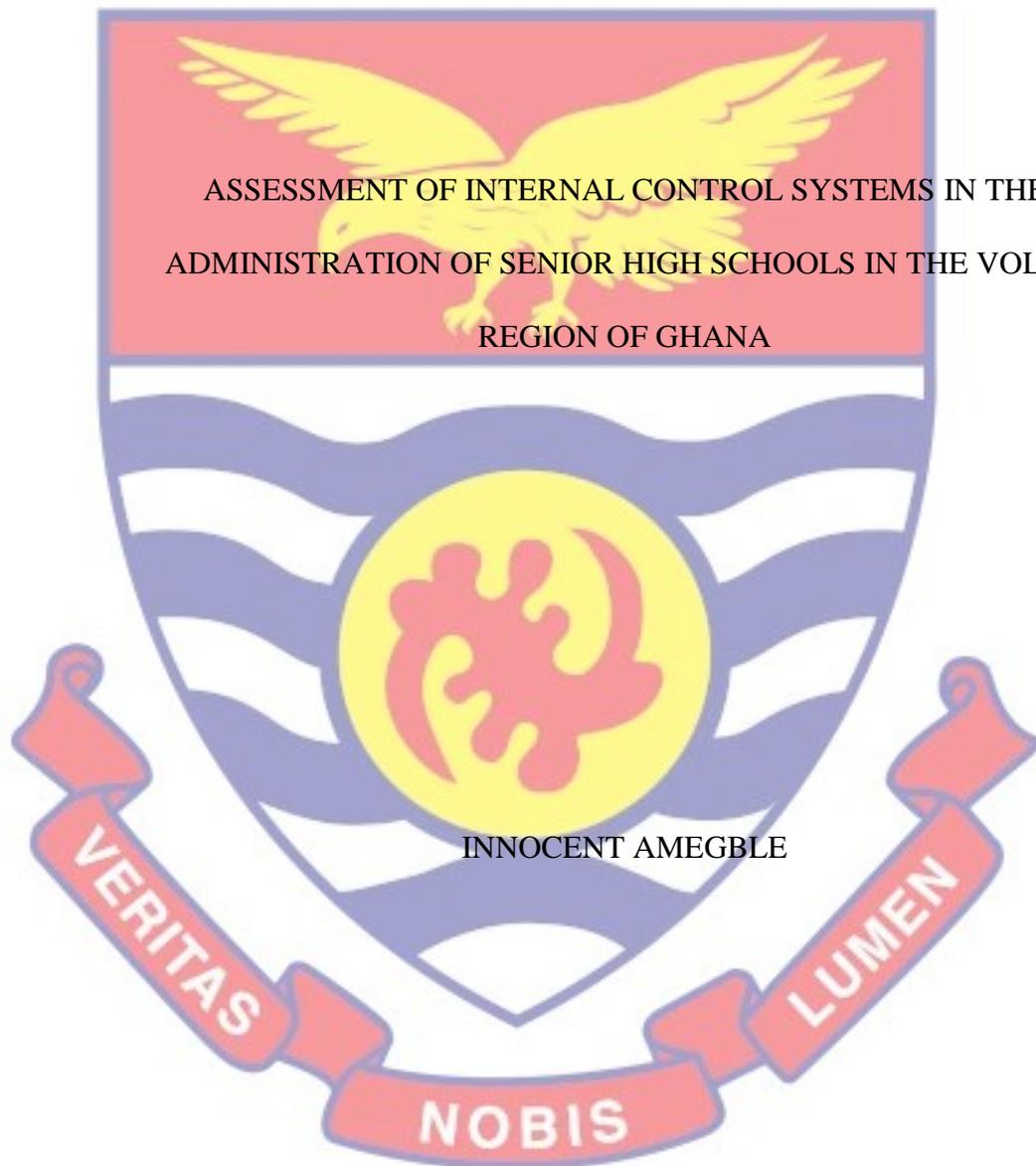
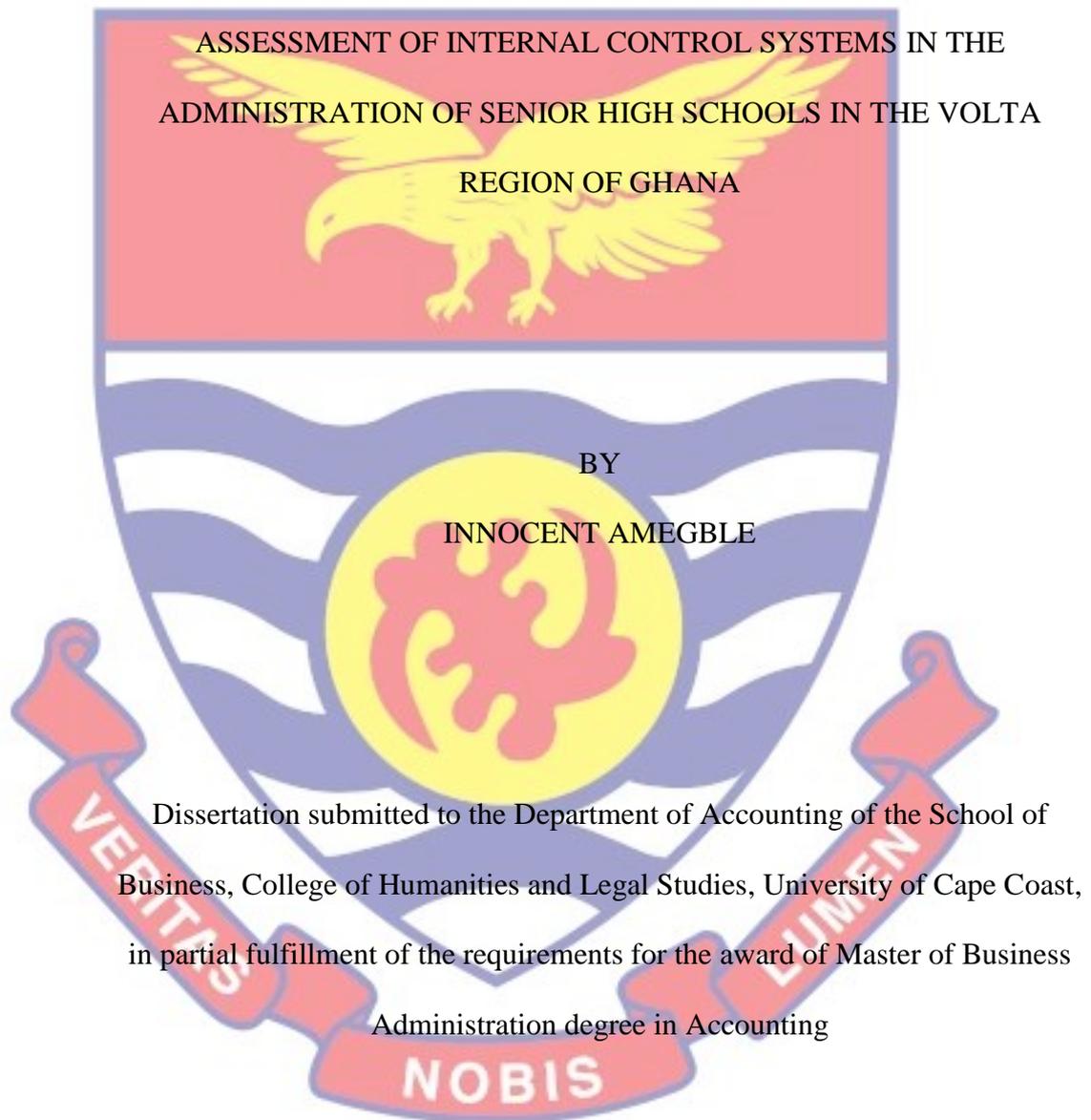


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JULY 2021

DECLARATION

Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree at this university or elsewhere.

Candidate's Signature Date.....

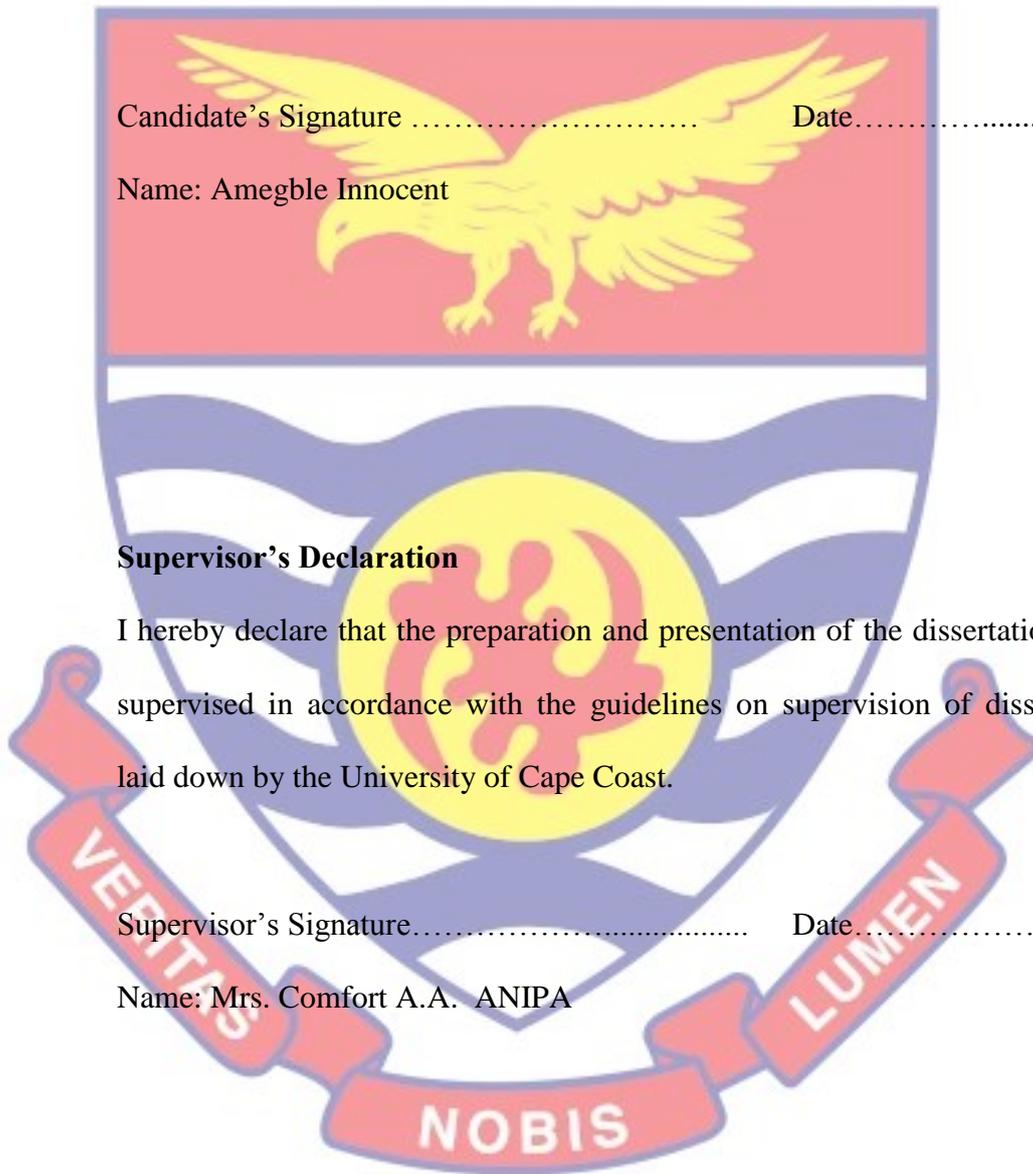
Name: Amegble Innocent

Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

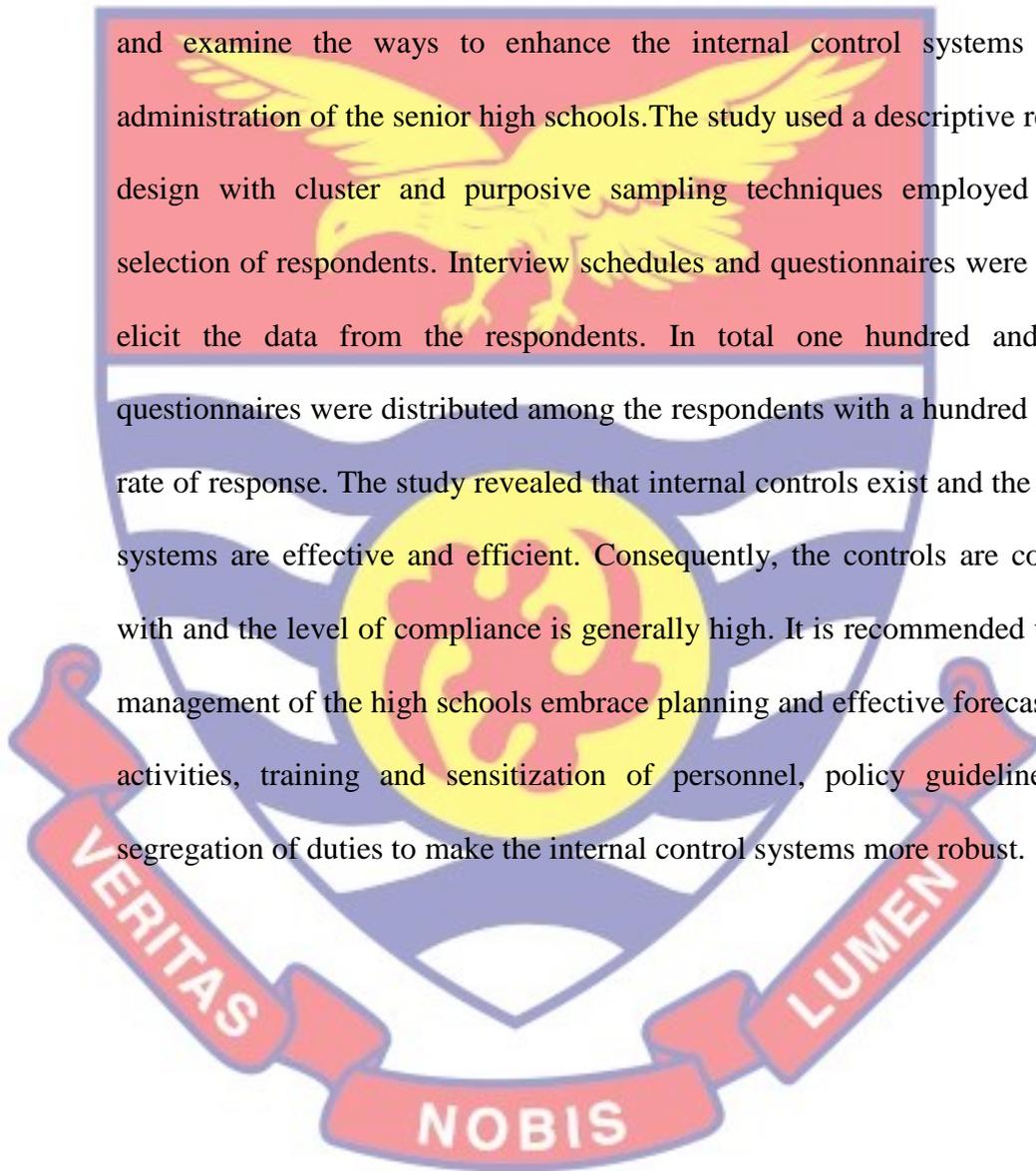
Supervisor's Signature..... Date.....

Name: Mrs. Comfort A.A. ANIPA



ABSTRACT

The study seeks to assess internal control systems in the administration of senior high schools in the Volta Region. The specific objectives are to determine the nature of internal control systems in the administration of the senior high schools, determine the level of compliance with internal controls, and examine the ways to enhance the internal control systems in the administration of the senior high schools. The study used a descriptive research design with cluster and purposive sampling techniques employed in the selection of respondents. Interview schedules and questionnaires were used to elicit the data from the respondents. In total one hundred and thirty questionnaires were distributed among the respondents with a hundred percent rate of response. The study revealed that internal controls exist and the control systems are effective and efficient. Consequently, the controls are complied with and the level of compliance is generally high. It is recommended that the management of the high schools embrace planning and effective forecasting of activities, training and sensitization of personnel, policy guidelines, and segregation of duties to make the internal control systems more robust.



KEY WORDS

Control Activities

Control Environment

Information and Communication

Internal Control Systems

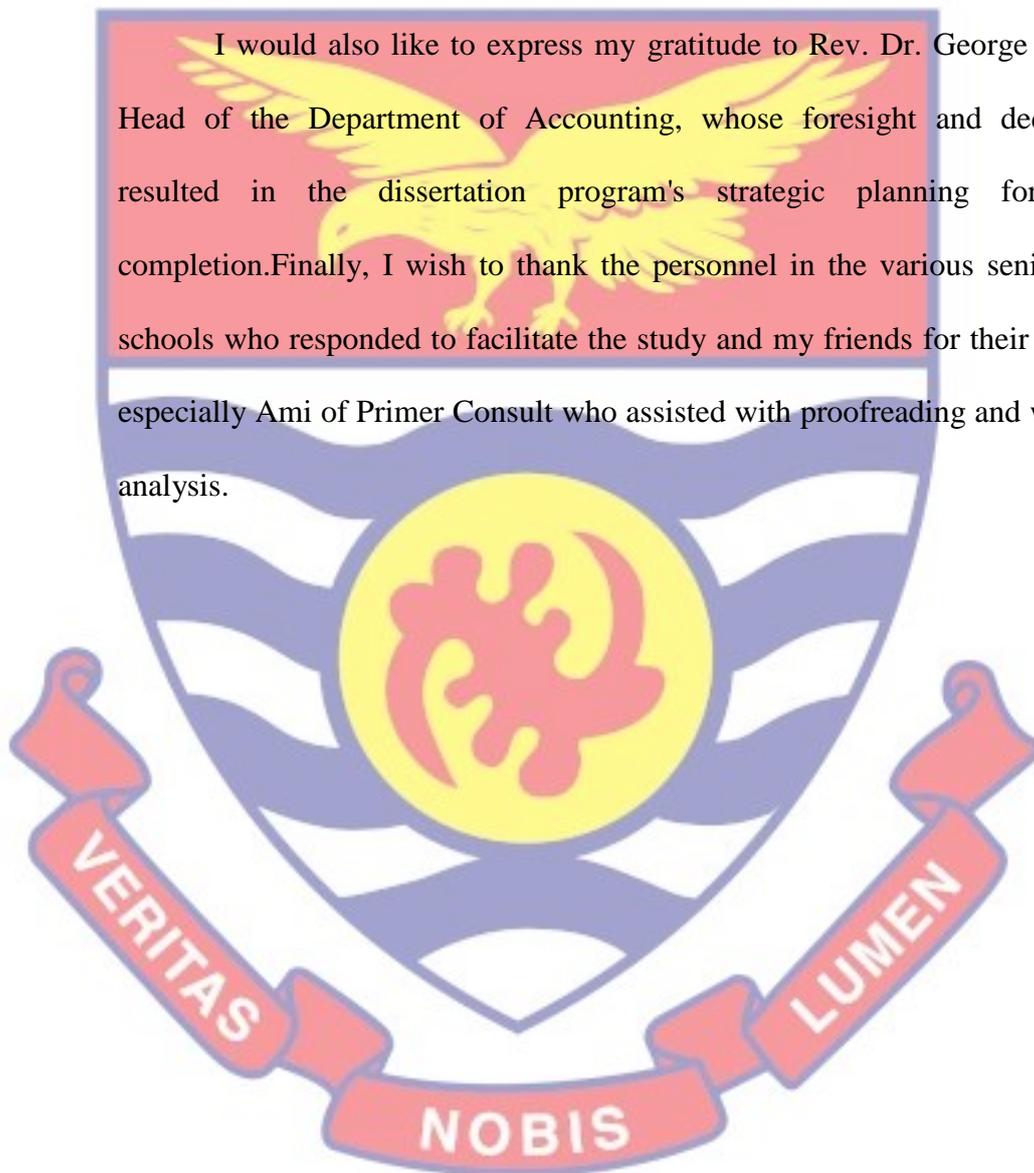
Risk Assessment



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DEDICATION

To my nephews, Desmond, Devine, and Basil



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LIST OF ACRONYMS

COA	Control Activities
COEN	Control Environment
COSO	Committee of Sponsoring Organisations
INFO	Information and Communication
MONI	Monitoring Activities



CHAPTER ONE

INTRODUCTION

Internal control systems are essential for developing, increasing, and safeguarding stakeholder values. Internal controls are aimed at assisting the management of an organization to achieve its objectives. Effective internal controls help improve the activities of organizations and ensure compliance with regulations. Internal control systems are important mechanisms for improving the quality of financial reporting as they enormously help in keeping proper book of accounts which reflect the exact nature of a company's operations contained in the financial reports.

International financial reporting standards (IFRSs), international standards on auditing (ISAs), and public financial management laws, particularly the public financial management act 2016 (Act 921), the public procurement act 2003 (Act 663), the internal audit agency act 2003, (Act 658) are aimed at improving quality of financial reporting, and accountability in the public sector. The 2019 Auditor General's report indicated delayed submission of financial reports, theft of resources, procurement rule breaches among other issues in some pre-university educational institutions raising doubt if internal control mechanism which is identified as the basic requirement and first stage of defense against irregularities is well instituted and monitored in the high school's AG's report, (2019). Sequel to that, it is believes that assessing and making recommendations for enhancing internal control systems could help improve the situation and ensure judicious use of resources allocated to these institutions for the attainment of best results.

Background to the Study

Improvements in information and communication technology in the world has taken business to a level that enables worldwide business as if from a common village. However increase rate of business failures attributable to complexities in organizational systems and fraud around the world prompted companies to place a greater focus on their internal control systems (Guo, Huang, Zhang and Zhou 2016). The scarcity of resources calls for proper management of resources and safeguarding against wastage through appropriate mechanisms to achieve set objectives. One such mechanism which is widely used and proven over time is a system of internal control that is effective. In the views of Chalmers Hay and Khlif (2018) the implementation of internal control system could lead to better decision making and effective control system to improve firm performance. Eton, Mwosi and Ogwel (2022) argued that internal control is important in the financial accountability.

