be maintained for each vehicle and shall always be carried on the vehicle.

1233. Journeys undertaken shall be recorded and full particulars of receipts of fuel, oil and lubricants shall be entered up daily in the log book by the driver. Recordings in the log book shall be made in duplicate. All journeys recorded in the log book shall be certified by the officer using the vehicle.

1234. At the end of each month the rate of fuel consumption shall be computed in kilometres per litre and recorded in the log book. The original sheet in the log book shall be detached and submitted to the officer in-charge of transport who shall file it, after satisfying himself concerning the rate of consumption and certifying that the journeys performed have been authorised. Unauthorised journeys shall be queried and if no satisfactory explanation is given the users shall be required to pay for the journeys at the approved local rates.

1235. We noted that fuel purchased amounting to GH¢23,222.63 (GH¢9,086.63 from the designated fuel dump and GH¢14,136.00 from

stations other than the designated fuel dump) were not accounted for. Details are shown in table 107.

Table 107: Fuel not accounted for-GH¢23,222.63

PV NUMBER	DATE OF PURCHASE	VEHICLE NUMBER	TYPE OF FUEL	QTY (Litre)	AMOUNT (GH¢)
F26A/3/18	21/2/18	GV 1564 - 14	DIESEL	59.03	265.00
Z129/4/18	21/4/18	GV 1564 - 14	DIESEL	61.81	280.00
F26A/3/18	22/2/18	GV 1564 - 14	DIESEL	31.2	140.00
Z80/4/18	23/3/18	GV 1564 - 14	DIESEL	53.45	240.00
Z65/11/18	26/11/18	GV 1564 - 14	DIESEL	55.14	271.00
Z90/11/18	29/11/18	GV 1564 - 14	DIESEL	N/A	100.00
Z90/11/18	5/12/18	GV 1564 - 14	DIESEL	N/A	250.00
Z76/11/18	10/10/18	GV 1562 - 14	DIESEL	56.21	285.00
Z25/4/18	12/4/18	GV 1562 - 14	DIESEL	50.66	230.00
Z25/4/18	14/4/18	GV 1562 - 14	DIESEL	57.26	260.00
Z114/3/18	17/3/18	GV 1562 - 14	DIESEL	44.54	200.00
F63/3/18	19/3/18	GV 1562 - 14	DIESEL	22.27	100.00
F63/3/18	20/3/18	GV 1562 - 14	DIESEL	55.67	250.00
F63/3/18	27/3/18	GV 1562 - 14	DIESEL	32.82	150.00
Z177/11/18	30/11/18	GV 1562 - 14	DIESEL	29.53	150.00
Z200/11/18	1/12/18	GV 1563 - 14	DIESEL	60.24	300.00
Z09/4/18	15/4/18	GV 1563 - 14	DIESEL	54.9	250.00
Z84/11/18	21/10/18	GV 1565 -14	DIESEL	19.72	100.00
Z65/11/18	29/11/18	GV 1565 -14	DIESEL	58.8	300.00
Z14/4/18	4/4/18	GV 1565 -14	DIESEL	66.47	300.00
Z42/3/18	10/3/18	GV 1566 - 14	DIESEL	11.13	50.00
Z42/3/18	11/3/18	GV 1566 - 14	GAS OIL	33.4	150.00
Z169/10/18	22-10-18	GV1559-14	DIESEL	N/A	35.00
Z204/10/18	30-10-18	GV1559-14	DIESEL	84.87	443.00
Z204/10/18	30-10-18	GV1559-14	DIESEL	73.44	387.00
Z14A/7/18	26-06-18	GV1562-14	DIESEL	41.77	200.00
Z14A/7/18	26-06-18	GV1562-14	DIESEL	72.164	350.00
Z14A/7/18	26-06-18	GV1562-14	DIESEL	72.16	350.00
Z14A/7/18	26-06-18	GV1562-14	DIESEL	N/A	20.00
Z43/7/2018	12-07-18	GV1562-14	DIESEL	52.08	250.00
Z43/7/2018	12-07-18	GV1562-14	DIESEL	51.57	250.00
Z43/7/2018	12-07-18	GV1562-14	DIESEL	31.18	150.00
Z43/7/2018	12-07-18	GV1562-14	DIESEL	51.54	250.00
Z101/8/18	29-08-18	GV1562-14	DIESEL	60.7	300.00
Z101/8/18	29-08-18	GV1562-14	DIESEL	N/A	100.00
Z02/10/18	02-10-18	GV1562-14	DIESEL	N/A	150.00
Z02/10/18	02-10-18	GV1562-14	DIESEL	N/A	250.00