Omolaye and Jacob (2017) described internal control as “procedures effected by the board of directors, management, and other personnel of an entity instituted to provide logical affirmation in regards to the accomplishment of goals concerning operations, reporting, and compliance. This definition shows that internal controls are aimed at accomplishing targets in areas of operation, reporting, and compliance with laws and legislations. It shows that the activities of individuals are at the focal point of internal controls at each level of an entity. The American Institute of Certified Public Accountants described internal control as “a process effected by the board of directors, management, and other personnel of an organization designed to provide reasonable assurance about the achievement of the entity’s objectives

concerning; effectiveness, and efficiency of operations, reliability of financial reporting, and compliance with laws and regulations applicable” (AICPA, 2006). The basic business objective of any entity is to achieve operational efficiency and effectiveness as indicated in the first category. Reliability of financial reporting concerns the preparation of financial statements that support the decisions of users. Also, the preparation processes must follow relevant international accounting standards, relevant policies, regulations, and laws that govern the activities of the entity.

According to International Organization of Supreme Audit Institutions (INTOSAI), Internal Control "is an administration mechanism used to give logical affirmation with respect to the accomplishment of the management targets. Accordingly, the duty regarding the adequacy and efficacy of the internal control structure rests with the management” (INTOSAI, Internal Control Standards, 2003 P. 6).

Internal Control is also defined by the Canadian Institute of Chartered Accountants (Criteria of Control), as “a set of components of an organization (including resources, procedures, systems, culture, structure, and tasks) which work together to assist personnel in accomplishing the organization’s objectives, grouped into three as functional efficiency and effectiveness, dependability of internal and external information, consistence with laws, guidelines and external guidelines”.

In public financial management, Internal Control Systems refer to various mechanisms aimed at diverse objectives including compliance with public financial management laws and regulations, ensuring the reliability of financial information or reports, and the facilitation of the entity’s operations

efficiently and effectively (Rafindadi and Olanrewaju 2019). Hence the design and implementation of a robust internal control framework provide the general public with assurance about government operations with regards to safeguarding assets, guarding against misuse and mismanagement of financial and other resources and the attainment of fiscal objectives set out in government policies and fiscal spending plan, preventing fraud and error as well as keeping a satisfactory financial record to enable timely and reliable production of the organization financial reports for external users and managerial decision support reports. Internal Control Systems are among the requisites and basic elements of a good governance system and the first stage of defense in fighting malpractices. Robust internal control systems provide reasonable public assurance that malpractices of any form when occurred will be detected and appropriately dealt with.

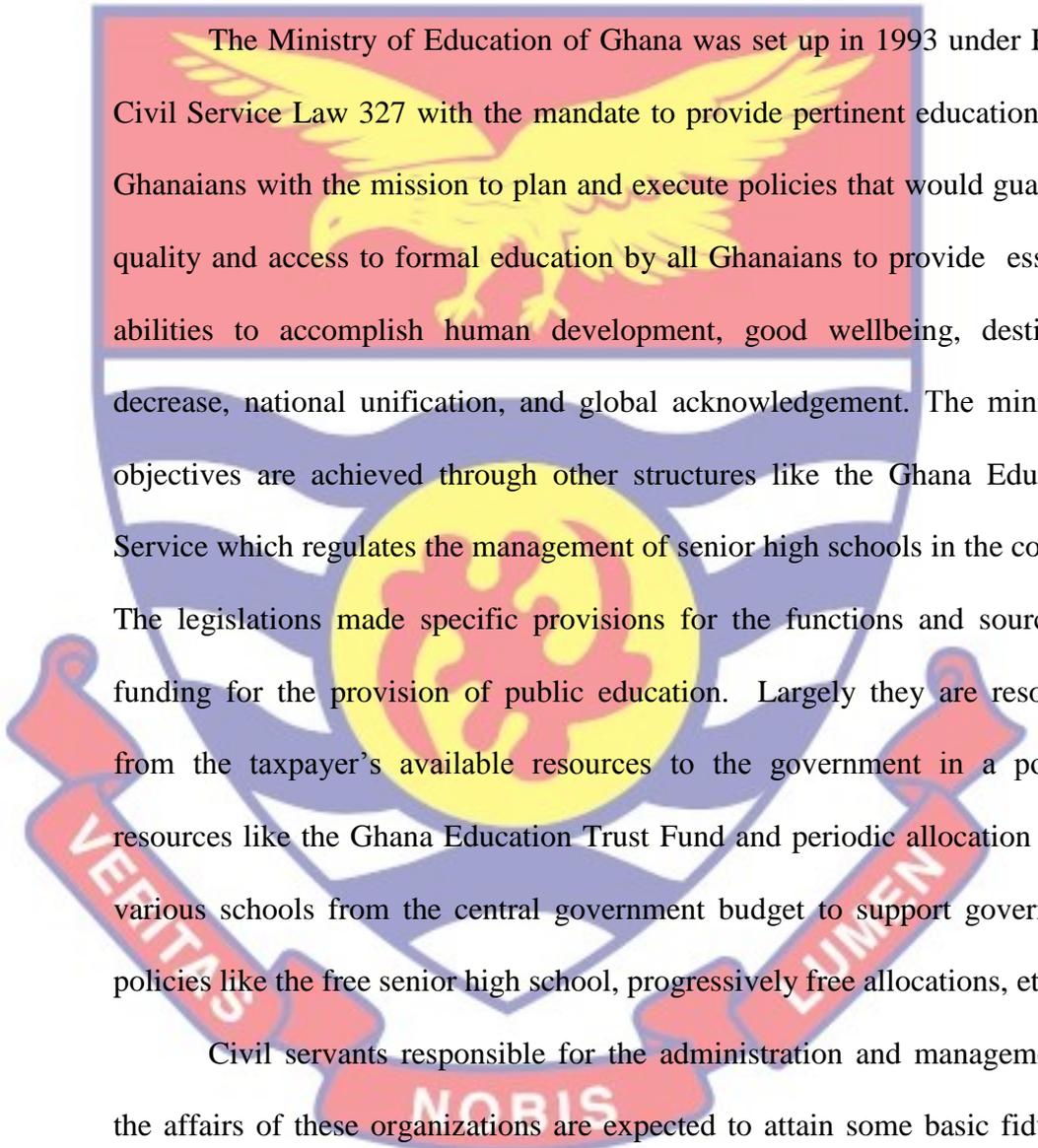
In the United States of America (USA), Section 404 of the Sarbanes Oxley's Act of 2002 requires Chief Executive Officers (CEOs) and Chief Financial Officers to authenticate the ampleness of internal control systems (Campbell and Adams 2006). Indeed, even organizations not administered straight by the Sarbanes Oxley act should answer to their board on the ampleness of the internal control system with steep ramifications for resistance. Likewise, disclosures should be made when documenting periodic reports as stipulated by the Securities and Exchange Commission Act 1934, itemizing changes in the internal control systems. The Committee of Sponsoring Organizations of the Treadway Commission (COSO, 2013) likewise prescribed investigating internal controls to address the danger of deliberate and unexpected errors in financial statements.

In the United Kingdom, the Cadbury report (1992) specifies in the code of best practice for corporate entities the obligation of the board of governors to guarantee the quality of monetary reporting and internal control frameworks (Mallin, 2011; Solomon & Solomon 2004). Likewise, the Combined Code (1998) imposed the obligation for the audit of the viability of internal controls on directors. Financial reporting council direction (2014) likewise addressed the necessity for the execution of internal controls and the duty of the governing boards.

In Ghana, rapid changes to the financial management laws as of late have concentrated on the importance of keeping up with successful frameworks of internal controls (Abdulai, 2020). Section seventy-two of the public financial management Act 2016 (Act 921), explicitly requires principal spending officers of covered entities to establish effective systems of internal control in respect of resources and transactions. Public services corporate governance manual in the preamble stipulates the intent of Ghana's public services as creating organizations that are transparent, honest, and accountable, as well as accountable and responsible, and that perform efficiently and effectively by putting in place appropriate policies, rules, regulations and monitoring and evaluation mechanisms for promoting effective governance practice.

Section two of Ghana's Public Procurement Act specifies the goal of the public procurement board; the harmonization of public acquisition cycles to get prudent, financial, and effective utilization of state assets and to guarantee that public procurement is done in a reasonable, straightforward and non-oppressive way. This is accomplished through different procurement

arrangements, rules, and systems in the public sector establishments to obtain economy and effectiveness. The significance of internal controls as the basic stage of protection against irregularities in an entity's activity and reporting cannot be over-emphasized as the presence or absence of this system determine the nature of results in the financial statements.



The Ministry of Education of Ghana was set up in 1993 under PNDC Civil Service Law 327 with the mandate to provide pertinent education to all Ghanaians with the mission to plan and execute policies that would guarantee quality and access to formal education by all Ghanaians to provide essential abilities to accomplish human development, good wellbeing, destitution decrease, national unification, and global acknowledgement. The ministry's objectives are achieved through other structures like the Ghana Education Service which regulates the management of senior high schools in the country. The legislations made specific provisions for the functions and sources of funding for the provision of public education. Largely they are resourced from the taxpayer's available resources to the government in a pool of resources like the Ghana Education Trust Fund and periodic allocation to the various schools from the central government budget to support government policies like the free senior high school, progressively free allocations, etc.

Civil servants responsible for the administration and management of the affairs of these organizations are expected to attain some basic fiduciary standards in several areas regarding the use of the economic resources to give the public some assurance about the judicious use of the resources provided. However, pockets of infractions in newspapers in recent years and in the headline news year on year when the Auditor General's reports are published

on the activities of government pre-university educational institutions leaves much to be desired and seems to be at variance with the mission of the Ghana Education Service- the provision of equitable formal education and training through efficient and effective management of resources to make education delivery relevant to the manpower needs of the country. This raises concerns

as to the efficacy of the appraisal structures available to the high schools under the Ghana Education Service and provisions in requisite legislations.

Specifically, the reports of the Auditor-General on public accounts of Ghana identified with the pre university educational institutions indicated a surge in irregularities in various schools all over the country since 2017 with the financial year 2019 recording a dramatic increase in quantum over the 2018 figures Auditor General's report (2019). This increase in irregularities and infractions according to the report was attributable to weak internal controls that is non-adherence to existing controls and disregard for good financial management practices and laxity to implement audit recommendations and enforcement of regulations and directives AG's report (2019). This is an obvious violation of sections of the PFM Act 2016 (Act 921).

It is against this backdrop that this study to assess internal control systems in senior high schools in the Volta Region. Thereby, delving into the existing system of controls in the administration of the schools and for this research establish if they reflect the components of the COSO framework for internal control systems.

Statement of the Problem

Globally, poor financial management practices are associated most often with public sector organizations. Utami and Ganika (2021) argued that effective internal control has positive effect on financial accountability. In Ghana since most public sector organizations have weak monitoring functions concerning the use of public resources as the focus of boards and management of these organizations is often on sources of funding to run activities of these entities than on the use of resources. There has been a worldwide call for increased accountability in recent years to enhance economy, effectiveness, and efficiency in public sector administration.

The mission of the Ghana Education Service is the provision of inclusive and equitable formal education and training through effective and efficient management of resources. This is challenged by excessive expenditure on personnel emolument taking a substantial portion of the annual budgetary allocation; approximately 82 percent. Aside from the budgetary constraint, there is doubt if the limited funding and resources provided to the various cost centers are used for their intended purposes as reports in the news media regularly point to irregularities associated with the use of such funds at the expense of the intended purposes. Recent reports in the daily graphic news indicated foodstuff bribery in Peki senior high school where identified authorities were alleged to have attempted to bribe an auditor who audited the accounts of the school with foodstuff. It was obvious the attempted bribery with foodstuff was an abuse of resources and misapplication due to control failure.

Also, reports of the AG on pre-university educational institutions year-on-year basis produces pockets of infraction in the financial administration of these institutions. Areas highlighted often include unhealthy cash management practices, procurement rules breaches, and stores management irregularities. For instance, eighty-six percent of the total value of infractions identified by the 2019 AG's report on pre-university educational institutions were in areas of cash management, procurement, and stores put together. In the Volta Region, a total of six hundred and forty-three thousand, five hundred and twenty three Ghana Cedi and ninety three pesewas (Ghc643,523.93) had been identified in infractions from cash management, procurement, and stores AG's report (2019).

The report of the Auditor General (2019) also indicated the failure of 53 pre university educational institutions to submit their year-end financial statement for audit validation within the stipulated period allowed in law. Other problems prevalent in the senior high school's administrations identified were "misappropriation of funds, uncompetitive procurements, unaccounted for stores, and statutory tax infractions" (AG's report 2019 P. II). These irregularities were attributed to a lack of compliance with established internal controls and applicable laws governing the management of financial resources provided to these institutions AG's report,(2019). Meanwhile, these identified areas are next to personnel emolument when considering areas of government recurrent expenditure which draws huge resources of the education budget especially under the current senior high education policies hence intensifies the call for robust controls in the financial administration of the high school AG's report, (2019).

Although the internal audit function of the Ghana Education Service regularly reviews the activities of these organizations, independent external auditors still pick up preventable infractions. The study seeks to assess internal control systems in the administration of these senior high schools in the Volta Region using the integrated guideline on internal controls developed by the Committee of Sponsoring Organization of the Treadway Commission. The efficacy or otherwise of the control systems will be examined using the COSO framework and based on the findings suggest ways of enhancing the systems. With the help of the COSO framework, all the areas of infractions picked up could be conveniently categorized whether relating to control environment, control activity, monitoring activity, information, and communication risk assessment to ascertain areas that need improvement to enhance the internal control systems in the administration of the senior high schools.

Purpose of the Study

The main objective of this study is to assess the internal control systems in the administration of senior high schools in the Volta Region.

Research Objectives

Precisely, the study sought to;

1. Determine the internal control mechanisms in the administration of senior high schools in the Volta Region.
2. Determine the level of compliance with internal controls in the administration of the schools.
3. Examine ways to enhance the efficacy of the internal controls systems in the administration of the schools.

Research Questions

To be able to achieve the aforementioned specific objectives of the study the following precise research questions were asked:

1. What is the nature of internal control in the administration of the senior high schools in the Volta Region?
2. What are the levels of compliance attained in the administration of the senior high schools in the Volta Region?
3. What are the ways to ensure effective internal control systems in the administration of the senior high schools in the Volta Region?

Significance of the Study

This study anticipated that the findings will assist policy makers to devise internal control systems in the administration of senior high schools in the Volta Region. The findings from this study will enable management of the senior high schools to take the necessary actions to enhance their administration and financial reporting and also enlighten potential spending officers and account holders on the task ahead. The findings will also help shape government policies as contained in the public financial management act concerning safeguarding the use of government resources. The researcher also hopes the findings will contribute to the existing academic literature on internal controls and general knowledge as far as the management of organizations is concerned.

Delimitation

The study assessed internal control systems in the administration of senior high schools in the Volta Region using the 2013 framework of the Committee of Sponsoring Organizations of the Treadway Commission for the

design, implementation, and evaluation of internal control systems and the public financial management act as the basis for the assessment of the internal control systems. The study examined the elements of internal control systems as the primary basis for the assessment and highlighted the role of internal audit in enhancing the internal control system. The main focus of the studies was on the financial administration of the selected senior high schools in the Volta Region.

Limitation of the Study

Time insufficiency and financial resource constraints were major limitations of the research. The schedule for the submission of the final report was very limited and the schools are scattered and required much time and energy to get to most places. Besides, confidentiality and the sensitive nature of information required on internal controls obstructed the amount of information obtainable. Enough effort was put in to avert the challenges having any effect on the findings.

Organization of the Study

The study consists of five chapters. The remaining chapters continue from chapter two which contains the definition of internal control, components of internal control systems, and significance of internal controls as well as theories and empirical review. Chapter three covers the research methods used for the study, the study area, study design, population of the study, sample, and sample size determination. It also explains the instrumentation and analytical procedures. Chapter four presents the analysis of the data elicited and the discussion of the key findings. The final chapter delved into the summary of the study, conclusions and recommendations.

CHAPTER TWO

LITERATURE REVIEW

Introduction

The purpose of this study is to assess internal control systems in the administration of senior high schools in the Volta Region of Ghana. This chapter of the study presents a relevant review of literature organized into theoretical review, conceptual issues and empirical review as according to Boote and Beile, (2015) helps to put the research into context, demonstrating how the study fits into the existing body of knowledge on the subject matter under study.

Theoretical Review

This section of the study reviews Resource Dependency Theory (RDT) put forward by Pfeffer and Salancik (1978), Agency Theory developed by Jensen and Meckling (1976), and institutional theory. Resources dependency theory helps to understand the ecology of organizations, and agency theory focuses on the separation of ownership and control of organizations and dealing with agency problems while institutional theory explains the processes and rationale for organizational behavior and the effect of organizational behavior patterns.

Resource dependency theory

According to Pfeffer and Salancik (1978), resource dependency theory (RDT) is an organizational theory that describes a corporation as an open system dependent on contingencies in the external environment. This theory helps to understand the behavior of an organization. Also, it is used to examine different issues pertaining non-profit organization and the activities

of boards. Resource dependency theory posits that there is the need for resources of a not-for-profit organization to determine its structure and activities (Pfeffer & Salancik, 1978). This theory makes two assumptions; (a) that the focus of the boards of not-for-profit entities is on the source of resources than on monitoring the use of resources. The consequence of this is that these organizations turn to have weak monitoring functions. (b) Monitoring is strengthened when it is a requirement for obtaining the resources from the provider. That is obtaining the resources and overseeing the proper usage to guarantee the future inflow of resources. The theory states that the monitoring functions are strengthened if an effective internal control requirement is a necessity for securing funding from a particular source by an entity. The receipt of government grants requires stringent internal control and other reporting requirements. This requirement ensures enhancing monitoring activities.

Agency theory

Jensen and Meckling (1976) proposed the agency theory, which focuses on separating ownership and control, as well as resolving problems that ascend as a consequence of agency relationships. The agency relationship is a contract in which one person (the principal) hires another person (the agent) to execute services on his behalf, which includes transferring certain decision-making authority to the agent and defining the agent's rights and obligations (Jensen & Meckling 1976). It is believed that agents may not all the time serve the ultimate best interest of their principals based on the assumption that all individuals are often self-seekers hence the actions of the agent may not pursue the interest of the principal giving rise to agency

problems. The agency problems are managed by employing contracting measures to mitigate differences between the interest of the principal and their agents to achieve mutually beneficial goals which are achieved at a cost known as agency cost allocated between the principal and the agent.

Control mechanisms have technical functionality and rational cost benefits hence the principal implements controls to effectively and efficiently address the agency issues. The ultimate goal of internal control systems is to achieve the objectives of the organization. Since employees (agents) do not always put in their best effort ordinarily for achieving organizational objectives, internal control systems strive to align employees' goals with that of the principal (owner) reducing information asymmetry related risks between the agents and the principals also the lack of trust the principal has for the agent. For instance, employees may not comply ordinarily to set rules and regulations because of self-interest which will affect result achievements (Lan & Heracleous, 2010). But instituting controls will give some assurance to the principal that agents will comply with regulations to achieve set objectives.

Institutional theory

This theory provides insights that can be utilized to better understand how internal control systems are adopted and designed within a company. Meyers and Rowan (1977) and DiMaggio and Powell (1983), proposed this theory. Institutional theory advanced reasons for organizations designing structures, processes, and systems as necessary for incorporating contemporary procedures and practices but not because of cost advantage. That is organizations are moved by institutionalized societies and present rational concepts. That is, to attend legitimacy and survival potentials which

does not depend on the adopted practices structures or processes. Organizational structures such as internal control functions and processes become evidence of conformity and social accountability. Entities that put all the necessary structures in place are seen to be more credible and are open to fewer investigations of their activities by regulatory authorities. In the management of high schools, auditors examine the internal control systems of the high schools and where they are comfortable with the system's design and operation, this informs the amount of substantive audit test procedures they carry out in an audit. Managers who have known this see the need for their schools to be seen to be adopting certain practices and even institute formal processes aimed at implementing these practices.

Conceptual Review

This section presents the various concepts relevant to the study. Key among them entails, internal control, types of internal control, objectives of internal control.

The concept of internal control

Internal control is very useful to the executives, regulatory authorities, legislators, and internal and independent assurance teams in accomplishing their goals. Internal control frameworks that are compelling in distinguishing and forestalling extortion are advantageous to the executives. It is not anything but an arrangement of strategies and cycles intended to guarantee that predetermined hierarchical objectives are met. Arens, Elder and Beasley (2003) contended that an internal control arrangement is comprised of policies and cycles that are intended to give the executives sensible affirmation that the association's destinations and objectives will be met. This contention, while

compact and quick, doesn't give a total image of what the internal control framework involves.

The most broadly utilized and universally recognized definition is given by the Commission of Sponsoring Organization of the Treadway Commission (COSO). COSO characterized internal control as “a process effected by an entity’s board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives relating to operations, reporting, and compliance” (COSO, 2013 p.3). The main aim of an internal control system, according to this definition, is to assure that the entity will comply with applicable rules and regulations, as well as to assist in the logical and resourceful execution of the company's business, and ensure quality and completeness of accounting records as much as feasible to improve resource management and transparency in the accounting process. (COSO, 2013).

Turnbull committee’s report, on the implementation of internal control requirement (1999) also provided a comprehensive definition of the term. The report explained internal control as, “the policies, processes, behaviors and other facets of an entity the combination of which in the first place, make easy the efficient and effective operation of the entity by enabling the entity to respond appropriately to significant business, operational, financial, compliance, and other risks to the attainment of objectives. This includes safeguarding assets and ensuring the identification and management of liabilities, secondly ensure internal and external reporting quality which in turn requires the maintenance of proper records and processes that generate a flow of timely, relevant, and reliable information from both internal and

external sources; also ensure compliance with applicable laws and regulations and also with internal policies”.

Internal Control is also defined by the American Institute of Certified Public Accountants as “a process effected by the board of directors, management, and other personnel of an organization intended to provide reasonable assurance regarding the attainment of set objectives in terms of; reliability of financial reporting, effectiveness, and efficiency of operations and compliance with laws and regulations applicable” (AICPA, 2006). From the foregoing definitions, it can be seen that the main purposes of a scheme of internal control revolve around the operations, reporting, and compliance to policies and regulations, and a useful definition should provide as far as possible a complete coverage of the key areas of focus for an internal control system.

Internal and external audit activities, budgeting systems, layers of management, governing body and review boards of trustees, and reporting and disclosure strategies are instances of controls. The duty regarding the formation and upkeep of internal controls lies with the executives and those answerable for the administration. It covers both monetary and non-monetary tasks of an establishment and everybody in the entity has an obligation to guarantee that the internal control frameworks work. Internal controls give sensible confirmation however not supreme affirmation about the accomplishment of targets.

Objectives of internal control system

Broadly, internal control objectives can be categorized as operations, reporting, and compliance objectives. This categorization enables organizations to have a broad focus on their internal controls rather than

narrowly focusing on only a particular area of control at the expense of other important areas of attention COSO (2013).

Operational objectives

Operations objectives are aimed at achieving the efficiency and efficacy of an entity's operations. The essential business reasons of an entity such as operational and financial performance goals, as well as asset protection, are addressed by operations objectives (Eniola & Akinselure 2016, Umar & Dikko, 2018). Operations objectives aim at ensuring a smooth flow of processes and disruptions free operations. This forestalls the danger of failures and dangers to the making of significant worth in the association. Operations objectives guarantee that resources are used for their intended purposes, and are not exposed to abuse or robbery.

Reporting objectives

The purpose of reporting objectives is to improve financial reporting confidence and credibility. These goals are defined by regulatory and conceptual frameworks, reporting standards, and/or the entity's rules, and they relate to reliability, timeliness, relevance, and other criteria. If an organization's financial records are wrong, it will not be able to produce credible financial reports. Reporting objectives of a sound system of internal control seek to increase stakeholder's confidence in the financial reports, enhance timeliness and transparency as the nature of businesses transacted are properly reflected in the financial reports. It also aids management accounting processes, which are necessary for effective strategic decision making and monitoring organizational performance.

Compliance objectives

Compliance objectives pertain to adherence to laws and regulations to which the entity is subject. Compliance objectives also ensure employee's adherence to internal policies and programs of the organization and among others.

Types of internal controls

Effective control systems have different purposes including preventive, directive, compensating, detective, and corrective actions (Lousteau & Mark 2006). This categorization of internal control by their intended purpose is explained as follows;

Directive control

Directive controls are policies and processes implemented by top management to ensure that the independence rule is followed. They are measures performed to encourage the occurrence of the desired event. The scope of directive controls is vast, and they apply to all situations. Examples are job descriptions, guidance statements, circulars, and organizational structures. To guarantee consistency with directive controls, a clear message from the executives that approaches and strategies are significant should saturate the organization.

Preventive controls

These are controls intended to have a practical impact of mitigating or preventing the occurrence of errors, omissions, loss, irregularities, or other undesirable events. Examples of preventive controls are roles segregation, authorizations and approvals, procedure manuals, security access restrictions,

and physical security over assets. They are procedures used by a firm to dissuade noncompliance to plans and actions.

Compensating controls: This entails designed to compensate for a control system's lack of controls elsewhere. Maintaining a hard copy backup of an electronic database, for example, could compensate for downtime in the electronic system and make searching for missing elements, such as names, in the electronic system easier. When the electronic system is upgraded, hard copies are reprinted.

Detective controls

Detective controls are instituted to uncover problems within an organizational processes once they have occurred. Detective controls are intended to detect errors, irregularities, or other negative events so that they can be corrected immediately. They provide evidence following a loss or error, but they do not prevent it from happening again. As a detective control, a company could conduct random compliance checks. In the absence of substantial consequences, they rarely act as a deterrence.

Corrective controls

Corrective controls are actions required where violations are detected in a system of internal control. This could entail counseling and additional training but where violations continued, severe penalties could be applied.

Limitations of internal control systems

Internal controls aid in the smooth running of business operations and offer sensible certainty that an organization's aims shall be achieved. This means that financial records can be trusted, operational efficiency can be reached, and rules and regulations will be followed, but every internal control

system has limitations. That is internal controls cannot provide absolute guarantee that things will go on as planned. For instance, internal controls cannot prevent a bad decision or a superseding external event that could prevent an organization from achieving its operational goals. This means an effective internal control system could fail if the following issues

enumerated are not carefully considered;

Suitability of objectives: A precondition to internal controls is the suitability of control objectives. This implies that controls should be established based on the objectives needed to be achieved. Different controls will be needed for achieving different objectives. Where controls are not tailored to suit specific objectives, they are likely to fail.

Errors in judgment: Controls are set up based on professional judgment. Wrong intuition or where personal biases are allowed could hurt the system of controls. This may be due to inadequate information to support decisions or wrong perceptions. This may fail to set up an internal control or assigning wrongful tasks among personnel.

Management override: Control systems could fail to achieve the intended purpose when procedures and processes laid down are ignored by persons in managerial positions. Bypass and management override increase the risks to the attainment of the objective.

Failure: Complexities, inadequate information, or lack of training could cause the control systems to fail. Controls are strong where employees understand how the systems work. Training your employees on what they are supposed to do, the aims, limits imposed on them, and the effects when they overcome the limits is a critical function of making internal controls work.

Collusion: Employees overcome with ease an effective system of controls if they work together in perpetrating the fraud. Control is there to limit what employees could do in their sole capacity against the system but when they pair with employees in other roles, they could circumvent the system of control.

Components of internal control systems

The Committee of Sponsoring Organizations of the Treadway Commission in 1992 developed an integrated framework for the planning execution and assessment of the internal control system. This structure acquired extensive acknowledgment and is utilized all throughout the globe. It is distinctive for the planning, execution, and appraisal of internal control frameworks.

The framework was reviewed in 2013 to contain globalization of business, technology-driven change, increase complexities, and dramatic changes in the business and operation environment. Also in responds to high demand for increased probity and answerability for the veracity of internal control frameworks that help public and public business associations. Organizations depend on the direction of the structure to organize a powerful internal control framework. The COSO system was set up to help organisations to accomplish sensible confirmation in regards to the adequacy and proficiency of activities, the unwavering quality of financial reporting, and consistence with pertinent laws and guidelines. The COSO system for internal control has five components which include: control environment, risk assessment, control activities, information and communication, and mornitoring activities as displayed in Figure 1.



Figure 1: COSO framework

Source: COSO (2013)

Figure 1, represents the 2013 COSO cube. It has five elements that show the connection between all the parts of a powerful internal control framework. The segments of the cube are the three objectives classifications (operating, reporting and compliance) and the rolls comprise of the five elements of a viable internal control framework.

Control environment: Control environment “is the attitude toward internal control and control consciousness established and maintained by the management and employees of an organization. It is a product of management’s governance, that is, its philosophy, style and supportive attitude, as well as the competence, ethical values, integrity and morale of the people of the organization affected by the organization structure and accountability relationships” (Hevesi, 2005 p. 7).

The control environment establishes the tone of an organization, affecting the control awareness of its employees. It is the base for any remaining parts of internal control, giving the discipline and culture’ (AICPA Professional Standards 2006, P. 346). It includes the attitude, awareness, and

actions of persons responsible for the governance and management towards internal controls and their importance to the organization (AICPA 2006). It also refers to the structural foundations that enable organizations to carry out internal controls that could have a major impact on the choices and exercises of an organisation and is comprised of a bunch of guidelines processes and procedures (Hevesi, 2005). The top administration and the directorate set the tone at the higher hierarchy of the organisation concerning the importance of internal controls and the normal degrees of conduct. The control environment is comprised of significant components like active roles of those in administration position, communication, and enforcement of integrity and moral qualities, commitment to competence (AICPA, 2006).

Governance: This is the influence on an organization practiced by the leaders who oversee the organization. Governance representatives might be the directors or trustees with responsibilities stipulated in the charter or constitution establishing the organization. Among the critical areas of influence identified by Hevesi, 2005 are; approving the firm's enduring statement of purpose and long term plan, monitoring the association's values and moral codes, building up the general administration style and philosophy and tone, coordinating administration oversight of key business measures.

Integrity and ethical values: Enforcement of integrity and ethical values are very necessary for the control environment. The effectiveness of controls depends on the integrity and moral ideals of individuals who make, regulate, and screen them. Necessary requirements for the control environments are trustworthiness and moral ideals which influence the viability of the design, organization, and checking of different elements of the internal control system.

Management should set appropriate instances of straight-forwardness and honesty and moral conduct within the organisation for others to emulate through policies and codes of conduct. Management must lead by example in ethical behavior and openly communicate management's expectations for ethical behavior to other members since not all employees will have the benefit to observe the actions of management. Through words and actions, management must show no tolerance for all forms of unethical behavior even if the result of the action will benefit the organization and must treat all unethical behavior equally irrespective of position.

Commitment to competence: Competence is defined as the knowledge and abilities required to do a task that defines an individual's job. Management's commitment to competence includes taking into account the level of competence required for a certain position and how those levels translate into the necessary skills and knowledge.

Participation of those in positions of power

Those in charge of governance have a significant influence on an entity's control consciousness. Their degree of independence, experience and stature of the members, their ability to scrutinize the activities of management, the amount of information they receive, and the extent to which pertinent questions are raised and pursued with management are key requirements for an effective board. Oversight of the design and effective execution of whistleblower procedures is another responsibility of those responsible for governance.

Risk assessment

An organization faces an assortment of risks from outer and internal sources. Risk is characterized as the likelihood that an occasion will happen and unfavorably influence the accomplishment of set targets. Risk appraisal implies a dynamic and iterative interaction for recognizing and evaluating risks to the accomplishment of targets. It represents the grounds for deciding how risks will be overseen. Risks can emerge because of the following conditions; changes in the working or administrative environments, new staff may have an alternate comprehension of internal controls and quick changes in information and quick changes in information frameworks can change the risk identified with internal controls, quick advancement of activities can squeeze controls and raise the opportunity of a control breakdown. The risk related with internal controls may change as new innovations are brought into production processes, new accounting pronouncements that results in the adoption of new or changing accounting standards, and new accounting declarations that result in the adoption of new or changing accounting principles may all affect the risks involved in preparation of financial report. There is the need to set up targets connected at different levels of the association as a pre-condition to risk appraisal (COSO, 2013).

Control activities

Refer to the measures set put in place through strategies and guidelines that assist with guaranteeing that administration's orders to lessen risk to the accomplishment of targets are done. Control activities could be mechanized or manual and have various intentions. Control exercises are performed at various levels of the organization at various stages within the business cycle

and over the technology environment. Control activities might be preventive or detective in nature and incorporate exercises as approval and endorsements, confirmation, reconciliations, segregation of duties, right to use to assets and records, oversight, and business performance review.

Segregation of duties: This means giving the responsibility for authorization of transactions, recording transactions, and taking custody of assets to different individuals. This is to reduce the chances that any person could in the normal course of duty perpetrate fraud, error and conceal it.

Physical control: Incorporates exercises that guarantee the actual security of resources, including satisfactory defends like seucured facilities to restrict access to resources and records, approval for admittance to computer programs and information documents.

Information and communication

Information is vital for an organization to fulfill its internal control responsibilities and achieve its objectives. Management supports the operation of other internal control components by using relevant information from relevant sources. Communication is the practice of supplying, sharing, and collecting information continuously and iteratively. Internal communication describes the flow of information within an organization. External communication which is two folds could be inbound or outbound enabling the exchange of relevant information. Communication entails giving work force comprehension of their jobs and obligations about internal controls. Communication can channeled through manuals, accounting and financial reporting manuals, and memoranda. Communication could be made be made electronically, orally, and through different structures.

Monitoring activities

Continuous assessments, separate assessments, or a blend of the two are utilized to decide whether every one of the five parts of internal control frameworks, including controls to affect the principles within every segment, is available and working. Continuous checking exercises, which incorporate ordinary administration and supervisory activities that give timely information, are installed into the standard business processes at different levels of the organization. Separate intermittent reviews will change in degree and recurrence relying upon risk appraisal, continuous assessment viability, and other administration considerations. Discoveries are thought about in contrast to measures set up by regulators, recognized standard-setting bodies or the executives, and the directors. Insufficiencies are reported to the executives and the directors as proper.

The assistance of internal auditors in numerous associations help to fortify internal controls through separate assessments done by the examiners or workers serving in related abilities. The design and operation of internal control frameworks are assessed by the examiners who convey to the executives the surveyed data about the qualities or shortcomings of internal control frameworks. Monitoring activities likewise incorporate using inbound data from outside sources like from regulators, concerning the usefulness of internal controls in the association.

Effective internal control system

Internal control systems are effective and efficient as corporate governance tools and requisite basic elements of a good governance system, as well as the first line of defense in fighting malpractices when they provide

reasonable assurance regarding the achievement of basic business objectives such as performance and profitability goals, as well as resource management.

An internal control system is adequate and effective when all the interrelated components are present and functioning properly. According to COSO (2013),

Internal control systems are effective when those in charge of the

organization's governance and management have reasonable grounds to believe that their specified objectives for financial statement preparation and compliance with rules and regulations have been met. That is, defining effectiveness in terms of management perceptions of success in achieving internal control objectives. Internal control system efficacy is a continuous

process, and judgments on the effectiveness of internal control systems are made at a certain point in time, based on management's subjective

judgment. The extent to which control systems promote organizational objectives is viewed as an effective system of internal controls. (Umar

&Dikko, 2018). That is, an effective system of internal control reduces to an acceptable level the risks associated with the attainment of organizational

objectives. Internal control is effective according to (Ahmad Othman & Jusoff, 2009), if it helps to achieve set objectives.

According to COSO (2013), the relevant features of the components of an internal control framework are a robust control environment, effective risk

assessment, effective control activities, efficient information and communication systems, and enhanced monitoring activities. Effective

Internal Control Systems must possess the basic criteria of appropriateness; that is the right control in the opportune spot and appropriate

to the risk implied, the controls should work reliably as arranged all through

the period; this implies controls should be obeyed by all workers and not bypassed when key personnel is away or the responsibility is substantial. The controls should be more beneficial than it cost to implement; that is the expense of carrying out the control ought not surpass the advantages determined.

Robust control environment

An effective system of internal control has a functional organizational structure, a clear line of authority and responsibility, and adequate human resource policies and practices in addition to high ethical behavior and commitment to competence.

Effective risk assessment processes: Management predefines relevant objectives within relevant clarity and criteria which allow for easy identification of risks to objectives and also ensures compatibility of objectives with broader objectives. Management identifies and analyses critical operating risks and takes the necessary steps to mitigate them.

Control activity: Key control activities function as they are intended to and risk mitigation strategies reflect adequately within the control activities.

Efficient information and communication systems: Employees have a clear understanding of their control responsibilities, complaints, and disagreement from customers and suppliers, and other external parties are promptly resolved and necessary actions are taken timely to avert possible future occurrences.

Effective monitoring activity: There are established means of determining the quality and functionality of internal controls over time through independent evaluation or ongoing evaluations, and adequate process checks exist to detect and report deficiencies to the appropriate quarters.

Aldridge and Colbert (1994) suggests that an effective internal control system design, program, and functions achieves intended purpose. This means a control system that does not support the achievement of organizational objectives could not be an effective one. That is the organization's objective must be a precondition for the design of the control system and its program and functions must be tailored to the attainment of the objectives. Feng, Chan and Vay (2015) found out that entities with effective internal control systems use high-quality management information in providing managerial decision support advice which enhances operational efficiency. Feng et al. (2015) found out that entities with effective internal control systems make the best possible operational decisions through prudent utilization and management of inventories. A robust internal control system is necessary for the effective and efficient utilization of the resources of an entity which is a prerequisite for the survival of the organization (Eniola & Akinselure, 2016).

Ineffective internal control system

Effective internal controls systems increases credibility and reliability of financial reports produced for users (COSO 2013). When there is unfortunate event that at least one material weakness exist in the arrangement of controls, the internal control over reporting can be said to be ineffective (PCAOB Auditing Standard No. 5).

Significant deficiency

A significant deficiency is 'a deficiency or a mix of inadequacies in controls that is less extreme than a material weakness yet significant enough to

justify consideration by those answerable for oversight of the organization's financial reporting' (PCAOB Auditing Standard No. 5)

Material weakness: A material weakness is a deficiency or a mix of inadequacies, in internal controls to such an extent that there is a sensible chance that material errors in the yearly financial reports will not be forestalled or identified when they happened' (PCOAB Auditing Std. No. 5). Material weaknesses signs in internal control over financial reporting includes detection of irregularities, regardless of whether material with respect to top management, restatement of recently issued reports to show the revision of a material misquote, and ineffective oversight of external financial reporting and internal controls by audit committee (PCAOB).

Compliance with internal control systems

Controls in public sector financial administration are embedded in the financial management laws in the public sector. Internal and external audit activities, budgeting systems, layers of management, board of directors and audit committees, and reporting and disclosure procedures are examples of controls. Activities in the financial administration of the senior high schools as by law established are to conform to provisions in the public financial management act 2016 (Act 921), public procurement act 2003 (Act 663), internal audit agency act (Act 658), tax laws, the constitution, financial administration regulation and any other relevant legislation.

Budgeting procedures

Budget is the plan of an organization for a forth coming period expressed in monetary terms. It is an all-inclusive plan stated in monetary and quantitative terms which guides the functional programs and activities for

adeined period, to achieve set targets. Section 20 and 21 of the public financial management (Act 921) and article 179 of the constitution stipulates the preparation and submission of yearly spending plans. Provisions in section one of article 179 states that the president will cause to be presented before parliament somewhere around one month before the close of a fiscal year, projections of revenue and expenditure for the coming year. Specific instructions to achieve this requirement are contained in the financial accounting instructions (FAI) for Second cycle institutions and colleges of education units. In the senior high schools, the accounting department coordinates the budgeting activities. Departmental inputs are sought from various departments in the school based on clear guidelines and objectives. These are collated and put into a master budget for the schools for submission to the appropriate quarters for inputting into the national budget.

Reporting and disclosure procedures

Sections 79 and 80 of Act 921 provide for the submission of interim financial statements and annual accounts to the Controller and Accountant General and the Auditor General and any other information set out in the schedules to the Act. Statements of revenue and expenditure, the balance sheets, cash flow statement notes to the accounts are basic for all reporting and disclosures.

Internal auditing

Section 83 of Act 921 provides for the establishment of internal audit and the functions of the internal audit unit among others include; the appraisal and reporting on the soundness and application of systems of control, provide assurance for value for money, and evaluate compliance with enactments,

policies, standards, systems, and procedures. The Institute of Internal Auditors (IIA) (1995), Taylor and Glezen, (1991), defined internal audit as “an independent appraisal activity established within an organization to examine and evaluate its activities as a service to the organization”. The purpose of internal auditing is to support organizational members to effectively carry out their duties. For this purpose, internal auditing provides management with analysis, evaluations, recommendations, advice, and evidence about activities evaluated.

Internal auditing is an impartial, objective assurance and the consulting action expected to add and improve an entity's tasks, as indicated by the institute of internal auditors. It helps an organization in accomplishing its objectives by executing a deliberate, restrained way to deal with assessing and working on the viability of risk management, internal control, and administration frameworks. Millichamp (2002) explained internal audit as focused on on working on the improvement of internal controls. The internal audit job differs based on the organization's objectives, yet generally review internal control system, management risk, compliance with legal framework, and value for money. Internal audit helps a business achieve its goals by conducting a systematic review of risk management, internal control, and management of the entity's processes, as well as giving recommendations on how to improve their efficiency.

External auditing: Section 84 of Act 921 empowers the Auditor General's office to examine and audit public accounts under the Act and per provisions of the constitution and audit service act 2000 (Act 584). In compliance, sections 79 and 80 must be promptly observed; submitting the relevant

accounts on time and in the prescribed format to the Auditor General's department for examination.

Audit committee: Section 88 of Act 921, 2016 provides for the establishment of an audit committee that shall ensure the implementation of any recommendations contained in audit reports, parliament decision on the auditor general's report, auditor general's management letter, etc. Audit report implementation committees (ARIC) in most organizations are charged with the responsibility provided for in the above-mentioned section and apply to the senior high schools.

Taxation of activities

Value-added tax and withholding taxes

VAT Act 870 (2013), provides for the imposition of value-added tax on the supply of goods or services made in the country and imports of goods or services other than exempt goods, services, and imports. Cost centers are urged to procure certain categories of goods from vat registered suppliers and obtained the appropriate documentation for tax purposes. Withholding tax is the amount of tax retained by one person when making payment to another person in respect of goods supplied or services rendered by the one being paid. The amount withheld is paid to the government and the withholding agent prepares and serves on the taxpayer a withholding tax certificates showing the amount involved in the payment and the tax withheld.

Supply of goods, works, and services are subjected to retaining tax at the rates of 3 percent, 5 percent, and 7.5 percent respectively. Section 116 of Act 896 requires a resident individual to retain tax at the rate provided for in section 8 of the first schedule where that individual pays for instance fees or

allowances to resident directors, managers, trustee or board members of an organization or trust, examination fees, invigilating, supervising an examination or part-time teaching or lecturing. Payment to suppliers of certain services, goods, and works exceeding specified amounts are to attract withholding taxes at the appropriate tax rates.

Procurement

In the sphere of the high schools, the public procurement Act 2003, (Act 663) applies to the acquisition of goods works and services financed wholly from the public funds, functions identifying with the acquisition of same including the description of requirements and invitation of sources, preparation selection choice and grant of contracts and the phases of contract administration, disposal of public stores and equipments and acquisition with funds other than public funds. Section 17 of the act establishes a tender committee to ensure adherence to procurement procedures. Section 19 establishes a tender evaluation panel to evaluate tenders and assists the tender committee in its work. Section 20 establishes a tender review board and applies to the work of high schools is the district/ municipal/metropolitan tender review board. Part three of the act contains procurement rules. Section 21 requires procurement entities to prepare procurement plans to support approved programs. Section 22 provides for the qualification of tenderers. Part four of the act provides for methods of procurement. Section 35-40 provides for competitive tendering, two-stage tendering, restricted tendering, and single sourcing. Part five of the act provides for tendering procedures, part six procurement of consultants, and part seven on review.