Z99A/8/18	27-08-18	GV1563-14	DIESEL	60.7	300.00
Z225/12/18	17-12-18	GV1563-14	DIESEL	58.485	300.00
Z225/12/18	17-12-18	GV1563-14	DIESEL	58.48	300.00
Z225/12/18	17-12-18	GV1563-14	DIESEL	58.25	300.00
Z14A/7/18	26-06-18	GV1564-14	DIESEL	51.54	250.00
Z14A/7/18	26-06-18	GV1564-14	DIESEL	41.23	200.00
Z43/7/2018	12-07-18	GV1564-14	DIESEL	61.85	300.00
Z43/7/2018	12-07-18	GV1564-14	DIESEL	61.85	300.00
Z43/7/2018	12-07-18	GV1564-14	DIESEL	61.85	300.00
Z43/7/2018	12-07-18	GV1564-14	DIESEL	61.85	300.00
Z203/10/18	30-10-18	GV1564-14	DIESEL	51.54	250.00
Z203/10/18	30-10-18	GV1564-14	DIESEL	30.92	150.00
Z61/8/18	16-08-18	GV1565-14	DIESEL	N/A	300.00
Z262/12/18	20-12-18	GV1566-14	DIESEL	N/A	200.00
Z14A/7/18	26-06-18	GV1675-14	DIESEL	65.5	300.00
Z82/8/18	24-08-18	GV1675-14	DIESEL	41.41	200.00
Z82/8/18	24-08-18	GV1675-14	DIESEL	41.24	200.00
Z169/10/18	22-10-18	GV417-16	DIESEL	126.67	660.00
Z204/10/18	30-10-18	GV417-16	DIESEL	113.86	600.00
Z204/10/18	30-10-18	GV417-16	DIESEL	60.73	320.00
SUB TOTAL FROM OUTSIDE SUNYANI					14,136.00
FUEL DRAWN FROM SERVICE STATIONS NOT LOGGED					
STATION	DATE	VEHICLE No	FUEL TYPE	QTY	AMOUNT
TOTAL	26/07/18	GV 1675 - 14	DIESEL	125.32	607.80
TOTAL	30/07/18	GV 1675 - 14	DIESEL	49.65	240.80
TOTAL	03/08/18	GV 1675 - 14	DIESEL	103.77	503.28
TOTAL	12/08/18	GV 1675 - 14	DIESEL	119.63	580.21
GOIL	22/08/18	GV 1675 - 14	DIESEL	135.53	669.56
GOIL	30/08/18	GV 1675 - 14	DIESEL	131.67	650.45
GOIL	13/04/18	GV 1566 - 14	DIESEL	63.91	290.15
TOTAL	10/08/18	GV 1562 - 14	DIESEL	61.82	299.83
TOTAL	17/08/18	GV 1562 - 14	DIESEL	49.5	240.08
GOIL	23/08/18	GV 1562 - 14	DIESEL	57.92	286.12
GOIL	30/08/18	GV 1562 - 14	DIESEL	57.76	285.33
GOIL	09/01/18	GV 1564 - 14	DIESEL	74.03	332.37
TOTAL	10/08/18	GV 1564 - 14	DIESEL	22.95	104.19
TOTAL	18/05/18	GV 1564 - 14	DIESEL	71.79	334.54
TOTAL	03/08/18	GV 1564 - 14	DIESEL	64.48	312.73
TOTAL	15/08/18	GV 1564 - 14	DIESEL	62.33	302.30
GOIL	16/08/18	GV 1564 - 14	DIESEL	10	48.50
GOIL	23/08/18	GV 1564 - 14	DIESEL	71.08	351.14
GOIL	25/08/18	GV 1564 - 14	DIESEL	14.17	70.00
GOIL	30/06/18	GV 1678 - 14	DIESEL	65.63	318.31