Corporate governance imposes an essential responsibility on the board of directors to develop, monitor, and report on an organization's internal control mechanism. Corporate governance systems are often assessed on either principle-based or rule-based perspectives (Arjoon, 2006). Instituting and complying with the internal control system is dependent on the nature of corporate governance regulatory requirements in a particular jurisdiction. Ghana currently follows the principles-based approach to corporate governance ICAG, (2015). The principles-based approach is a voluntary or a non-binding set of recommendations, standards, and best practices issued by a collective body intended to assist governments in their effort to evaluate and improve the legal, institutional and regulatory framework about the governance of corporations within a country (Nakpodia & Adegbeti, 2018).

The principles-based approach allows for voluntary reporting or disclosure on internal controls where entities either comply or provide explanations for their actions (Van de Poel & Vanstraelen, 2009). This implies that compliance and disclosure requirements for material weaknesses are not mandatory and no sanctions exist for non-disclosure. A close study of section 7, section 52(1), and (2) of the public financial management act 2016 (Act 921) provides for internal controls as a necessary responsibility for principal spending officers but with no clear provision for mandatory disclosure and attached sanctions for non-compliance.

Evidence of compliance or otherwise in other jurisdictions for instance in America is seen in actions leveled against public companies that default on the compliance requirement and reporting material weaknesses under Section 404 of the Sarbanes Oxley's Act, 2002. Evidence of compliance

under the princes-based approach could be obtained from the internal and external audit reports on the sufficiency of internal controls. While internal auditors evaluate internal controls and report to management of the organization for review and improvements, external auditors consider the adequacy of internal controls to determine the level of reliance to place on the systems of controls which influence the amount of substantive test the independent auditor carries on an audit client.

Levels of compliance

The absence of the evidence of essential elements of internal controls namely controls activity, risk assessment, information and communication and monitoring activity is an indication of the absence of controls. Where there are pieces of evidence, challenges to systems of internal control could lead to non-compliance. A high level of compliance could be evidenced in objective accomplishments such as timely production of internal and external reports, efficient operation, and compliance with regulations; preparation of annual budgets, quarterly, half-year interim financial statements, and annual financial statements that truly reflect the entity's operations, board of survey report, tax law requirement of the Ghana revenue authority, taxation of allowances, etc. Low-level compliance is attributable to weaknesses in control results in non-compliance to rules and regulations, poor reporting ability, and operation.

Empirical Review

In a study conducted by Widyaningsih (2015), he sought to gain an overview of the progress of internal control system implementation and its relationship to financial accountability of primary and secondary schools in Bandung Indonesia. The objective was to measure the effect of internal control

systems implementation (control environment, control activity, risk assessment, information and communication, and monitoring activity) on the quality of financial accountability of schools. The finding revealed that, an effective internal control system of schools may increase financial accountability. That is control environment, control activity, and monitoring activity had a significant effect on financial accountability while risk assessment and information and communication had no significant effect on the financial accountability of the school.

Relatedly, Aramide and Bashir (2015) conducted a study on the effectiveness of the internal control system and financial accountability at the local government level in Nigeria. The study was carried out in some selected local government councils areas of Oyo State. The data elicited from the field were coded and analysed using frequency tables and percentages. Also, Chi-square was used to test the hypothesis by aid of STATA. Evidently, the result revealed that internal control system has a positive effect on the financial accountability. Again, it was found that; social threats are derived from a poor internal control system hence a well-structured internal control system is the only way to create transparency and accountability and detect fraud and irregularities in a public fund allocation.

A study by Komla-Gamli, (2016) investigated financial control practices in selected senior high schools in the Ho West District. He sought to examine the factors that impede compliance with the legislative framework of controls and the effect of noncompliance on the resources of the senior high schools. He attempted to approach the subject matter from the behavioral and psychological aspects of managers of public resources centered mainly on trait

theory to find out the reasons for people's behavior concerning adherence and compliance to controls and trait analysis. He employed a quantitative survey using questionnaires as a data collection instrument targeted at headmasters and their assistants and bursars or accountants. The study revealed that disobedience and rebellious behavior, lack of professional qualification, no gender balance, and non-enforcement of compliance due to political reasons as reasons for noncompliance and behaviors within individuals to amass wealth for themselves. He recommended the establishment of adequate internal rules and procedures to provide effective checks on the collection and allocation of revenue. The researcher suggested the need for future studies to look at promoting financial accountability in the public sector from other variables.

Abubakar, Dibal, Amade and Joyce (2017) examined the effect of internal control activity on financial accountability and transparency in local government areas of Borno State, Nigeria. The study used cross sectional survey design. The sample of 330 Treasury and Finance Administration and Audit Departments and the Local Government Council Members out of five of the local government areas of Borno State were drawn for the study. Questionnaire was used as the data collection instrument. Subsequently, the data collected was analysed using descriptive statistics, Chi-square statistic coupled with regression analysis. The result revealed that internal control activities has positive effect on financial transparency in the local government area of Bono State.

Benson (2018) researched the effect of internal control systems on the financial performance of public institutions of higher learning in Nairobi City County Kenya. In his conclusions, he observed that internal control

systems existed in the institutions and all the control variables had a significant relationship with financial performance but the control environment was unfavorable, risk assessment and control activities were poor and information and communication systems were not diligently used to improve accountability and prudent use of resources. The subject matter of this study is similar to the works reviewed above save that the targeted respondents have been varied in this study to have a broader scope and comprehensive coverage of main areas relevant for effective internal control systems for a better understanding of the topic. In order vain, the ideas of other researchers were adapted to see the applicability in my jurisdiction.

The study used questionnaires that were adapted from a set of questions designed by the American Institute of Certified Public Accountants (AICPA) in addition to structured interviews to elicit primary data for the study. To be able to measure the effectiveness of internal controls, on how well management meets the objectives set out, the study employed subjective judgments of management through self-assessment questions. Also, control self-assessment questionnaires were administered to other respondents which allowed them to give their opinion about the functionality of internal controls in their schools through the help of a Likert scale measured on four points for a candid description of the situation.

Ebirien and Umoffong (2018) examined the extent of management support for Internal Audit Function (IAF) in Nigerian public tertiary institutions as well as the determinants of management support for IAF. In this study, data was elicited using questionnaires while the analysis was done with the help of STATA. It was revealed that the extent of management support for

IAF by interpreting the overall mean responses of the heads Internal Audit Units. The study then formulated four hypotheses and tested them using ordinary least square method of multiple regression. The study found evidence that there was no significant management support for IAF in Nigerian public tertiary institutions in the dimensions of funding, training and skill development, and use of IAF reports.

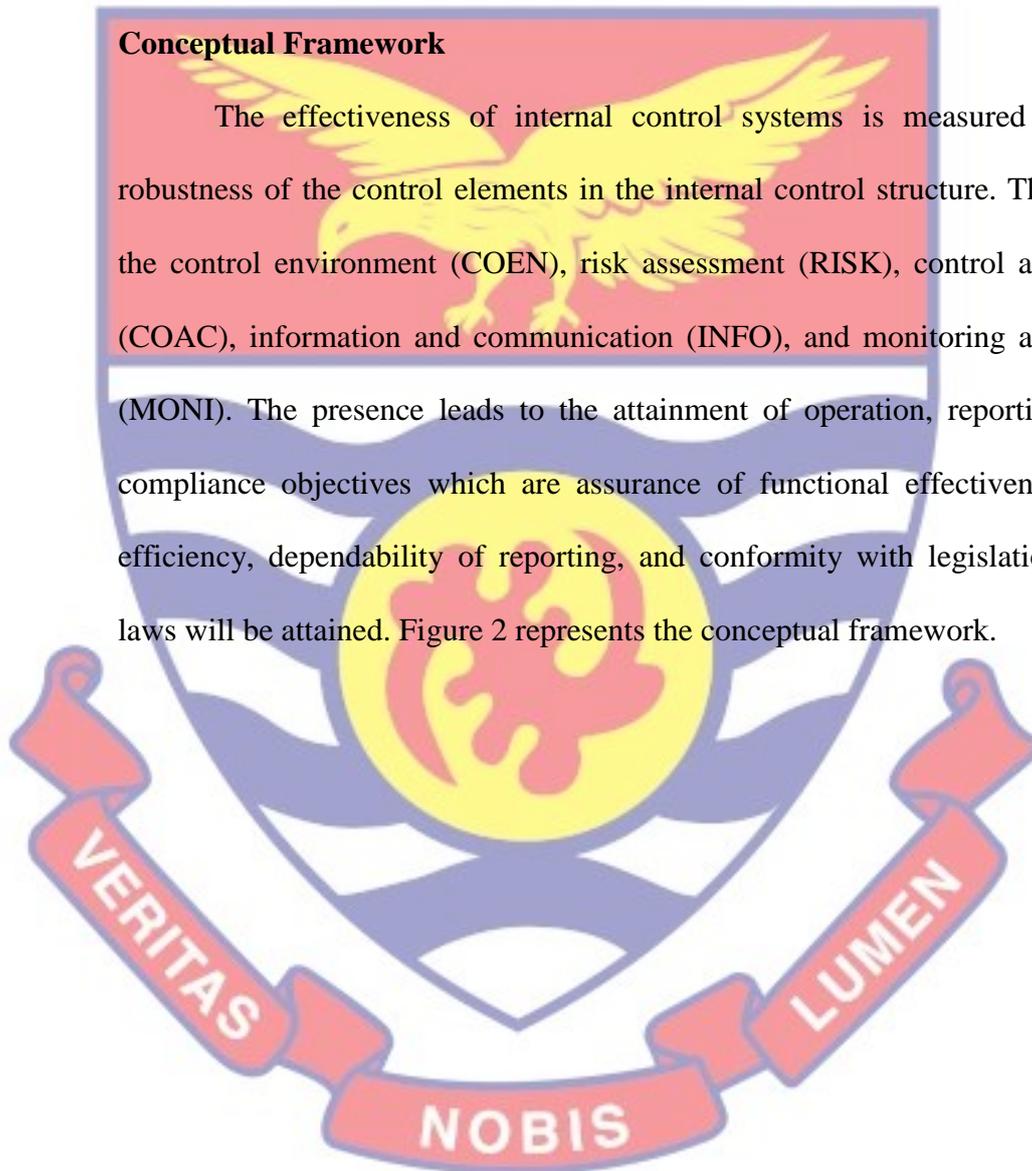
A study conducted by Abiodun (2020) to assess auditing and internal control mechanisms: An instrument of accountability in Ekiti State, Nigeria. The study also investigated the impact of internal auditing on accountability of public sector in Ekiti State, internal control influenced accountability of public sector in Ekiti State and examined the effect of auditing and internal control on accountability and transparency of public sector in Ekiti State, Nigeria. The study adopted descriptive research design of the survey method in order to obtain opinion of the entire population and probability sampling technique was used to select one hundred and twenty (120) respondents among member of staffs of public sectors in Ekiti State.

The instrument used for the purpose of the study was a questionnaire designed by the researcher and the data collected were analyzed through the use of percentage frequency counts and regression method. Based on the result of the findings, ($t = 0.000$; $p < 0.05$); therefore, internal auditing have significant effect on accountability of public sector, ($t = 0.000$; $p < 0.05$); internal control have significant effect on accountability of public sector and lastly the study found that ($t = 0.000$; $p < 0.05$) auditing and internal control have significant and positive effect on accountability and transparency of public sector in Ekiti Stat, Nigeria. The study concluded that auditing and

internal control mechanisms are accountability instruments of public sector in Ekiti State, Nigeria. Based on the study, it was suggested that Government authority should increase their effort to ensure proper and highly effective internal auditing and control system are in place within the parastatals of government to enhance financial accountability.

Conceptual Framework

The effectiveness of internal control systems is measured by the robustness of the control elements in the internal control structure. These are the control environment (COEN), risk assessment (RISK), control activities (COAC), information and communication (INFO), and monitoring activities (MONI). The presence leads to the attainment of operation, reporting, and compliance objectives which are assurance of functional effectiveness and efficiency, dependability of reporting, and conformity with legislations and laws will be attained. Figure 2 represents the conceptual framework.



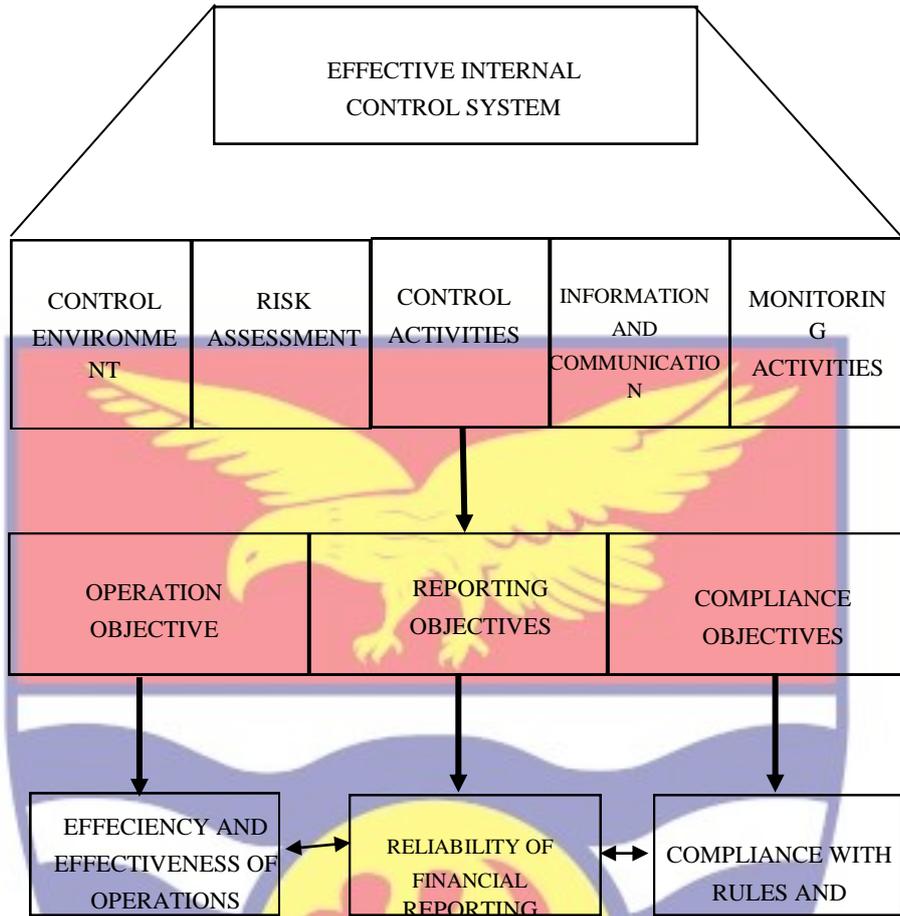


Figure 2: Conceptual framework of the Study

Source: Author's construct (2021)

Chapter Summary

This chapter discussed the study's core variable, internal control, and reviewed theories pertinent to understanding internal control systems in senior high school finance administration. It further looked at the concepts of internal control with the main focus on the COSO 2013 integrated framework for the design and evaluation of internal control systems. This chapter also reviewed the empirical literature on internal control systems and narrowed finally with a conceptual framework developed from the theories and literature reviewed indicating the expected outcomes of the study.

CHAPTER THREE

RESEARCH METHODS

Introduction

In the views of Humphries (2017), research methodology is a specific procedures used to select, process, analyse and present information pertaining to study. Willmott (2020) postulated that research methodology present that philosophical ground for the claims that are presented in the quest to create knowledge. This chapter discusses the research design and is organized as follows; study design, study area, the population for the study, the sample, and sampling procedures. It also discusses the research instruments employed for the study. Lastly, the chapter concludes with the procedures used for data analysis.

Research Approach

Basically, there are three typical approaches to research. These includes; the quantitative research approach, the qualitative research approach and the mixed research approach (Creswell, 2014). In the views of Saunders, Lewis and Thornhill (2012) the positivism research paradigm makes use of the quantitative research approach and thus the quantitative research approach was adopted for this study. According to Creswell (2014) the quantitative research approach comprises the examination of relationships among variables to test objective theories. Quantitative researchers at all points in time, deduce a set of hypotheses, derive models based on the set of hypotheses and finally generalize and replicate findings (Creswell, 2014).

Consequently, one can clearly see that, quantitative researchers seek to search for causal explanations so that it could be used for predictions. This

study employed the quantitative approach because research questions were deduced from theories, and models were constructed based on these deduced questions. Regarding the above and for the fact that quantitative research approach makes use of statistical analysis, the study adopted descriptive and inferential statistics to analyse and interpret the data to answer the research questions which were set to guide this study to realize its objectives

Research Design

A descriptive design was used for the study. The objective of a descriptive study is to portray an accurate profile of events or situations (Robson, 2002). This design involves the process of gathering data to provide answers on the current condition of an issue under study and to describe events through the help of organized tables.

This design helps present an accurate profile of the control systems by describing their nature, effectiveness, and compliance in the administration of the senior high schools in the Volta Region. The design is most appropriate since the study sought to assess the nature, effectiveness, and compliance with internal control systems but not to show a relationship between the controls variables and other variables yet may not be conclusive enough for detailed explanations.

Study Area

This study was conducted in the present-day Volta Region of Ghana. present-day Volta because the region had been separated recently into two parts between the northern and southern Volta. The separation was based on results from the referendum (creation of new regions) Regulation, 2018, (C.I 109) of the seventh parliament of the fourth republic per article 11(7) of the

Constitution of Ghana. Based on results from the referendum conducted in the northern Volta area upon the request of some chiefs from the then Volta north to the president of the Republic of Ghana with the reason of underdevelopment in that part of the old Volta Region among others, a new region was created. The southern part of the then Volta Region has maintained its original name-Volta but the new Northern Volta is called the Oti Region. The new Volta Region now has 18 districts from the original 27 districts with the Oti Region having nine (9) of the districts. The total number of senior high schools in the original Volta Region was one hundred and two (102). These were divided between the two new regions with the new Volta having 68 schools and the Oti Region having 34 schools.

This study was on the newly created Volta Region with 68 senior high schools. The choice of the region was informed by the fact that negotiating research access was easy and more so the researcher has good knowledge about the location of the schools and the nature and complexity of what goes on in the administration of these institutions.

Population

The population for the study was all senior high schools in the Volta Region. There are sixty-eight (68) SHS and nine (9) technical and vocational schools in the Volta Region. But the focus of the study was on senior high school. A sample of twenty-six (26) high schools was selected from six (6) districts in the Volta Region including the Ho municipal the regional capital of the Volta Region. At least five staff members in each school were purposively contacted from three departments where controls are most needed and information about systems of control could conveniently be obtained in the

administration of the school and a target population of one hundred and thirty (130) participants. This was made up of male and female of different age and different levels of education, working in different departments in the selected school.

Sampling Procedure

The probability sampling, (simple random), technique was used. Hitherto, the population was categorized into clusters. Cluster sampling according to (Henry, 1990) involves dividing the population for the study into discrete groups before sampling. The groups are the clusters that were based on naturally occurring geographical groupings (districts). The sampling frame for the study was a complete list of all SHSs in districts in the Volta Region. Broadly, six (6) districts were randomly selected and data were collected from all the SHSs within the six selected districts. In the schools, the purposive and simple random technique was employed in reaching out to the respondents. Senior management persons were purposively chosen to help obtain the needed information while personnel of similar status like account officers were randomly chosen. The target population was sixty-eight high schools in the Volta Region as shown in Table .

Data Collection Instruments

A research questionnaire and structured interview were used to elicit primary data for the study. Questionnaires were administered as the instrument for collecting primary data for the study with questions focused on the research objectives. Both open and closed-end questions were used. A questionnaire was chosen based on the standardized nature of the questions and since it will afford the respondents independence and confidence to give

truthful information due to the nature of the information required. Four different sets of questionnaires were administered to five targeted categories respondents in each school.

The questionnaires and structured interview questions were designed for the bursar, the assistant headmaster of administration, the storekeeper, and subordinates in the accounts office and the store's department. Section A of the questionnaire for the Bursars contained questions on demographic information, section B contained questions on levels of compliance with internal controls, and section C on the effectiveness of internal control systems. For the assistant headmaster administration and the storekeeper, the questionnaires had two sections, section A on demographics, and section B was aimed at effectiveness and compliance with internal control systems in the administration. The questionnaire designed for the subordinates in the accounts and stores departments has two sections. Section A was on demographic information and section B assessment of the internal control structure. A Likert scale was used and subordinate respondents asked to rank the internal control systems on a four-points scale ranked from strongly agree to strongly disagree.

Ethical Consideration

Ethical issues are very essential in research in that especially when the study involves human subjects. According to Best and Kahn (2012), ethical consideration refers to appropriate behaviour of a researcher relative to the norms of society. The researcher, research subjects, and clients of the research were protected from any adverse consequences of the study by following laid down rules and procedures of ethics in research. The study considered ethical

factors in a number of ways. Ethical issues that were catered for in this study included right to privacy, voluntary participation, no harm to participants, anonymity and confidentiality, deception and scientific misconduct.

To elicit the data from the sampled individuals, the researcher first submitted a copy of the proposal for this study and the self-designed instrument to the assigned supervisor for review. This was done to ensure that the research participants, the university community, and the country at large are protected. Based on the guidelines of the University, the researcher ensured that all ethical requirements such as academic honesty, plagiarism, and acknowledgement of copyrighted materials used were addressed. Furthermore, permissions were sought from the administration of the various schools..

The consents of the respondents were sought individually using the questionnaire. Again, the respondents were informed about the purpose of the research and what objective it sought to achieve. The instructions and questions were read to them and clarifications were made where needed. The privacy and consent of respondents were also negotiated and respected in the study. All these were done to ensure and secure the consent of the respondents.

After the researcher was sure that the respondents understood the content very well, the questionnaires were administered with assistance from of some research assistants who were conversant and familiar with administering of questionnaires. The respondents were thoroughly informed before commencing the research, and they were properly treated throughout the research. Respondents were encouraged to feel free and air their views as

objectively as possible and that they had the liberty to choose whether to participate or not. They also had the option to withdraw their consent at any time and without any form of adverse consequence. They were assured that the information they provided will be used solely for research purpose and nothing else.

Data Collection Procedure

The researcher administered questionnaires in person. Key management personnel were interviewed on how well the management achieve its objectives in areas of operation, reporting, and compliance. That was done to establish if operation objectives are met, reporting and compliance requirements are adhered to. Other staff who were target respondents for this study were asked to give their opinion on the functionality of internal control in their departments using a Likert scale. In most instances, the respondents completed the questionnaires and were retrieved on the same day but in other instances, the respondents requested for few days- from three days to one week to go through and provide their responses.

Data Processing and Analysis

The field data were sorted, checked for error, grouped and coded. Statistical tables and graphs were used in the analysis with the help of the Microsoft Excel application and SPSS. Demographic features of the respondents were presented and analysed with the help of bar graphs while data on the control structure, effectiveness and compliance were presented with percentage tables and analysed.

Chapter Summary

The study adopted a quantitative method approach to undertake the study. Simple random sampling technique was used to sample the respondents from the selected Senior High Schools. Analytical tools such as descriptive statistics was employed to analyse the data. The next chapter presents the results and discussion.



CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

The study sought to assess internal control systems in the administration of senior high schools in the Volta Region. Information was collected from 130 respondents comprised of 26 supply officers/storekeepers, 26 assistant headmasters (administration), 26 accountants (bursars), and 52 workers from the accounts and stores departments. From the 52 respondents targeted in the accounts and stores subordinates, one questionnaire was returned partly filled hence removed from the total targeted in that department.

Presented in the sections below are the results.

Results from Account and Store Departments

This section starts with a presentation of the demographics of the respondents in this category as shown in Table 2. Concerning the gender of the respondents, 66.7 percent were male and 33.3 percent were female. On their level of education, 9.8 percent had post-graduate certificates, 66.7 percent had bachelor's degrees, and 23.5 percent had a diploma. Regarding the number of years they had worked with their institutions, 56.9 percent had been with their institutions for 1-5 years, 41.2 percent for 6-10 years, and 2.0 percent for 10-15 years. When asked to indicate the departments in which they work, 49.0 percent work with stores, and 51.0 percent work with accounts.

Table 1: Demographic Characteristics of the Respondents (Store and Account)

Variable	Frequency	Percentage
Gender		
Male	34	67
Female	17	33
Education		
Diploma	12	24
Bachelor	34	67
Postgraduate	5	9
Year in Service		
1 – 5	29	57
5 – 10	21	41
5- 15	1	2

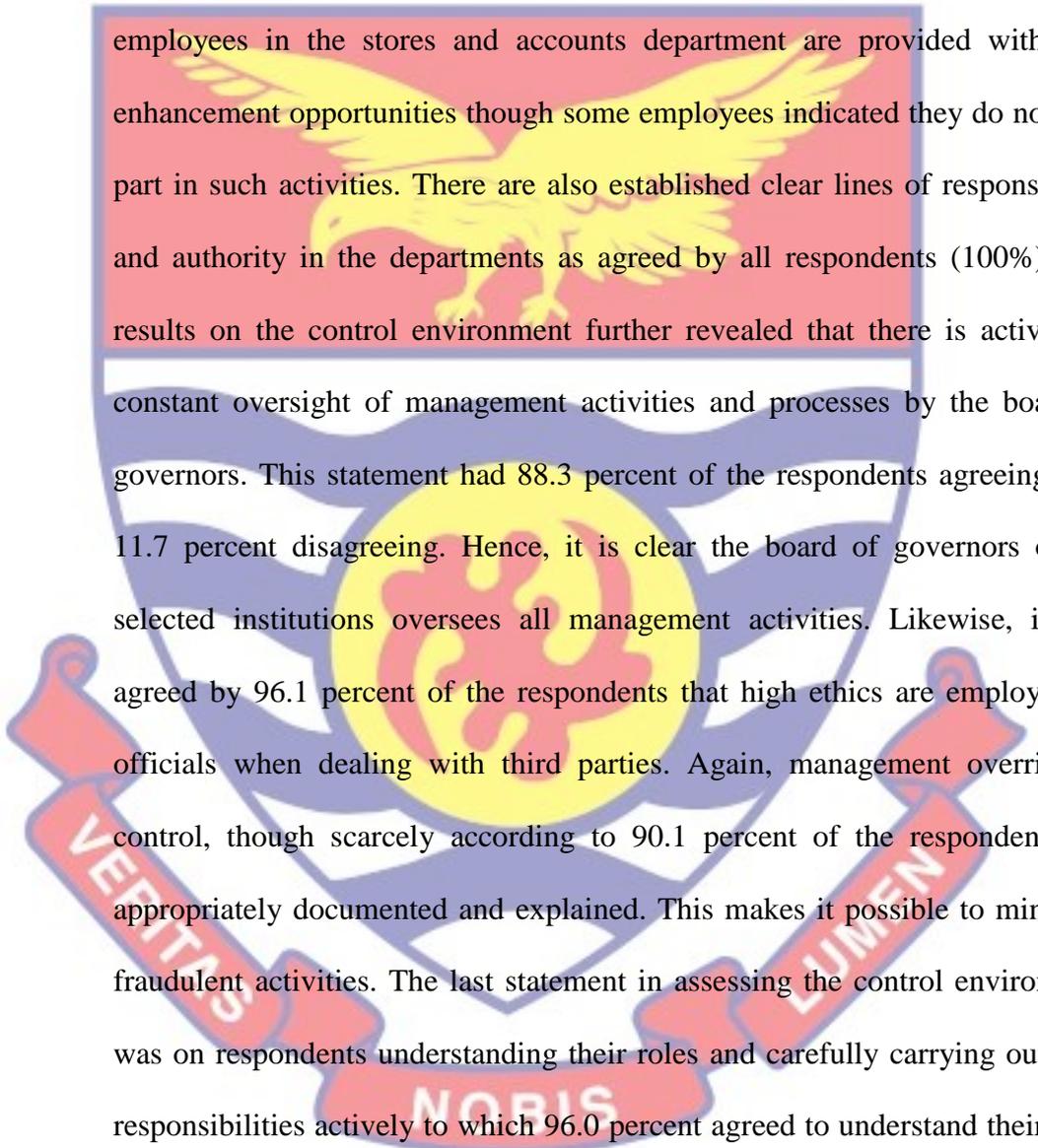
Source: Field survey (2021)

Assessment of Control Environment

The second part of the questionnaire administered to this category of respondents sought to assess the internal control structure in the selected institutions. The results are presented in Table 3. The first set of statements relates to the control environment in the selected institutions. From the results, 92.2% of the respondents agreed that management always communicates to staff expectations for ethical behavior in their unit with 7.8 percent of the respondents disagreeing. It was also found that 94.1 percent of the respondents agreed ethical behavioral standards relating to their work are shared with them through policy statements and codes of conduct. This statement however had 5.9 percent of respondents disagreeing. From the majority of the responses, it

is evident the institutions have written codes of conduct and policies to guide and guard employees' behavior.

Regarding training activities, 74.5 percent of the respondents agreed regular training workshops are organized in their departments to enhance their competencies and skills with 25.5 percent disagreeing. This shows that



employees in the stores and accounts department are provided with skill enhancement opportunities though some employees indicated they do not take part in such activities. There are also established clear lines of responsibility and authority in the departments as agreed by all respondents (100%). The results on the control environment further revealed that there is active and constant oversight of management activities and processes by the board of governors. This statement had 88.3 percent of the respondents agreeing with 11.7 percent disagreeing. Hence, it is clear the board of governors of the selected institutions oversees all management activities. Likewise, it was agreed by 96.1 percent of the respondents that high ethics are employed by officials when dealing with third parties. Again, management override of control, though scarcely according to 90.1 percent of the respondents are appropriately documented and explained. This makes it possible to minimize fraudulent activities. The last statement in assessing the control environment was on respondents understanding their roles and carefully carrying out their responsibilities actively to which 96.0 percent agreed to understand their roles and 4.0 percent disagreed.

Table 2: Results on Assessment of Control Environment

Statements	Strongly agree	Agree	Disagree	Strongly disagree	Total
Management always communicates to staff expectations for ethical behavior in your unit	31 (60.8%)	16 (31.4%)	4 (7.8%)	-	51 (100%)
Ethical behavior standards relating to your work are shared with you through policy statements and codes of conduct	20 (39.2%)	28 (54.9%)	2 (3.9%)	1 (2.0%)	51 (100%)
Regular training workshops are organized in your department to enhance your competencies and skills	12 (23.5%)	26 (51.0%)	5 (9.8%)	8 (15.7%)	51 (100%)
In your unit, there are established clear lines of responsibility and authority	22 (43.1%)	29 (56.9%)	-	-	51 (100%)
In your school there is active and constant oversight of management activities and processes by the board of governors	19 (37.3%)	26 (51.0%)	2 (3.9%)	4 (7.8%)	51 (100%)
Your school's official dealings with third parties are always conducted on a high ethical plane	15 (29.4%)	34 (66.7%)	2 (3.9%)	-	51 (100%)
Management override of control, though scarcely is appropriately documented and explained	9 (17.6%)	37 (72.5%)	3 (5.9%)	2 (3.9%)	51 (100%)
You understand your roles and carefully carryout your responsibilities actively	32 (62.7%)	17 (33.3%)	-	2 (3.9%)	51 (100%)

Source: Field survey (2021)

Results on Risk Assessment

With regards to risk assessment as an element of the internal control structure, 96.1 percent of the respondents agreed that the objectives for every activity in their departments are clearly defined. To the statement ‘potential challenges to the achievement of objectives are promptly identified and mitigated or removed’, 80.4 percent of respondents agreed and 19.6 percent disagreed. This shows that the institutions are proactive in dealing with internal control challenges. The results also showed that adequate risk identification and assessment processes are established in the accounts and stores departments. To this statement, 88.3 percent of the respondents agreed and 11.7 percent disagreed. The last statement in this section read ‘in the process of analyzing identified risk relating to activities in your department appropriate management levels are involved’ to which all respondents (100%) agreed. This implies management is involved in risk assessment in various departments.

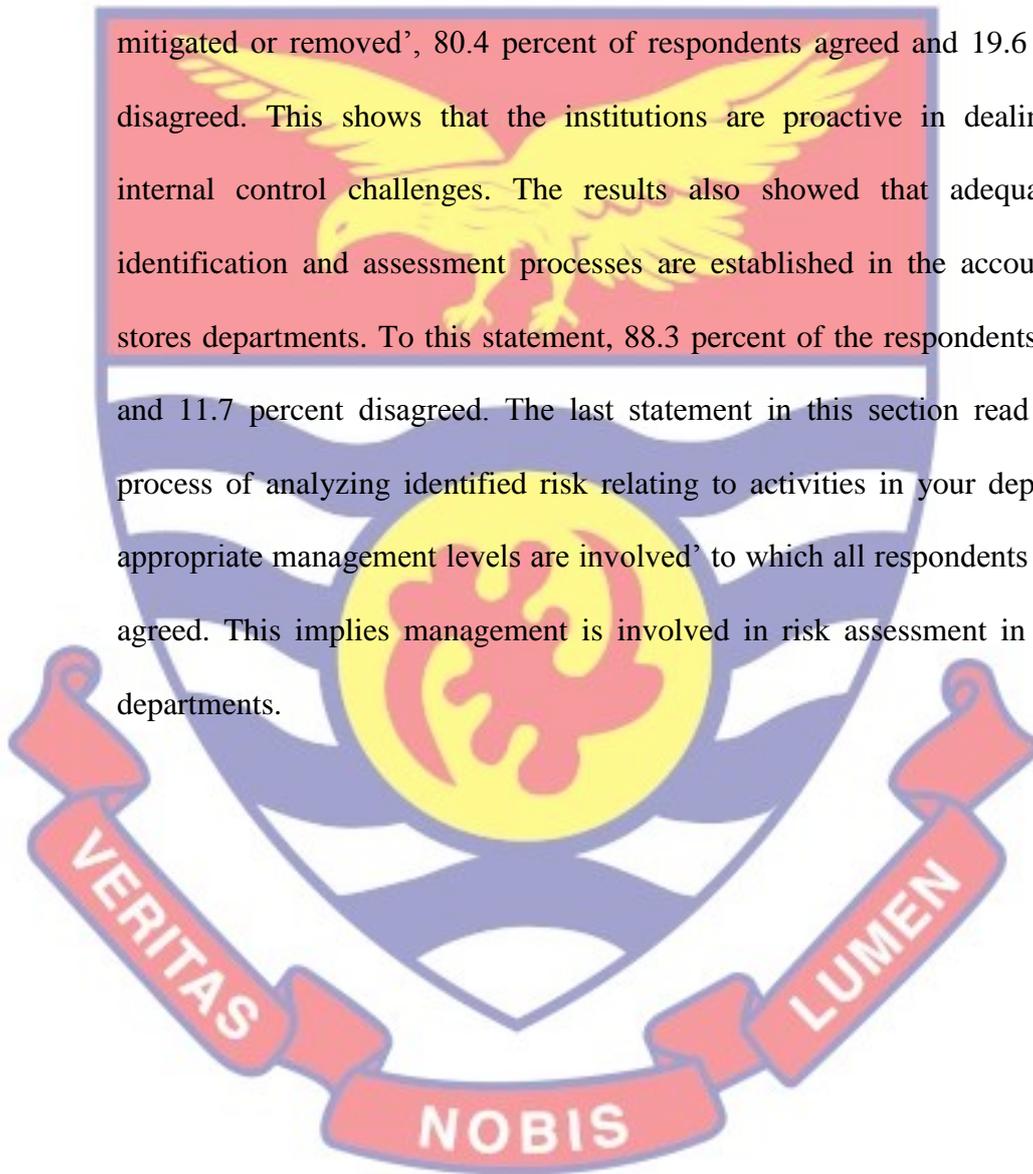
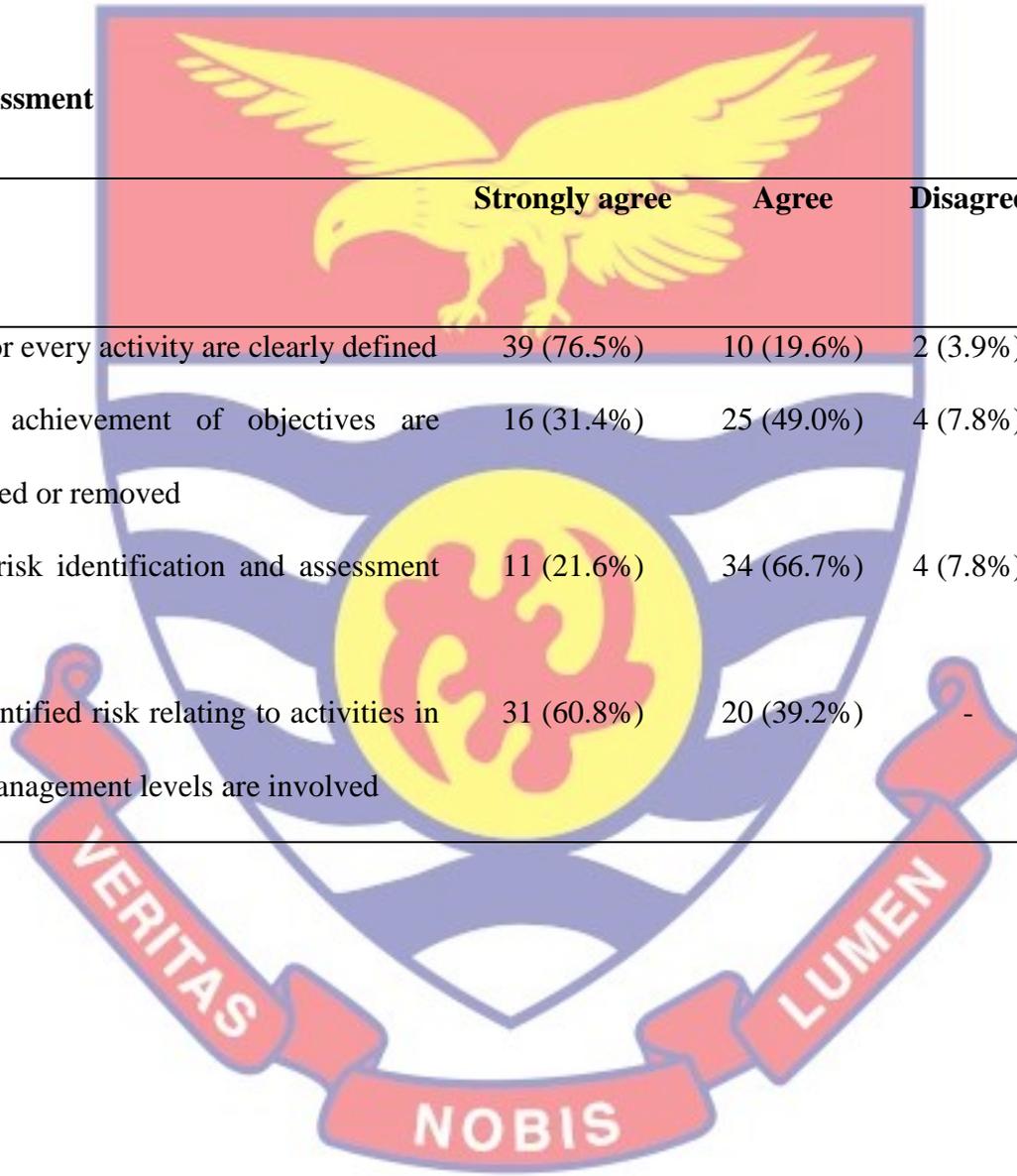


Table 3: Results on Risk Assessment

Statements	Strongly agree	Agree	Disagree	Strongly disagree	Total
In your department objective for every activity are clearly defined	39 (76.5%)	10 (19.6%)	2 (3.9%)	-	51 (100%)
Potential challenges to the achievement of objectives are promptly identified and mitigated or removed	16 (31.4%)	25 (49.0%)	4 (7.8%)	6(11.8%)	51 (100%)
In your department adequate risk identification and assessment processes are established	11 (21.6%)	34 (66.7%)	4 (7.8%)	2 (3.9%)	51 (100%)
In the process of analyzing identified risk relating to activities in your department appropriate management levels are involved	31 (60.8%)	20 (39.2%)	-	-	51 (100%)

Source: Field Survey (2021)



Results on assessment of Control Activities

In assessing control activities of the internal control structure of the selected institutions, 72.6 percent of the respondents agreed individuals in their units who control assets are prohibited from also recording transactions related to those assets. This statement however had 27.4 percent of the respondents disagreeing. This may serve as the reason why access to records is limited to authorized users only as agreed by 94.1 percent of the respondents. The institutions have in place periodic processes that compare figures, values, and balances from operations with control records to which 96.0 percent respondents agreed with 4.0 percent disagreeing.

To further control activities, 96.1 percent of the respondents agreed that there are clear and comprehensible authorization and approval limits for transactions in their departments. Also, sufficient systems for tracking, identifying, and reporting attempted theft, manipulations, and fraud at any stage of operation are in place as agreed by 90.2 percent with 9.8 percent disagreeing. The last statement in this section sought the view of respondents on whether deliberate manipulations and falsification of documents could hardly go undetected to which 78.5 percent agreed and 21.6 percent stated otherwise.