TOTAL	20/08/18	GV 1678 - 14	DIESEL	44.68	226.53
TOTAL	05/11/18	GV 1678 - 14	DIESEL	53.27	274.34
TOTAL	15/11/18	GV 1678 - 14	DIESEL	51.99	267.75
GOIL	17/12/18	GV 1678 - 14	DIESEL	45.7	225.78
TOTAL	16/11/18	GV 1563 - 14	DIESEL	60.78	313.02
TOTAL	06/08/18	GV 1559 - 14	DIESEL	80.35	389.70
TOTAL	31/18/18	GV 1559 - 14	DIESEL	59.28	292.84
GOIL	06/09/18	GV 1559 - 14	DIESEL	54.45	268.98
SUB TOTAL FROM SERVICE PROVIDERS					9,086.63
GRAND TOTAL OF FUEL NOT ACCOUNTED FOR					23,222.63

1236. This resulted from the failure of the Accountant in charge of Fuel allocations to ensure that drivers account for fuel received. Lack of supervision by the Transport Officer and Officers to whom vehicles were allocated to ensure that drivers' record fuel purchased also accounted for the above anomaly.

1237. Mismanagement of fuel purchased could take place and total amount of fuel consumed may not be known or calculated leading to loss of funds.

1238. We recommended to Management to ensure strict adherence to the above stated Regulation to forestall any loss to the University. The amount of GH¢23,222.63 should be accounted for failing which the Accountant in charge of fuel allocations and the Transport Officer should be made to refund the amount involved.

1239. Management accepted our recommendation for implementation.

Repairs works not supported with Performance Certificate - GH¢10,185.23

1240. Regulation 1522 of the Stores Regulations, 1984 states that a request to any of the listed workshops for the repair or maintenance of an item of plant or machinery shall be made by means of a Departmental Purchase Order, which shall in all cases be supported by a written estimate of the cost of repairs or other work required, signed by a manager or a supervisor of the workshop. The officer who signs the certificate of satisfactory completion of service must satisfy himself that the work has in fact been satisfactorily performed".

1241. We noted however that an amount of GH¢10,185.23 was paid for repair works on two vehicles without any certification to show that the work had been properly carried out. Details are shown in table 108.

Table 108: Repairs works not supported with Performance Certificate

DATE	DESCRIPTION	PV NO.	CHQ NUM	NET AMT GH¢	WHT	GROSS AMT GH¢	Payee
13/3/18	SERVICING OF VEHICLE	F43	23969	1,404.26	95.74	1,500.00	JOHN KUSI
2/11/18	R/M OF VEHICLE	Z09	5200	568.46	41.54	610.00	GOD GIFT DIESEL INJECTOR PUMPS
8/10/2018	Payment for servicing of vehicles	z/80	4894	7,668.14	407.09	8,075.23	FRANCESSCA INVESTMENT
Total				9,640.86	544.37	10,185.23	

1242. This was as a result of failure on the part of the Finance Officer and the Transport Officer to comply with the law.

1243. This could result in payment for works not done or payments for shoddy works or services not rendered.

1244. We recommended that in the absence of proper certification, the total amount of GH¢10,185.23 should be recovered from the Finance Officer and the Transport Officer and same paid to chest.

1245. Management explained that the repair works represented non-routine repair and maintenance of office equipment that required urgent repair for which labour cost is paid. It does not require contracts of works for which work certificates must be issued before payments are made.

1246. We still insisted that the responsible officers should properly certify all repair works on the office vehicles before payment is made.

Closure of Two Halls of Residence

1247. Regulation 2(h) of the Financial Administration Regulations 2004, (LI 1802) requires heads of government to preserve in good order and secure the economical use of all equipment and stores used by the department.

1248. We noted during our inspection of the halls of residence of the University that one of the halls (an eight-bedroom apartment) located at Magazine has been abandoned. The building is now occupied by squatters because of the absence of a gate. These squatters have made the place messy with the droppings of poultry. Others also smoke fish at the premises of the building.