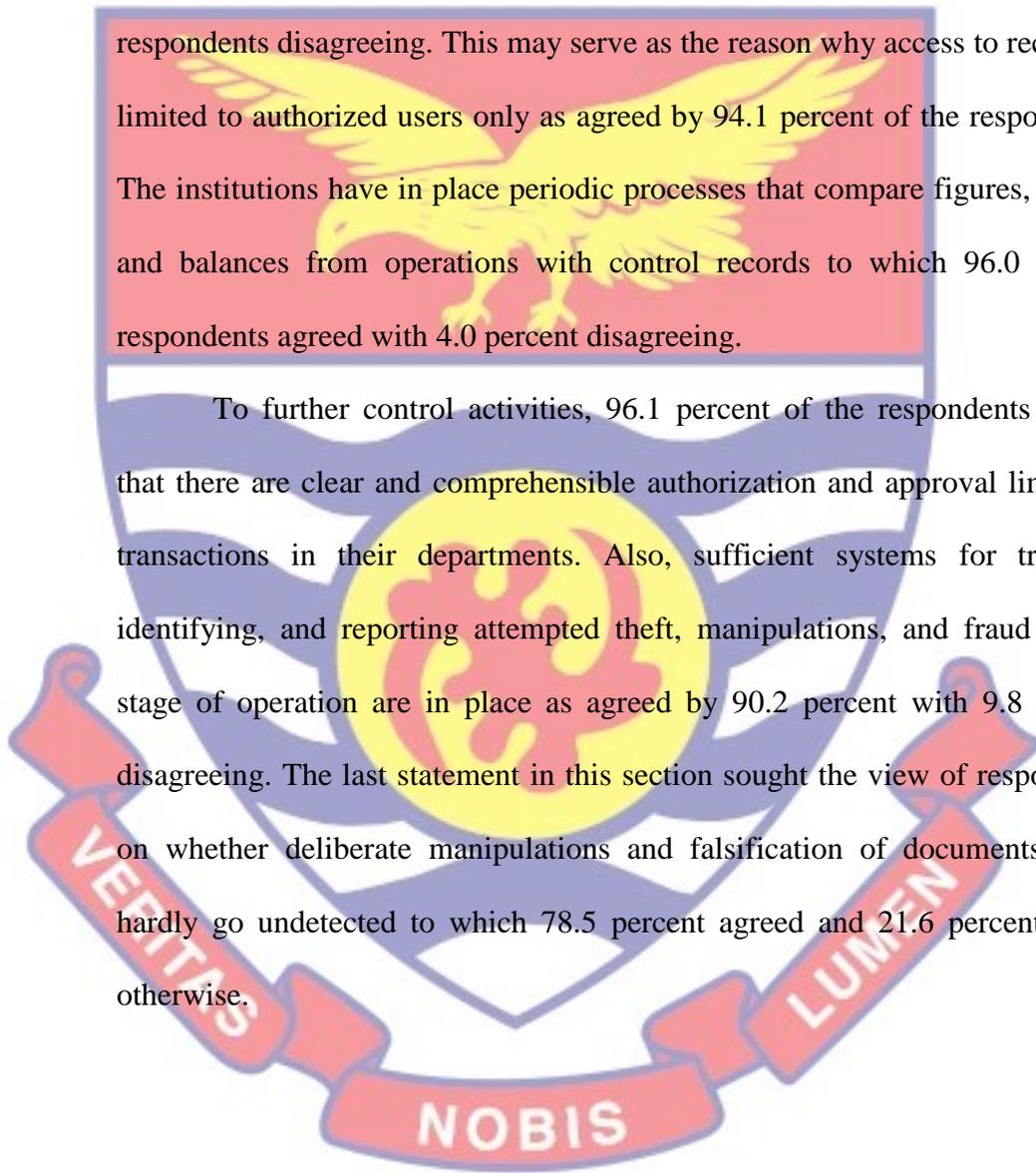


Table 4: Results on Assessment of Control Activities

Statements	Strongly agree	Agree	Disagree	Strongly disagree	Total
In your unit individuals who control assets are prohibited from also recording transactions related to those assets	6 (11.8%)	33 (64.7%)	9 (17.6%)	3 (5.9%)	51 (100%)
Access to record and assets are limited to only authorized users	17 (33.3%)	31 (60.8%)	3 (5.9%)	-	51 (100%)
There are periodic processes that compare figures, values and balances from operations with control records	17 (33.3%)	32 (62.7%)	2 (3.9%)	-	51 (100%)
In your department there are clear and comprehensible authorization and approval limits for transactions	23 (45.1%)	26 (51.0%)	2 (3.9%)	-	51 (100%)
There are sufficient systems that tracks, identify and report attempted theft, manipulations and fraud at any stage of operation	20 (39.2%)	26 (51.0%)	3 (5.9%)	2 (3.9%)	51 (100%)
Deliberate manipulations and falsification of documents could hardly go undetected	8 (15.7%)	32 (62.7%)	7 (13.7%)	4 (7.8%)	51 (100%)

Source: Field survey (2021)

Results on Assessment of Information and Communication

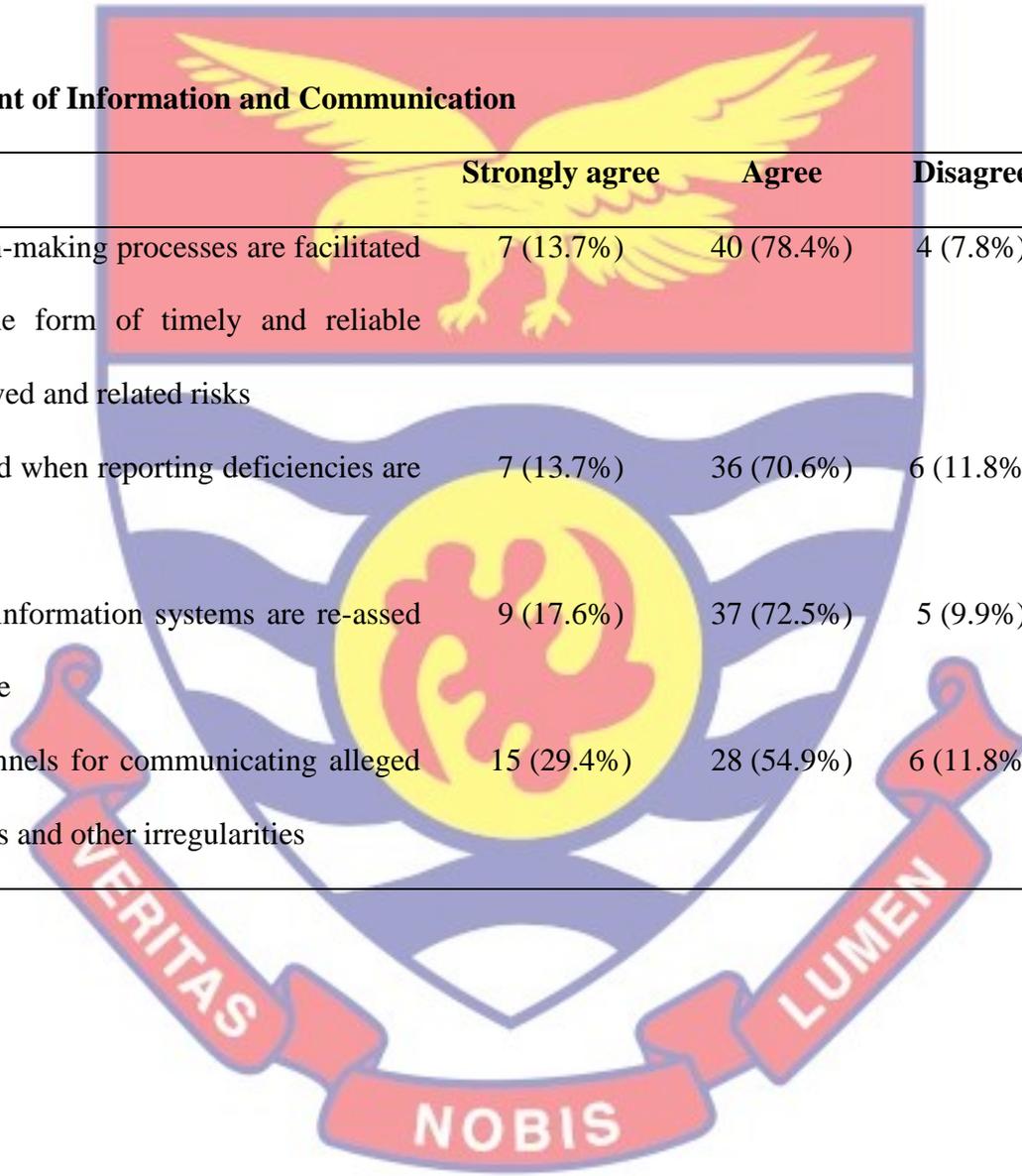
Furthermore, in assessing information and communication within the internal control structure, 92.1 percent of the respondents agree with the statement 'management review of decision making processes are facilitated by relevant information in the form of timely and reliable progress report on targets achieved and related risks'. Also 84.3 percent of the respondents agree with the statement 'information systems are reassessed when reporting deficiencies are identified'. The statement however had 15.7 percent of the respondents agreeing. To enhance information and communication within the internal control structure, 90.1 percent agree to the statement 'information needs and related information systems are reassessed when the units objectives changed'. Re assessing information needs and systems to meet units objectives promotes reliable and timely information processing for decision making. Finally on information and communication, 84.3 percent of the respondents agreed that there are well established channels of communication alleged breaches of rules and regulations and other irregularities.



Table 5: Results on Assessment of Information and Communication

Statements	Strongly agree	Agree	Disagree	Strongly disagree	Total
Management review of decision-making processes are facilitated by relevant information in the form of timely and reliable progress reports on target achieved and related risks	7 (13.7%)	40 (78.4%)	4 (7.8%)	-	51 (100%)
Information systems are re-assed when reporting deficiencies are identified	7 (13.7%)	36 (70.6%)	6 (11.8%)	2 (3.9%)	51 (100%)
Information needs and related information systems are re-assed when the units objectives change	9 (17.6%)	37 (72.5%)	5 (9.9%)	-	51 (100%)
There are well established channels for communicating alleged breaches of rules and regulations and other irregularities	15 (29.4%)	28 (54.9%)	6 (11.8%)	2 (3.9%)	51 (100%)

Source: Field Survey (2021)



Results on assessment of Monitoring Activities

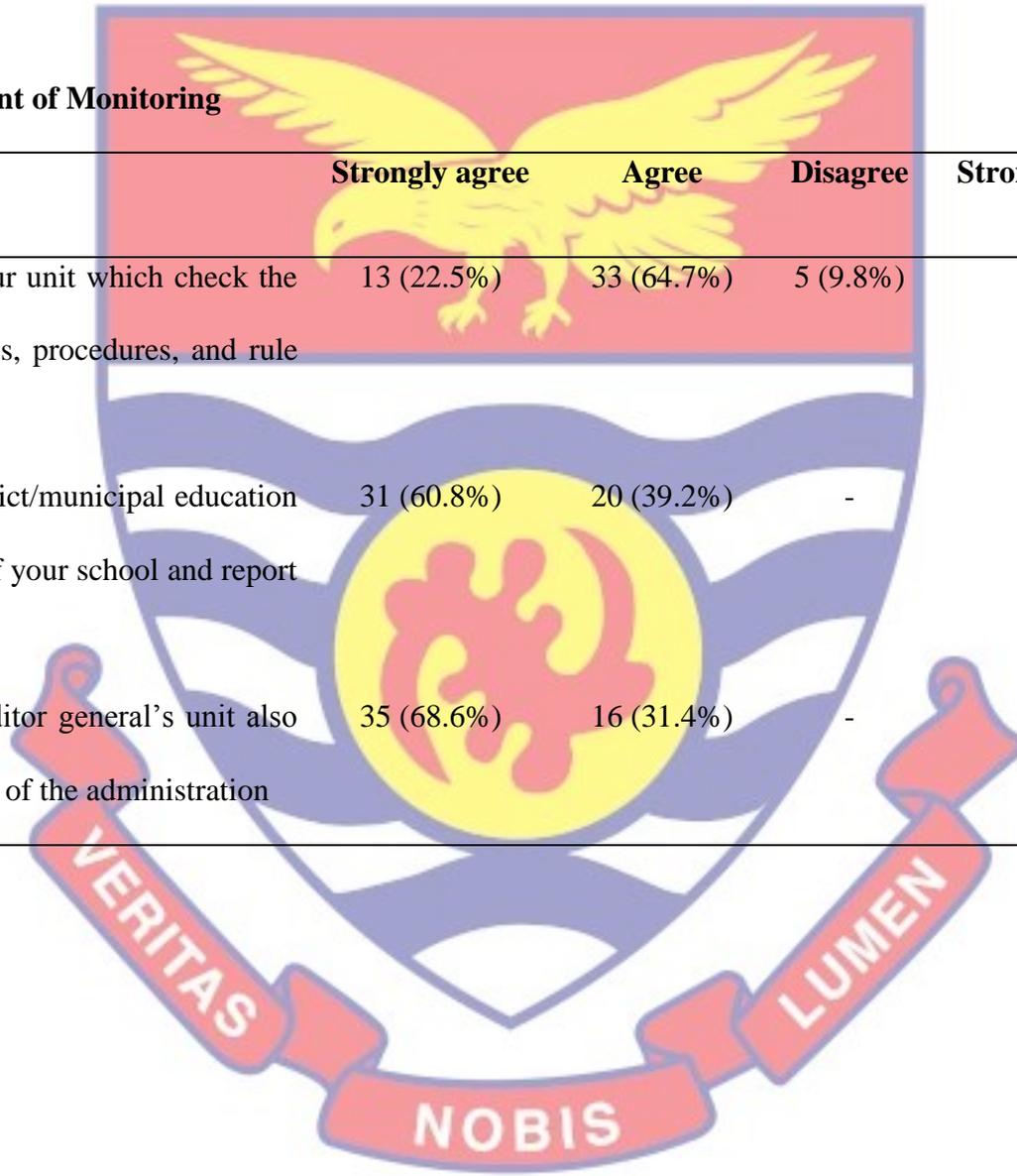
The final assessment of internal controls in the accounts and stores departments was monitoring of activities. To ensure employee activities in these departments were effectively monitored, respondents were required to state their agreement or disagreement on the statement ‘there are processes within you their units which check the effective application of policies, procedures, and rule to activities’ to which 87.2 percent of the respondents agreed with 12.8 percent disagreeing. Also, all respondents (100%) agreed that internal auditors from the district/municipal education unit regularly audit activities of the selected schools and report to management. This is to ensure all employees comply with policies and rules in the discharge of their duties. Similarly, all respondents (100%) agreed that external auditors from the auditor general’s unit also independently review activities of the administration. This is to further strengthen the monitoring of activities in the institutions.



Table 6: Results on Assessment of Monitoring

Statements	Strongly agree	Agree	Disagree	Strongly disagree	Total
There are processes within your unit which check the effective application of policies, procedures, and rule to activities	13 (22.5%)	33 (64.7%)	5 (9.8%)	-	51 (100%)
Internal auditors from the district/municipal education unit regularly audit activities of your school and report to management	31 (60.8%)	20 (39.2%)	-	-	51 (100%)
External auditors from the auditor general’s unit also independently review activities of the administration	35 (68.6%)	16 (31.4%)	-	-	51 (100%)

Source: Field survey (2021)



Results from Accountants (Bursars)

The next group of respondents from whom information was collected were the substantive accountants (bursars) of the selected institutions. Their responses were as follows:

Demographics of accountants (bursars)

Section A of the questionnaires administered collected information on the respondents’ profiles. The results are presented in Figure 4. In terms of gender, 80.8 percent were male and 19.2 percent were female. Concerning their level of education, 30.8 percent had Postgraduate Certificates, 65.4 percent had Bachelor Certificates and 3.8 percent had a Diploma. On the number of years, they had worked with the institution, 61.5 percent had worked with their institutions between 1-5 years and 38.5 percent had worked for 6-10 years.

Table 7: Results on the profile of accountants (bursars)

Variable	Frequency	Percentage
Gender		
Male	21	81
Female	5	19
Education		
Diploma	1	4
Bachelor	17	65
Postgraduate	8	31
Year in Service		
1 – 5	16	62
6 – 10	10	38

Source: Field survey (2021)

Levels of compliance with internal controls

The accountants were asked questions about the levels of compliance with internal controls. The results are presented in Table 8. The accountants were first asked if every subordinate had a distinct schedule of tasks in their department to which 92.3 percent agreed and 7.7 percent disagreed. Working within scheduled tasks would make it easier to monitor employees' activities. The next question was to find out whether there were situations where officers who control specific assets record transactions relating to the assets under their control. From the responses, 46.2 percent agreed officers who control specific assets record its related transaction, and 53.8 percent stated otherwise.

Another question sought to find out whether the accountants have control over the frequency of transactions allowable in cash below the approved limit to which 88.5 percent agreed to have control over the frequency of transactions and 11.5 percent stated otherwise. To the question 'do you have in place relevant and duly constituted functional committees for audit and procurement', 96.2 percent of the respondents agreed to have functional committees for audit and procurement. All respondents (100%) again agreed to have enough measures in place to ensure total compliance to provisions and mitigate consequences of non-compliance. The accountants were asked what happens when the frequency of cash transactions will cause the amounts involved to exceed the approved limit in cash transactions within a short period. To this question, most of the respondents stated they use cheques for their transactions. Others stated they refer to higher authorities to seek approvals while others make provisions for reimbursement.

In response to the measures in place to ensure timely production of annual financial statements for audit purposes, the respondents stated books of accounts are regularly updated while others claimed regular updates are made using computerized systems. Furthermore, in ensuring compliance to the provision of tax laws, measures instituted per the responses were withholding tax components anytime payments are made and remitting to tax authorities promptly, transacting business with VAT accredited agents, and issuing tax credit certificates to clients. Likewise, the measures in place to ensure timely production of annual estimates for input into the national budget include giving information to those affected to give out the budget on time, collation of the various department inputs, forming budget committees, and circulating notices for submission of inputs on time.

Also, provisions for facilitating compliance to provisions of public procurement rules concerning their areas of operations include following due process in selecting suppliers, forming procurement committees, formation of entity tender committee, and formation of the tender evaluation committee. These provisions according to the respondents are made as and when needed since most of the items used under the current free senior high schools education policy are procured by the government.

In addition, some identified setbacks to internal controls in the accounts unit per the respondents' view are delays in procedure manuals, less monitoring, inadequate information, inability to follow due process due to the urgency of some transactions, and difficulties encountered by new entrants in understanding some issues. All respondents further stated they encourage their

employees to report untoward activities they notice to their superiors and culprits sanctioned accordingly.

Table 8: Results on Levels of Compliance with Internal Controls

Questions	Responses	Frequency	Percent
Has every subordinate a distinct schedule of the task in your department	Yes	24	92.3
	No	2	7.7
Do you have situations where officers who control specific assets record transactions relating to the assets under their control	Yes	12	46.2
	No	14	53.8
Do you have control over the frequency of transactions allowable in cash below the approved limit	Yes	23	88.5
	No	3	11.5
Do you have in place relevant and duly constituted functional committees for audit and procurement	Yes	25	96.2
	No	1	3.8
Will you say in your view that enough measures are put in place in your unit to ensure total compliance to these provisions and mitigate consequences of non-compliance	Yes	26	100
	No	-	-
Total		26	100

Source: Field survey (2021)

The effectiveness of internal control systems

The views of accountants (bursars) were sought on the effectiveness of their internal control systems. Their responses are presented in Table 9. Relating to the effectiveness of internal controls systems in the institutions, 96.2% of the respondents agreed that schedule officers understand the

requirements of the provision of financial management laws regulating activities in their unit. Another 96.2 percent agreed that the requisite skills and competencies needed to prepare proper accounts and fulfill the requirement of these laws are available. When asked to indicate their level of agreement or otherwise on internal controls being effective when management lead by example, all respondents (100%) agreed.

Table 9: Results on Effectiveness of Internal Controls Systems

Questions	Responses	Frequency	Percent
Will you say by your assessment schedule officers understand the requirements of the provision of financial management laws regulating activities in your unit	Yes	25	96.2
	No	1	3.8
Will you say the requisite skills and competencies needed to prepare proper accounts and fulfill the requirement of these laws are available	Yes	25	96.2
	No	1	3.8
Studies have shown that controls are effective when management lead by example. Indicate your level of agreement or otherwise	Strongly agree	16	61.5
	Agree	10	38.5
	Disagree	-	-
	Strongly disagree	-	-
Total		26	100

Source: Field survey (2021)

Results from Headmasters (Administration)

Demographics of Headmaster (Administration)

The profile of school assistant heads, who were another group of respondents, is presented in Figure 5. Among school heads, results on their gender revealed 84.6 percent were male and 15.4 percent were female.

Regarding their level of education, 96.1 percent had Postgraduate Certificates and 3.8 percent had a Bachelor’s Degree. Relating to their years of working with their institution, 34.6 percent had been with their institution between 1-5 years, 38.5 percent for 6-10 years, and 26.9 percent for 10-15 years.

Table 10: Results on the profile of school assistant heads (administration)

Variable	Frequency	Percentage
Gender		
Male	22	85
Female	4	15
Education		
Bachelor	1	4
Postgraduate	25	96
Year in Service		
1 – 5	9	35
5 – 10	10	38
5- 15	7	27

Source: Field Survey (2021)

Effectiveness of internal controls

The views of the school heads were sought on the effectiveness of internal controls in their institutions. The results are presented in Table 10. From the responses, all school heads (100%) agreed that by their assessment schedule officers understand the requirements of the provision of financial management laws regulating activities in their institutions. They again agreed that education, regular training workshops, seminars, and the likes to enhance their skills and competencies is encouraged among their subordinates. Furthermore, 96.2% agreed they have in place relevant and duly constituted functional committees for audit and procurement. All respondents (96.2%) again agreed that controls are effective when management lead by example. Further among school heads, some setbacks to activities relating to internal controls are dishonesty of certain individuals, delays in approvals at some stages, undue influence and excessive exercise of power resulting in system circumventions, and connivance to override controls.

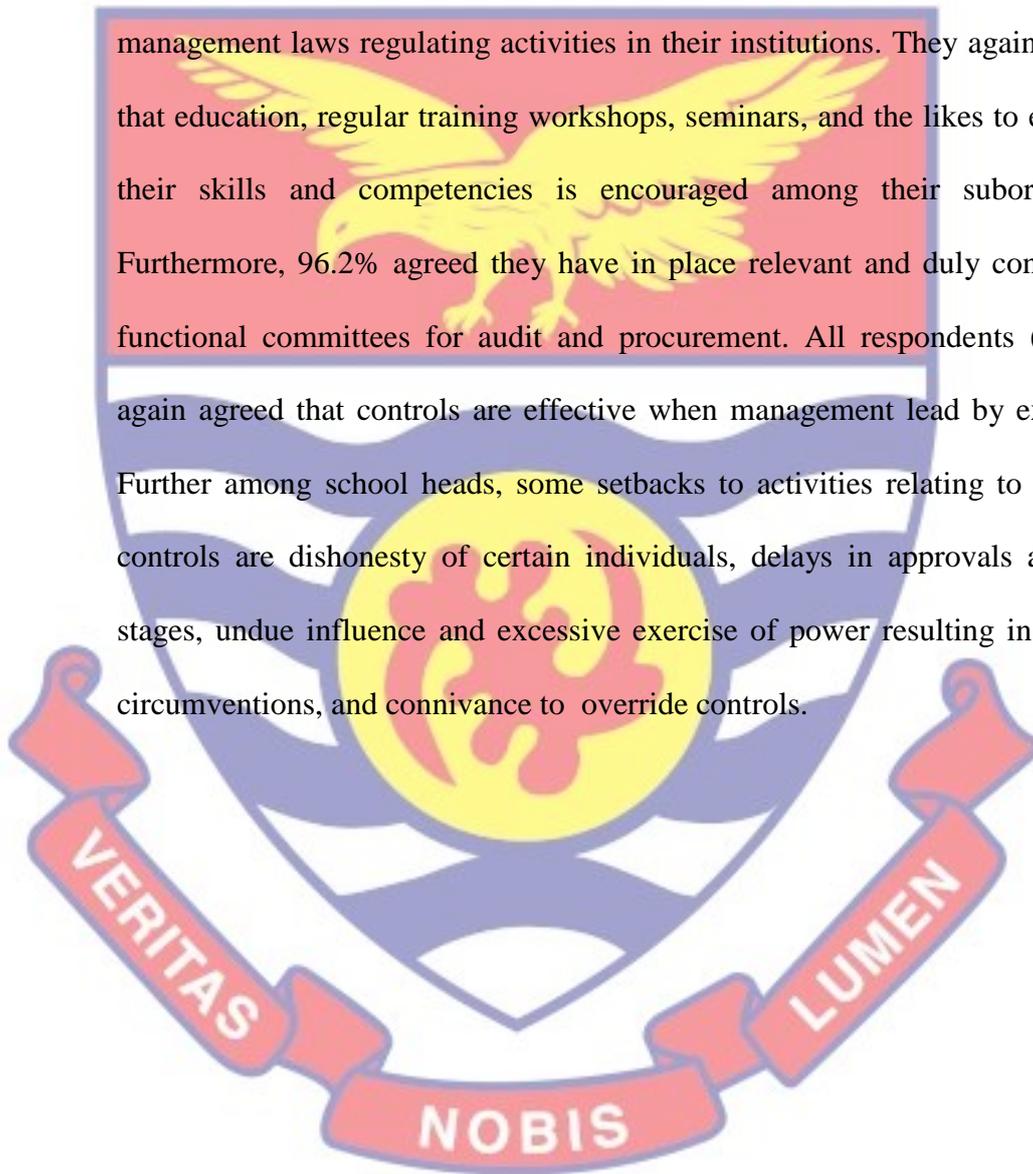


Table 11: Effectiveness of internal controls

Questions	Responses	Frequency	Percent
Will you say by your assessment	Yes	26	100
schedule officers understand the	No	-	-
requirements of the provision of			
financial management laws			
regulating activities in your unit			
Do you encourage education,	Yes	26	100
regular training workshops,	No	-	-
seminars, and the likes to enhance			
their skills and competencies			
Do you have in place relevant and	Yes	25	96.2
duly constituted functional	No	1	3.8
committees for audit and			
procurement			
Studies have shown that controls	Strongly agree	15	57.7
are effective when management	Agree	10	38.5
lead by example. Indicate your	Disagree	1	3.8
level of agreement or otherwise	Strongly disagree	-	-
Total		26	100

Source: Field survey (2021)

Results from Supply Officer/Storekeeper

Profile of Supply Officer/Storekeeper

The last group of respondents from whom information was collected was the supply officers/storekeepers. Their profile information is presented in Figure 6. Gender information received showed that 74.1% of the supply officer/storekeepers were male and 25.9% were female. Their education levels indicated 3.7% had Postgraduate Certificates, 66.7% had a Bachelor's Degree, and 29.6% had a Diploma. Concerning their number of years in service, 29.6% had worked with their institutions between 1-5 years, 63.0% between 6-10 years, and 7.4% between 10-15 years.

Table 12: Results on the profile of supply officer/storekeeper

Variable	Frequency	Percentage
Gender		
Male	20	77
Female	6	23
Education		
Diploma	7	27
Bachelor	18	69
Postgraduate	1	4
Year in Service		
1 – 5	7	27
5 – 10	17	65
5- 15	2	8

Source: Field survey (2021)

Compliance with internal controls

The second part of the questionnaire administered to the supply officer/storekeepers asked questions on compliance and effectiveness of internal control systems in their department. The results are presented in Table 11. The respondents were first asked if they had sufficient systems that track, identify and report attempted theft in the store department to which 96.2 percent of the respondents agreed and 3.8 percent disagreed. Similarly, 88.8 percent of the respondents further agreed they have established systems that check the authenticity of receipts and invoices from supplies with 11.2 percent disagreeing. The study further sought the respondents' view on whether they had an approved formula for computing appropriate levels of stock with short shelf lives and this question had 81.4 percent of the respondents agreeing with 18.6 percent stating otherwise.

The respondents were also asked if they had situations where a specific officer(s) use items procure for the school in the discharge of their duty for their department. To this question, 29.6 percent of the respondents stated 'yes, always, 66.6 percent stated no, not always, and 3.8 percent stated sometimes. This shows that user departments do not engage in the procurement of stuff needed for their use. The final question asked in this section was whether the respondents had every purchase passing through the store system to which 88.8 percent agreed and 11.2 percent disagreed. Finally, some challenges experienced by the respondents when observing formal store procedures from requisition to issues in their units were over-reliance on manual systems, understaffing leading to delays in honoring requests, limited storage spaces,

difficulties in receiving items, and issues if they are perishable and pressure from staff when approvals delay.

Table 13: Results on Compliance and Effectiveness

Questions	Responses	Frequency	Percent
Do you have sufficient systems that tracks, identify, and report attempted theft in the store department	Yes	26	96.2
	No	1	3.8
Do you have established systems that check the authenticity of receipts and invoices from supplies	Yes	24	88.8
	No	3	11.2
Do you have approved formulae for computing appropriate levels of stocks with short shelf lives	Yes	22	81.4
	No	5	18.6
Do you have situations where specific officer(s) items procure for school in the discharge of their duty for their department	Yes, always	8	29.6
	No, not always	18	66.6
	Sometimes	1	3.8
Do you have every purchase passing through the store system	Yes, always	24	88.8
	No, not always	3	11.2
Total		27	100

Source: Field Survey (2021)

The Existence and Nature of Internal Controls in the Administration of the Schools

From the study results, it is evident that the selected senior high schools for the study do employ internal controls in their administration. The institutions employ different components of internal controls as outlined in the COSO integrated framework for internal controls which are control environment, risk assessment, control activities, information and communication, and monitoring activities. For instance, in ensuring an effective control environment, the schools' management always communicates expectations of ethical behavior to staff as agreed by 92.2 percent of the respondents. This is an indication that management ensures employees are ethical in discharging their duties. Management commitment to internal controls is further evident in sharing ethical standards with employees as agreed by 94.1 percent of the respondents, established lines of authority and responsibility according to all (100%) of the respondents, and active and constant oversight of management activities by the board of governors as stated by 88.3 percent of the respondents.

These trends of results are consistent with that of Hevesi (2005) who maintained that the control environment is a result of board's administration, viewpoint, style, helpful attitude, as well as competency, moral qualities, uprightness, and confidence of individuals of the organization influenced by the organization framework and answerability relationships. Hence, the effectiveness of the control environment in the institutions would determine the effectiveness of internal controls. With an effective control environment, top management can govern, promote ethics and integrity through effective

communications, encourage competency development through organizing regular training, and ensure those charged with governance duties participate actively.

Concerning risk assessment which is another component of internal controls, the results show that provisions are made for a clear definition of the objectives for every activity as stated by 96.1 percent of the respondents. This helps employees from deviating from their specified duties and responsibilities. Measures were also instituted by the institution to promptly identify and mitigate potential challenges to achieving objectives according to 80.4% of the respondents, an indication that the institutions are proactive in dealing with internal control challenges. Likewise, the findings revealed that adequate risk identification and assessment processes are established as indicated by 88.3 percent of the respondents, and management at all levels is involved in the process of analyzing identified risk relating to all activities according to all respondents (100%). This shows that the institutions have systems in place to assess any occurrence that would adversely affect the achievement of objectives. As stated in the literature, organizations face different types of risks from internal and external sources. Therefore, an effective risk assessment would help identify potential risks that may hinder objectives' achievement.

Control activities according to COSO (2013) are actions established through procedures and policies to help ensure that management's directives to mitigate risk to the achievement of objectives are carried out. For this reason, the studied institutions control their activities by prohibiting individuals who control assets from also recording transactions related to those

assets as greed by 72.6 percent of the respondents. This implies that prohibiting individuals from recording transactions related to assets under their control is to reduce the chances that any person could in the normal course of duty perpetrate fraud, error, and conceal it. Limiting access to records to authorized users only is another way through which the institutions control activities. This conclusion was arrived at based on the views of 94.1 percent of the respondents who affirmed the statement. To further control activities, the institutions have in place periodic processes that compare figures, values, and balances from operations with control records. This statement had 96.0 percent of the respondents in agreement. The deliberate manipulations and falsification of documents according to 78.5 percent of the respondents could hardly go undetected. This suggests effective systems are in place to control activities within the selected institutions. These results are consistent with that of Lousteau and Mark (2006) which indicated that control activities may be preventive or detective in nature and may encompass a range of manual and automated activities such as authorization and approvals, verifications, and reconciliation. Thus, activities at all levels of the institutions need to be controlled to enhance internal controls.

Relating to information and communication as a component of internal controls, the study institutions made room for management to review decision-making through facilitating relevant information in a timely and reliable manner. This was agreed upon by 92.1 percent of the respondents. This means management makes decisions based on progress reports. Similarly, 84.3 percent of the respondents agreeing with information systems being re-assessed when reporting deficiencies are identified indicating management's

commitment to ensuring reliable and timely provision of information in the institutions. Also, according to 84.3 percent of the respondents, channels are provided for communicating alleged breaches of rules and regulations and other irregularities. This makes it easy to identify and correct information system breaches as well as deal appropriately with culprits when found guilty of misbehavior. In promoting information and communication, the institutions can ensure their employees understand individual roles and responsibilities about internal controls over financial reporting. This promotes an effective flow of communication at all levels and further leads to the production of timely and reliable information for decision-making.

Finally, on monitoring of activities, 87.2 percent of the respondent agreed that there are processes that check the effective application of policies, procedures, and rules to activities in the studied institutions. All the respondents also respectively agreed to internal auditors from the district or municipal education unit regularly audit activities and external auditors from the auditor general's unit independently review administrations' activities. This shows that all activities in the selected institutions are monitored to ensure due process is followed. For instance, regular audits reveal any malfeasance that may have taken place and culprits disciplined appropriately. According to the institute of internal auditors (1995), auditors produce evidence about the working of internal controls, concentrating on assessing the design and functionality of internal control. They additionally pass on feedback about the strengths and weaknesses and suggestions for working on internal controls. This cautions employees to desist from undertaking any unauthorized actions while promoting effective internal controls.

The Level of Compliance with Internal Controls in the Administration of the Schools

Regarding the objective stated above, the study results show that the selected institutions comply with internal controls which were also very effective. For example, among the supply officers/storekeepers, majority of the respondents agreed to the following: having sufficient systems that tracks, identify, and report attempted theft in the store department (96.2%), have established systems that check the authenticity of receipts and invoices from supplies (88.8%), availability of an approved formula for computing appropriate levels of stocks with short shelf lives (81.4%), and passing every purchase through the store system (88.8%). This indicates that the stores in the selected schools mostly comply with internal control requirements in the discharge of their duties. They however face the following challenges when observing formal store procedures from requisition to issues in their units; over-reliance on manual systems, under-staffing leading to delays in honoring requests, limited storage spaces, difficulties in receiving items, and issues if they are perishable, and pressure from staff when approvals delay.

On the part of school heads (administration), all respondents (100%) agreed that they have effective internal controls as schedule officers understand their roles and the requirements of laws regulating activities in their institutions. All respondents (100%) further encourage education, regular training workshops, seminars, and the likes among their employees to enhance their skills and competencies. Also, 96.2 percent of the heads agreed that they have relevant and duly constituted functional committees for audit and procurement in place. Last but not least they lead by example to make internal

controls more effective. According to the school assistant heads (administration), they encounter internal controls problems like the dishonesty of certain individuals, delays in approvals at some stages, undue influence, and excessive exercise of power resulting in system circumventions, and connivance to override controls. These setbacks when not given the needed attention could make internal control systems ineffective.

Relating to the effectiveness of internal controls systems among Accountants (Bursars), 96.2 percent agreed schedule officers understand the requirements of the provision of financial management laws regulating their activities. This makes it easy for them to carry out their duties. Again, 96.2% indicated the requisite skills and competencies needed to prepare proper accounts and fulfill the requirement of these laws are available. Having requisite skills and competencies enhances producing timely accurate and reliable information for decision making. They all agreed also (100%) to lead by example to ensure effective internal controls.

With regards to compliance to internal controls, 92.3 percent of the respondents agreed to every subordinate having a distinct schedule of the task, having control over frequency of transactions allowable in cash (88.5%), having in place relevant and duly constituted functional committees for audit and procurement (96.2%), and having adequate measures put in place to ensure total compliance to provisions of the public financial management laws to mitigate consequences of non-compliance (100%). However, result on having situations where officers who control specific assets record transactions relating to the assets under their control was very close. This is because 46.2 percent of the respondents agreed to have such situations while

53.70 percent of the respondents disagreed with having such situations. Though very close figures the responses are clear, it is indicating most institutions follow laid-down procedures in undertaking every activity. The level of compliance to internal controls in the institutions is high since they control activities, monitor activities, assess risk, and enhance information and communication. The institution also engages in audits, form budget committees and follow budgeting procedures, comply with tax requirements, follow procurement procedures when necessary and observe corporate governance principles in their administration. This further enhances internal controls which according to Eniola and Akinselure (2016) are needed for effective and efficient use of organizations' resources. Therefore, by implementing corporate governance principles, the institutions are working within the appropriate governance structure of public services in the region.

Summary of Setbacks to Internal Control Systems

To help enhance the systems of internal control, there must be first established problems to the effective operation of the systems. From the viewpoints of some bursars, delays in procedural manuals, less monitoring, inadequate information, inability to follow due process due to the urgency of some transactions, and difficulties encountered by new entrants in understanding some issues post problems to total adherence to controls. Among school assistant head masters- administration, some setbacks to activities relating to internal controls are dishonesty of certain individuals, delays in approvals at some stages; undue influence and excessive exercise of power, and connivance to override controls sometimes threaten the administrations. Finally, some few challenges experienced by a section of

store keepers/ supply officers when observing formal store procedure from requisition to issues in their units were over-reliance on manual systems, understaffing leading to delays in honoring requests, limited storage spaces, difficulties in receiving items, and issue if they are perishable and pressure from staff when approvals delay.



CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

Introduction

This chapter gives an overview of the study, summarizes and presents the findings of the study based on the data collected and analyzed. It also contains conclusions based on the findings of the study and recommendations for enhancing the systems of internal controls in the administration of senior high school in the Volta Region.

The study sought to assess internal control systems in the administration of senior high schools in the Volta Region. To achieve the purpose, the following questions were asked; what is the nature of internal controls in the administration of senior high schools in the Volta, Region? What is the level of compliance with internal controls attained in the administration of the senior high schools in the Volta Region? How could internal control systems be made effective in the administration of the senior high schools in the Volta Region? The motivation for the study was derived from the significant roles of internal controls in the management and administration of organizations as shown in the numerous literature on internal controls and corporate governance. This was highlighted in the 2019 Auditor General's report which had attributed most of the increased irregularities to weaknesses in internal controls in the administration of the pre-university educational institutions.

Internal control systems are dynamic mechanisms that change with changes in policies, design, and laws. Internal control systems need to be reassessed as situations in a particular organization change. The recent

changes in the education policies in Ghana have created room for updates in researches to reflect the changed situation. The study employed a mixed-method research design that used structured interviews and questionnaires to solicit primary data for the study. The questionnaires were adapted from the American Institute of Certified Public Accountants questions designed for the assessment of internal control systems. The research questions were answered using descriptive tables and graphs developed based on the data analyzed.

Summary of Key Findings

The study revealed that the various elements of internal control systems; control environment, risk assessment, control activities, information and communication, and monitoring activities are evident in the administration of senior high schools in the Volta Region. This according to the data from the management and employees are effective and efficient. This means that there is reasonable assurance that objectives are achieved. There is also a safeguard against the misuse of assets assuring transparency and accountability in the financial administration of the school.

The results also showed that internal control systems are comply with in the administration of senior high schools in the Volta Region and the level of compliance is generally very high. This is an indication of reasonable assurance that the various rules regulations and laws governing the activities of these institutions are complied with. With the high level of compliance, the objects of the financial management laws –transparency and accountability can be achieved.

The results also showed that the systems of internal controls are generally robust but since there are no total perfect systems bottled necks that

come up time to time are promptly dealt with by management's pragmatic responses that lessen the effect of risks on the activities of the school.

Conclusion

Robust internal control systems are needed for transparency, accountability, and attainment of the objectives of the high schools' administration. Effective internal control systems provide reasonable guarantees that established goals will be met and protect against irregularities. Although the 2019 Auditor General's report pointed out general weaknesses in internal controls in the administration of pre-university educational institutions in Ghana, the internal control systems in the administration of senior high schools in the Volta Region as at the time of this research was robust and effective.

Recommendations

Based on the study's findings and the preceding conclusions, high school administrators might undertake the following to improve the effectiveness and efficiency of internal control systems:

Adequate planning

Proper timing of activities through effective planning and forecast could help reduce or eliminate unnecessary urgencies that could cause internal control circumvention created by urgent and unforeseen occurrences. Assessing the institution's previous activities, current departmental situations and making provisions based on future projections could help with a mitigating effect on urgencies.

Adequate staffing and segregation of duty: To allow for effective segregation of duties at the relevant departments, the required number of

personnel should be deployed to assist in such functions as necessary to ensure observance of controls. Ensuring proper segregation of duties will increase transparency and limit the likelihood of anyone committing fraud or error in the course of their duties and concealing it.

Clear protocols and prompt approval of requisitions

Different stages of approval are required for items to be procured or issued from the stores' departments. This is necessary to ensure that only approved items are procured at the right time, volume, and price and goods are only supplied on demand, and unit prices for goods supplied are identified. This will make stock valuation easy and facilitate the determination of closing inventories. This will go a long way to add value to the credibility of the financial reports.

Training and sensitization

Personnel should be given regular on-the-job training and sensitization to build their capacity for their schedules. Through sensitization and open forum discussions, employees get to know acceptable approaches to address certain pertinent issues, and potential problem areas are shared.

Policies guideline and procedure manuals

Where there are clear guidelines, it becomes easy for all members of the staff of an organization to know what is expected of them and the steps to follow. To serve as deterrence to others, clear violations of common rules should be punished.

Suggestion for Further Studies

For purposes of further researches, examination of the role of professional codes of ethics for the public accountant in enhancing effective internal control systems in public senior high schools could be assessed.



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APPENDIX 'A'

UNIVERSITY OF CAPE COAST

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING

QUESTIONNAIRE FOR ACCOUNT AND STORE DEPARTMENTS

Dear Respondent,

I am a student of the University of Cape Coast Graduate School and in the School of Business (Department of Accounting). I would like to solicit responses from your outfit to conduct research on the topic **“assessment of internal control systems in the administration of senior high schools in the Volta Region of Ghana”**. The study will only be utilized for academic purposes, and you can rest confident that no part of it will be used for any other purpose. All responses will be treated with the utmost secrecy.

Thank you very much.

SECTION A: Profile of Respondent

1. Gender male [] female []

2. Level of education

Post Graduate []

Bachelor []

Diploma []

Secondary []

Others

3. How long have you been working in this school

1-5years []

6-10years []

10-15years []

4. Which department do you work with

Section B: Assessment of Control Structure

This implies having evidence of the essential elements of an internal control system which according to the COSO framework are indicators of an effective system of internal control. These are control environment risk assessment, control activity, information, and communication and. monitoring activity.