1249. Also during our visit to the Cocoa Hall we noted that the hall has been closed with all the doors braced with nails with no sign of habitation. The Senior Resident Tutor told the team that, she has notified Management of the defects on the buildings but they are yet to take any action.

1250. The Senior Resident Tutor explained that, the building located at Magazine was abandoned and left to deteriorate because of power disconnection from Volta River Authority, due to non-payment of bills. The Resident Tutor of GETFund Hall informed the Audit team that the University had made efforts to restore power but could not get through because the meter number of the building could not be traced in the Volta River Authority's system.

1251. The defects if not checked could cause further deterioration to the facilities which would eventually lead to a high maintenance cost. This has also brought pressure on the other halls of residence of the University as students had to be relocated to the other residential halls. Students from these two halls might also go to the private hostels thereby reducing revenue generated from residential accommodation.

1252. We recommended that Management should renovate the halls and put them back to use in order to ease congestion at the residential halls. Management should also take proactive measures to maintain all halls of residence to avert the possibility of closure.

1253. Management explained in their response that the closure of the Halls was due to the poor specification used during the construction stage and that this has tendency of some student losing their lives when there is a fire outbreak. Management stated further that the decision to close down was rather a proactive measure in order to save lives that might be lost in case of continuous use of the facilities. The University has however entered into various partnerships with private companies to rehabilitate and build new halls of residence for the use of students since it is financially constrained and may not be able to rehabilitate these halls by itself.

1254. Management explained that, in the case of the Magazine, it will restore power to the place as well as renovate it so as to allocate the place to students

Non-maintenance of Halls of Residence

1255. Regulation 2(h) of the Financial Administration Regulations 2004 requires heads of government to preserve in good order and secure the economical use of all equipment and stores used by the department.

1256. We noted from our inspection of the Halls of Residence of the Technical University that the buildings are deteriorating due to non-maintenance of the facilities. We noted also that the occupants of the various halls cooked in their rooms because of the conditions in the kitchen. Three of the four halls of residence namely, Busia Main, Busia Annex and Tano do not have porters to help the hall tutors manage the halls. Hall Presidents in most of the cases double as porters. Table 107 shows the summary of our findings from the tour of halls of residence.

Table 107: Findings from halls of residence

	Hostel	Findings
1	Busia Annex	Broken Louvres, Top beds converted into wardrobe due to congestions, hanging naked wires, faulty fans, sockets, several cracks on the building, peeled off floors. Absence of Resident Tutors office Absence of a porter Expired fire extinguishers (May 2018)
2	Busia Main	Damaged ceiling due to leakages in the roofing, falling windows frames, Broken Louvres, Top beds converted into wardrobe due to congestions, hanging naked wires, faulty fans, sockets, several cracks on the building, peeled off floors, Absence of Resident Tutors office. Absence of Resident Tutors office Absence of a porter No fire extinguisher
3	GETFund	Broken down hinges, keys and locks Faulty fans, lamp holders, obsolete beds, Hanging naked wires Expired Fire extinguishers (June 2018)
4	Tano	Absence of Resident Tutors office Absence of a porter Toilets in bad condition No fire extinguisher

1257. The defects if not checked could cause further deterioration to the facilities which would eventually lead to high maintenance cost. The anomaly may also affect revenue generation from residential accommodation as dissatisfied students might decide to patronize private hostels which provide better services.

1258. We attributed these lapses to absence of a maintenance plan.

1259. We advised Management to renovate the buildings as early as possible and ensure that the facilities are regularly maintained. Management should also institute an imprest system for the Senior Resident and the Resident Tutors to cater for urgent expenditures. Management should appoint porters for the halls mentioned above to help in their effective management, we urged Management to provide the Busia Main and Tano Hall with enough fire extinguishers and also refill those at Busia Main and GETFund halls for emergency situations.

1260. Management accepted our recommendation and indicated that the University is still in the process of partnering with private individuals and companies to rehabilitate these halls of residence.

Non-payment of accommodation fees-GH¢9,000.00

1261. Regulations 4[(ii(a)] of the Regulations for students as provided in the Students Handbook, 2009 of the Technical University states that at the beginning of each semester every student shall settle all his/her debts before signing the Residence Book placed with the Resident Tutor.