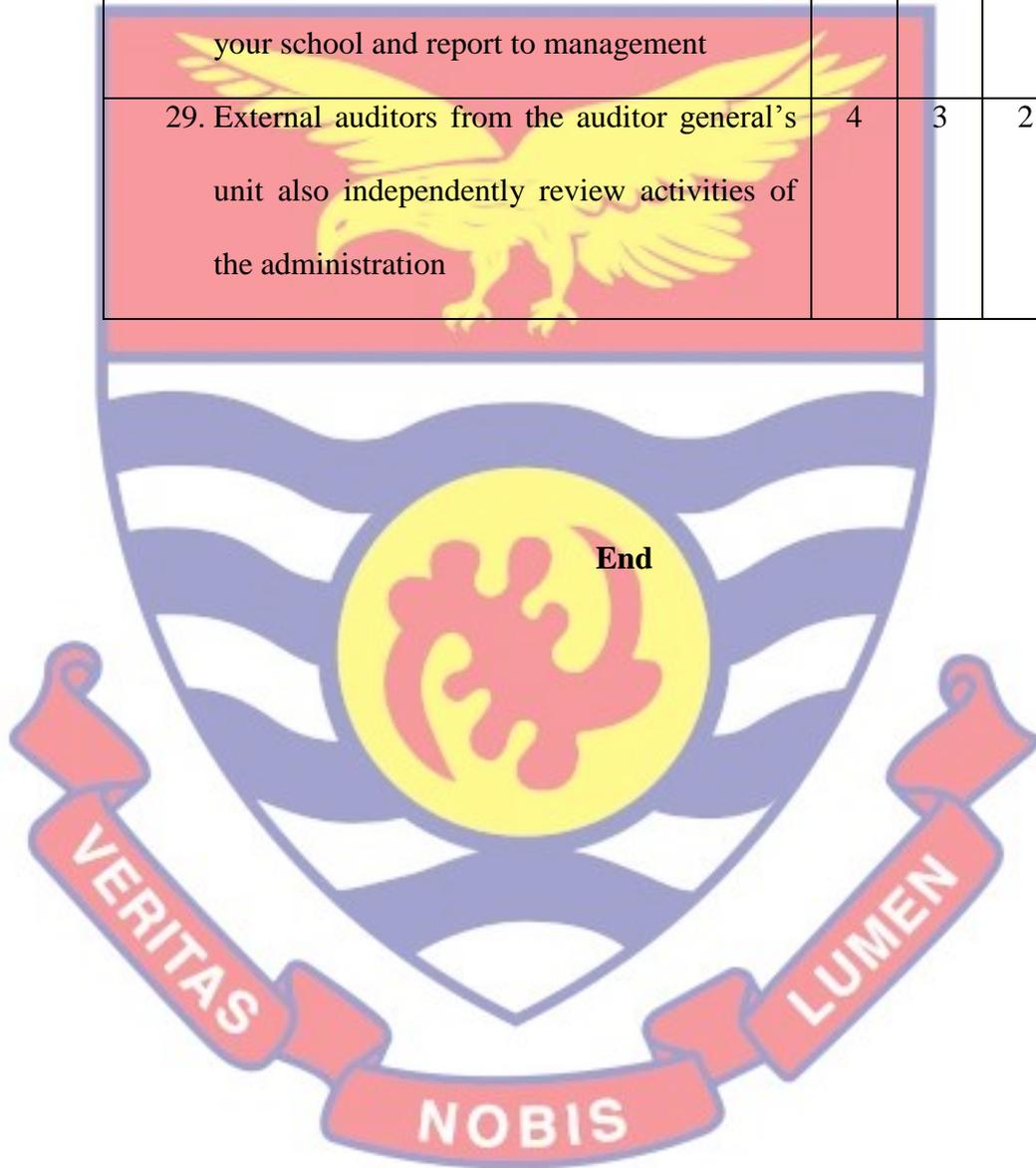
On a four-point Likert scale of the answer, you are humbly asked to indicate your level of agreement or disagreement with the following assertions. 4(strongly agree), 3(agree), 2(disagree), 1(strongly disagree). **Please Tick [√] the appropriate box.**

Statement	SA [4]	A [3]	DA [2]	SDA [1]
5. Management always communicates to staff expectations, for ethical behavior in your unit.	4	3	2	1
6. Ethical behavioral standards relating to your work are shared with you through policy statements and codes of conduct.	4	3	2	1
7. Regular training workshops are organized in your department to enhance your competencies and skills.	4	3	2	1
8. In your units, there are established clear lines of responsibility and authority	4	3	2	1
9. In your school, there is active and constant oversight of management activities and processes by the board of governors	4	3	2	1

10. Your school's official dealings with third parties are always conducted on a high ethical plane	4	3	2	1
11. Management override of controls, though scarcely, is appropriately documented and explained	4	3	2	1
12. You understand your roles and carefully carry out your responsibilities actively	4	3	2	1
13. In your department, the objective for every activity clearly defined	4	3	2	1
14. Potential challenges to the achievement of objectives are promptly identified and mitigated or removed	4	3	2	1
15. In your department, adequate risk identification and assessment processes are established	4	3	2	1
16. In the process of analyzing identified risks relating to activities in your department appropriate management levels are involved	4	3	2	1
17. In your unit individuals who control assets are prohibited from also recording transactions related to those assets	4	3	2	1
18. Access to record and assets are limited to only authorized users	4	3	2	1

19. There are periodic processes that compare figures, values, and balances from operations with control records	4	3	2	1
20. In your departments, there are clear and comprehensible authorization and approval limits for transactions	4	3	2	1
21. There are sufficient systems that tracks, identify, and report attempted theft, manipulations, and fraud at any stage of operation	4	3	2	1
22. Deliberate manipulation and falsification of a document could hardly go undetected	4	3	2	1
23. Management review of decision-making processes are facilitated by relevant information in the form of timely and reliable progress reports on targets achieved and related risks	4	3	2	1
24. Information systems are re-assessed when reporting deficiencies are identified	4	3	2	1
25. Information needs and related information systems are re-assessed when the unit's objectives change	4	3	2	1
26. There are well-established channels for communicating alleged breaches of rules and regulations and other irregularities	4	3	2	1

27. There are processes within your unit which check the effective application of policies, procedures, and rule to activities	4	3	2	1
28. Internal auditors from the district/ municipal education unit regularly audit activities of your school and report to management	4	3	2	1
29. External auditors from the auditor general's unit also independently review activities of the administration	4	3	2	1



UNIVERSITY OF CAPE COAST
SCHOOL OF BUSINESS
DEPARTMENT OF ACCOUNTING
QUESTIONNAIRE FOR THE ACCOUNTANT (BURSAR)

Dear Respondent,

I am a student of the University of Cape Coast Graduate School and in the School of Business (Department of Accounting). I would like to solicit responses from your outfit to conduct research on the topic “**assessment of internal control systems in the administration of senior high schools in the Volta Region of Ghana**”. The study will only be utilized for academic purposes, and you can rest confident that no part of it will be used for any other purpose. All responses will be treated with the utmost secrecy.

Thank you very much.

SECTION A. Profile of the Respondents

1. Gender

Male [] **Female** []

2. Level of Education

Post Graduate []

Bachelor []

Diploma []

Secondary []

Others

3. How long have you been working in this school

1-5years []

6-10years []

SECTION B: Levels of Compliance to Internal Controls.

4. Has every subordinate a distinct schedule of the task in your department?

Yes []

No []

5. Do you have situations where officers who control specific assets record transactions relating to the assets under their control?

Yes []

No []

6. Do you have control over the frequency of transactions allowable in cash below the approved limit?

Yes []

No []

7. What happens when the frequency of transactions will cause the amounts involved to exceed the approved limit in cash transactions within a short period?

.....
.....
.....
.....

8. Do you have in place relevant and duly constituted functional committees for audit and procurement?

Yes []

No []

9. What measures do you put in place to ensure timely production of annual financial statements for audit purposes?

.....
.....
.....
.....

10. What measures do you put in place that help ensure compliance to provisions of tax laws that affect areas of your operation?

.....
.....
.....

11. What measures do you put in place that ensures timely production of annual estimates for input into the national budget?

.....
.....

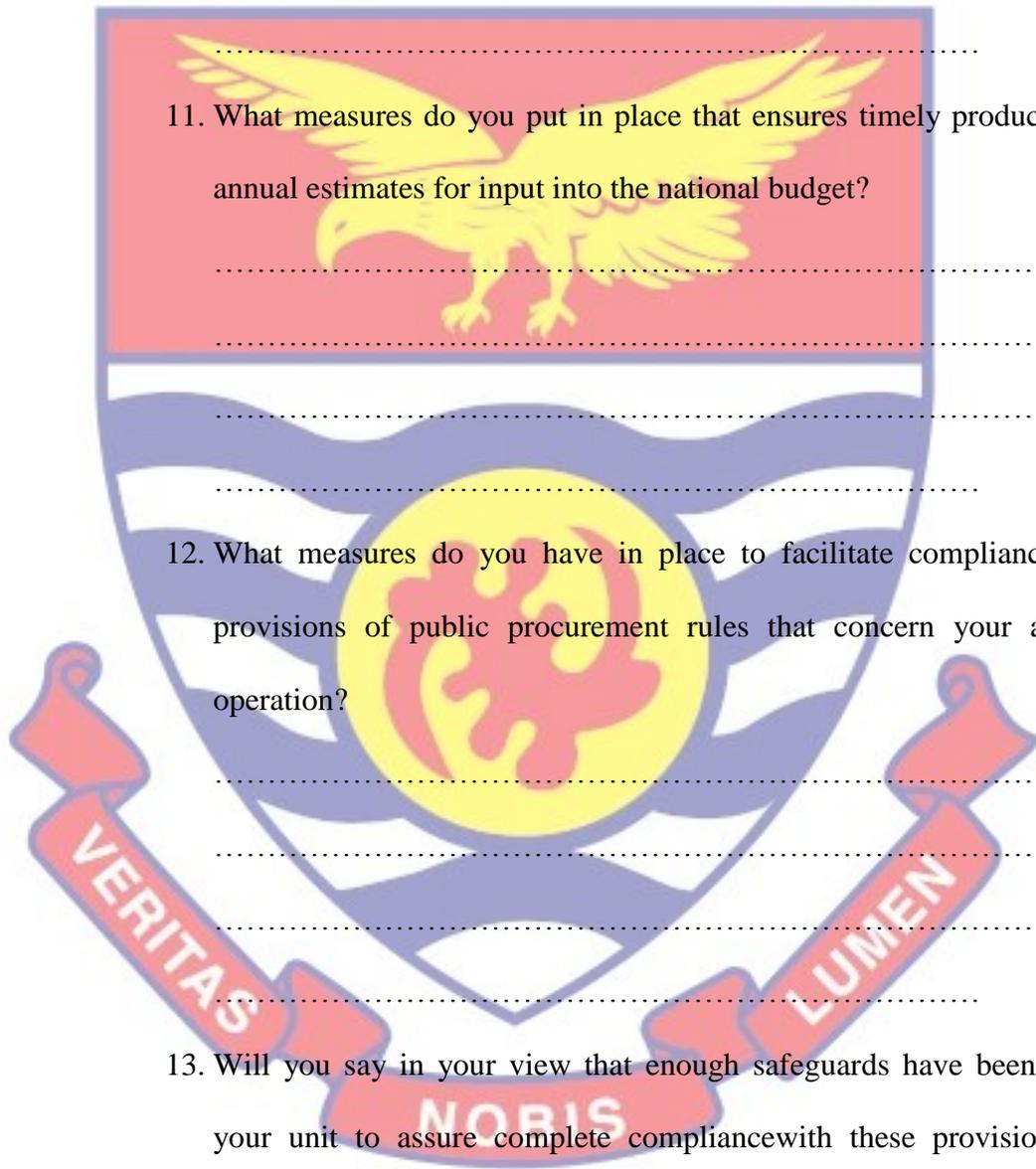
12. What measures do you have in place to facilitate compliance with provisions of public procurement rules that concern your area of operation?

.....
.....

13. Will you say in your view that enough safeguards have been put in your unit to assure complete compliance with these provisions and mitigate consequences of non-compliance?

Yes []

No []



Section C: Effectiveness of Internal Controls Systems

14. Will you say by your assessment your schedule officers understand the requirements of the provision of financial management laws regulating activities in your unit?

Yes []

No []

15. Will you also say the requisite skills and competencies needed to prepare proper accounts and fulfill the requirement of these laws are available?

Yes []

No []

16. What will you say is a major setback to internal controls in your unit?

.....
.....
.....
.....

17. Studies have shown that controls are effective when management lead by example. Indicate your level of agreement or otherwise;

A. Strongly agree

B. Agree

C. Disagree

D. Strongly disagree

18. Do you encourage your employees to report untoward activities they noticed to their superiors?

.....
.....
.....

END

UNIVERSITY OF CAPE COAST

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING

QUESTIONNAIRE FOR THE (SUPPLY OFFICER / STOREKEEPER)

Dear Respondent,

I am a student of the University of Cape Coast Graduate School and in the School of Business (Department of Accounting). I would like to solicit responses from your outfit to conduct research on the topic “**assessment of internal control systems in the administration of senior high schools in the Volta Region of Ghana**”. The study will only be utilized for academic purposes, and you can rest confident that no part of it will be used for any other purpose. All responses will be treated with the utmost secrecy.

Thank you very much.

SECTION A. Profile of the Respondents

1. Gender

Male [] Female []

2. Level of Education

Post Graduate []

Bachelor []

Diploma []

Secondary []

Others

3. How long have you been working in this school?

1-5years []

6-10years []

10-15years []

Section B. Compliance and Effectiveness

4. Do you have a sufficient system that tracks, identify and report attempted theft in the store department?

Yes []

No []

5. Do you have established systems that check the authenticity of receipts and invoices from supplies?

Yes []

No []

6. Do you have approved formulae for computing appropriate levels of stocks with short shelf lives?

Yes []

No []

7. Do you have situations where a specific officer(s) use items procure for the school in the discharge of their duty for their departments?

Yes []

No []

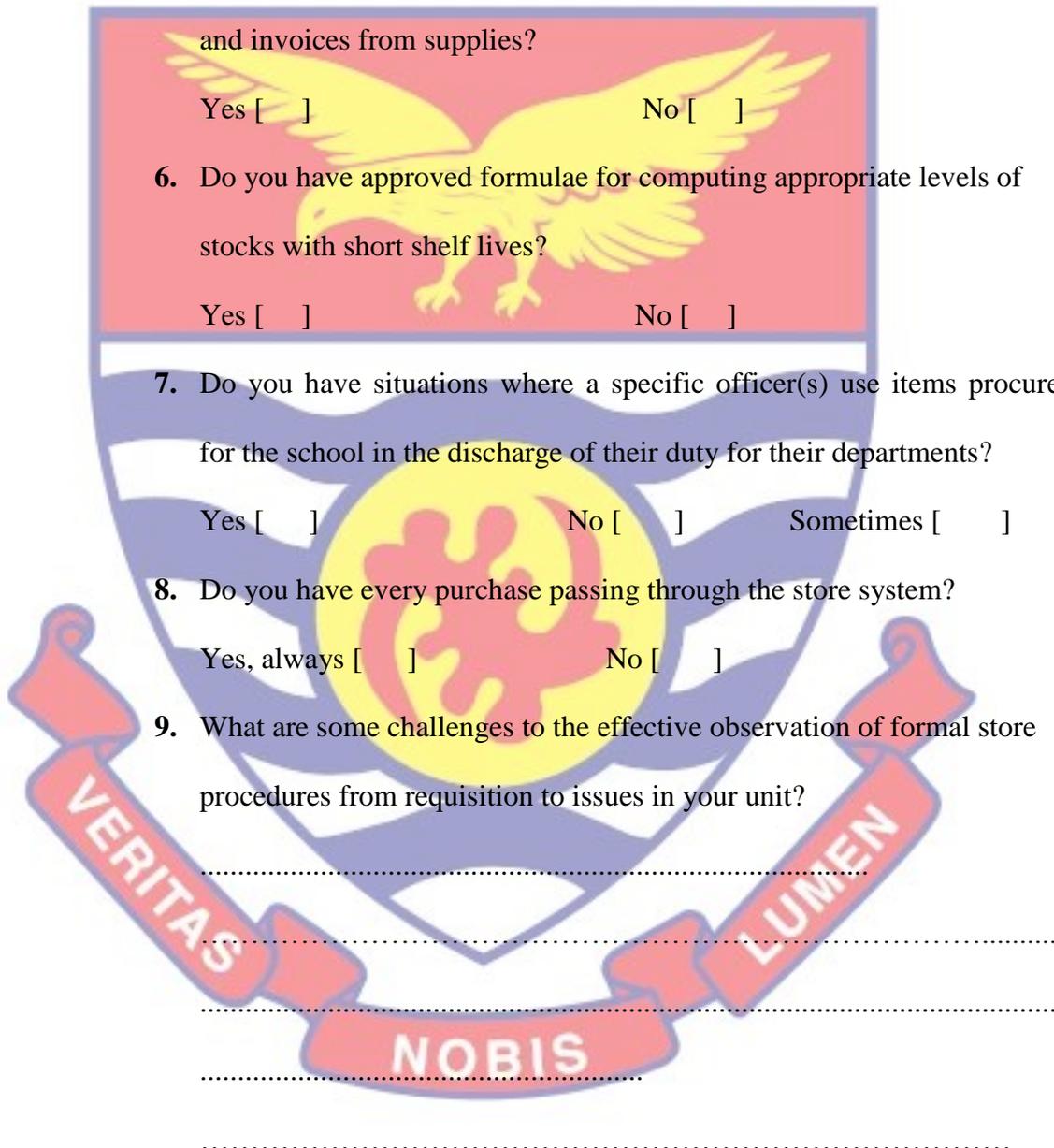
Sometimes []

8. Do you have every purchase passing through the store system?

Yes, always []

No []

9. What are some challenges to the effective observation of formal store procedures from requisition to issues in your unit?



END

UNIVERSITY OF CAPE COAST

SCHOOL OF BUSINESS

DEPARTMENT OF ACCOUNTING

QUESTIONNAIRE FOR (HEADMASTERS ADMINISTRATION)

Dear Respondent,

I am a student of the University of Cape Coast Graduate School and in the School of Business (Department of Accounting). I would like to solicit responses from your outfit to conduct research on the topic “**assessment of internal control systems in the administration of senior high schools in the Volta Region of Ghana**”. The study will only be utilized for academic purposes, and you can rest confident that no part of it will be used for any other purpose. All responses will be treated with the utmost secrecy.

Thank you very much.

SECTION A. Profile of the Respondents

1. Gender

Male []

Female []

2. Level of Education

Post Graduate []

Bachelor []

Diploma []

Secondary []

Others

3. How long have you been working in this school

1-5years []

6-10years []

10-15years []

SECTION B: Effectiveness of Internal Controls Systems

4. Will you say by your assessment your schedule officers in the accounts and stores departments are very conversant with the provisions of Public Financial Management laws and regulations that ensure effective internal controls in your unit?

Yes []

No []

5. Do you encourage education, regular training workshops, seminars, and the likes to enhance their skills and competences

Yes []

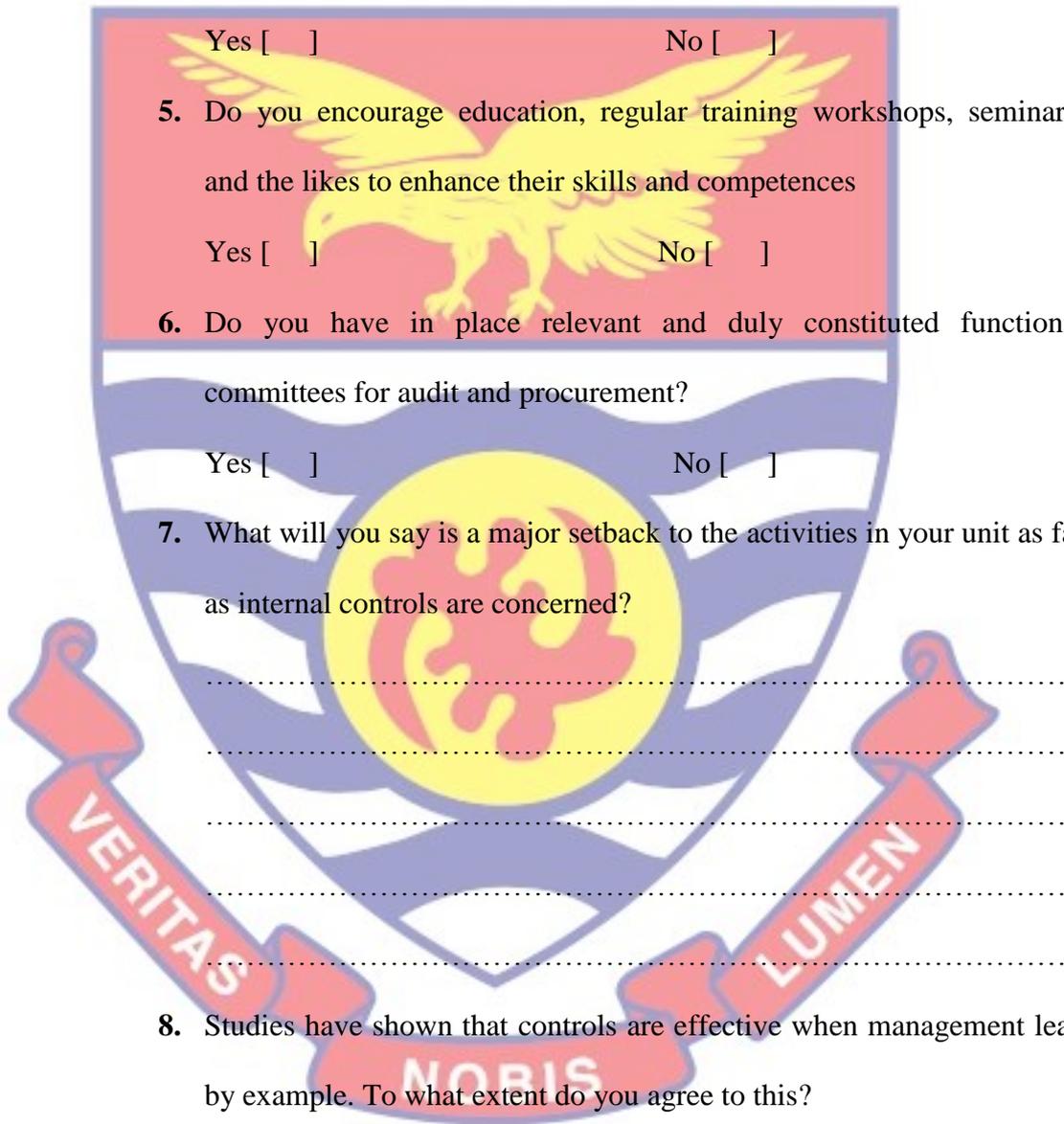
No []

6. Do you have in place relevant and duly constituted functional committees for audit and procurement?

Yes []

No []

7. What will you say is a major setback to the activities in your unit as far as internal controls are concerned?



8. Studies have shown that controls are effective when management lead by example. To what extent do you agree to this?

A. Strongly agree B. Agree C. strongly disagree D. Disagree

End

APPENDIX B

Table 1: District Distribution of Senior High School

S/N	NAME OF DISTRICT	NUMBER OF SHS
1.	Adaklu	2
2.	Afadzato South	4
3.	AgortimeZiope	2
4.	Akatsi North	1
5.	Akatsi South	2
6.	Anloga	3
7.	Central Tongu	2
8.	Ho Municipal	7
9.	Ho West	7
10.	Hohoe	6
11.	Keta	7
12.	Ketu North	4
13.	Ketu South	4
14.	Kpando	2
15.	North Dayi	3
16.	North Tongu	5
17.	South Dayi	4
18.	South Tongu	3
TOTAL		68

Source: Field Data, 2021



Table 2: Sample Size

S/N	Name of School Selected	District	No. of SHS	No. of Respondents	Total No. of Respondents
1	ANLO SHS, VOLTA SHS, ZION SHS,	Anloga	3	5	15
2	ABOR SHS, ANLO AFIADENYIGBA SHS, ANLO AWORMEFIA SHS, ATIAMI SHS, KETA BUSINESS SHS, KETA SENIOR HIGH SH/TS, TSIAME SHS,	Keta	7	5	35
3	AGORTIME SHS, ZIOPE SHS	Agortime Ziope	2	5	10
4	KLIKOR SHS, SOME SHS, ST. PAUL'S SHS, THREE TOWN SHS	Ketu South	4	5	20
5	MAWUKO SHS, MAWULI SHS, OLA SHS, SHIA SHS, SOKODE SH/TS, TANYIBE SHS, TAVIEFE SHS	Ho Municipal	7	5	35
6	COMBONI TECH/VOC, DABALA SH/TS, SOGAKOPE SHS, ST. CATHERINE SHS	South Tongu	3	5	15
***	*****	6	26	5	130