1262. Our interaction with the Senior Resident Tutor of the University revealed that ten Students Representative Council Executives occupying tens beds at Tano, Busia Main and Annex have not paid their accommodation fees. These executives have refused to relocate to the SRC hostel outside the campus. The executives owed the University a total of GH¢9,000.00 for the 2018/2019 academic year. Details of the owing are stated in table 108

Table 108: Non-payment of accommodation fees

S/No	Designation	Amount (GH¢)
1	GNUTS Ambassador	900.00
2	Secretary	900.00
3	Finance Officer	900.00
4	Women's Commissioner	900.00
5	Public Relations Officer	900.00
6	Welfare Officer	900.00
7	Entertainment Commissioner	900.00
8	Sports Commissioner	900.00
9	Non-Tertiary Coordinator	900.00
10	Cadet Commander	900.00
	Total	9,000.00

1263. The executives failed to adhere to the instruction from Management to relocate to their hostel and also failed to pay for the accommodation fees though Management has made some efforts to collect it.

1264. The University is denied the use of the monies owed by the executives which, could have been used for the maintenance of the halls.

1265. We advised management to take steps to collect the outstanding amount of GH¢9,000.00 from the executives and also relocate them to the SRC hostel outside the campus.

1266. Management accepted our recommendation for implementation.

Absence of plans to commercialise the production unit of the Technical University

1267. Statute 43(i) of the Technical University states “There shall be established under each academic department of the University, a Production Unit, whose purpose shall be to engage in commercial production of products or services related to that department to generate revenue for the University.

1268. Our examination of the accounting records of the Production Unit and our subsequent visit to the Unit disclosed that there were no proper control systems in place to promote the steady operation of the key sections though they have been opened to Public. These sections are Agriculture, Building Technology (Hydraform Interlocking Block), Restaurant, and Auto Mechanic Sections.

1269. Total Revenue generated from the operations of these units for the year under review was GH¢400,900.87, while total expenditure also stood at GH¢255,044.99 leaving a net income of GH¢145,855.88. The Auto Mechanic workshop has no records of its operations. Details of the operational performance are stated in the table 109.

Table 109: Income and expenditure from Production Unit

Section	Revenue	Expenditure	Net Income
Restaurant	290,960.98	203,159.41	87,801.57
Building Technology	49,515.84	7,418.36	42,097.48
Agriculture	60,424.05	44,467.22	15,956.83
Total	400,900.87	255,044.99	145,855.88

1270. Our findings during our visit to the various production units are stated in table 110.

Table 110

S/#	Production Units	Findings
	Restaurants	
	Building Technology	<ol style="list-style-type: none"> 1. No sheds to cure the Hydraform blocks during raining season. 2. No truck to cart the blocks
	Agriculture	<ol style="list-style-type: none"> 1. Inability to have continuous production of broiler chicken birds throughout the year 2. Inability to serve the public due to lack of funds 3. Improper housing units for the rabbits 4. Funds for the medical needs of the animals 5. Faulty borehole at the Duayaw Nkwanta farm
	Auto Mechanic	<ol style="list-style-type: none"> 1. Inadequate tools and equipment 2. Inadequate personnel 3. Delay in the operationalization of the washing bay. The University has a car washing machine and a Polytank which can be used to start.

1271. We noted that the production unit lacked the initial set up requirements such as the proper scope of activities and structured management before it became operational. Proposal written and submitted by Technical staff were not considered.

1272. The Production section's revenue would not be properly accounted for or expected revenue may not be generated.

1273. We recommended to Management to take steps to fully commercialize the Production Unit, by considering the proposals from Technical officers. To effectively manage the Production Unit, we advised that management decouple the running of the various production units from their departments and appoint persons with the requisite managerial skills to man them.

1274. Management accepted our recommendation and indicated that it would incorporate it into 2020 budget to get funding to commercialize the Production Unit.

Mission Statement

The Ghana Audit Service exists

To promote

- **good governance in the areas of transparency, accountability and probity in Ghana's public financial management system**

By auditing

- **to recognized international standards, and reporting our audit results**

And

- **reporting to Parliament**