

UNIVERSITY OF CAPE COAST

ASSESSMENT OF FINANCIAL CONTROL PRACTICES IN SENIOR
HIGH SCHOOLS IN HO-WEST DISTRICT IN VOLTA REGION OF
GHANA

BY

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degree in Accounting

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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 in this university or elsewhere.

Candidate's Signature Date

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Supervisors' Declaration

We 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.

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ABSTRACT

Public Sector Organizations are not countries but they have a sort of constitutions in the form of internal regulations and controls to adhere to in order to ensure judicious use of their resources towards sustainable growth and development. Unfortunately, the big investments countries are making to achieve their policy objectives are totally derailed or only partially achieved due to disobedience to the financial rules and laws. Financial controls use by the heads of these institutions such as the use of financial statements, budget, policies and procedures and other financial tools are not eliciting the desired results in the face of massive financial irregularities. The work of the Public Management Committee on regulatory reform - built over the years has provided huge input and other extensive support to the development of organization, and provide policy direction of the regulatory reform programmes in OECD Member countries. Though with some impact, the disobedience of these array of regulations is very pervasive with it financial repercussions. It is specifically, this disobedience and why this research seeks to find out. Two sets of questionnaires were designed to the Bursars and the Accountants and the Headmasters and the Assistants. Interviews are also employed. The study found out that the disobedience of financial rules and laws in the public sector institutions in Ghana is pervasive and the financial lost to the nation is massive. The paper however recommends that, paper qualification alone should not be a guide in selecting managers of the public sector institutions, but further and better fundamental analysis ought to be done to select those that have academical and professional inclination coupled with high moral integrity.

KEY WORDS

Agency theory

Audits and Investigation

Budget

Budgetary Control

Collusion

Fiduciary Theory

Fraud

Honesty

Internal Audit Agency (IAA)

Public sector

Safeguarding assets

Regulatory framework

School Audit

Stealing

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DEDICATION

To my parents:

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and

The late Gamli Kodzo

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CHAPTER ONE

INTRODUCTION

Background to the study

Public sector Organizations are not countries but they have a sort of constitutions in the form of internal regulations and controls to adhere to in order to ensure judicious use of their resources. Nations and institutions globally keep investing huge amount of resources in order to grow and expand, and management of these resources is key for sustainable development. There is always a conflict of interest in the management of these resources. Hence many institutions have come out with various acts, internal control mechanisms and code of ethics, rules, legislative framework and even procedures to safeguard the resources they invested.

Many countries around the world are making efforts to ensure that they improve on service delivery in a fast manner (Addae, 2015). According to him, (IMANI Ghana Public Lecture, 2015), in an era of increased demand for accountability and transparency in government, the stakeholders of the public sector are demanding more effective and efficient use of public resources. The public confidence in government and other state institutions is sharply affected by the degree to which resources are perceived to be managed. This requires investigation into non-compliance to the regulatory framework in order to devise policies in fighting corruption, preventing leakages and wasteful of public sector resources.

In the United State of America, the federal law establishes a broad array of standards for public companies, their management boards and accounting firms. This was passed after the WorldCom and Tyco International

diminished public trust in the U.S. corporations and it was designed to increase corporate accountability. The Sarbox Sarbines - Oxley (SOX) and Public Company Accounting Reform and Investor Protection Acts of 2002 were created setting forth the infrastructure for reporting requirements that companies and executive boards must follow (Klein, 2003).

Besides, in Ghana there have been several instances of non-compliance to internal controls, most especially in the public sector thereby allowing all manner of resource mismanagements as pointed out by successive Auditors General's reports. The findings of these reports revealed unacquainted payments, un-presented payment vouchers, misappropriation of state revenues, contract irregularities, poor debt management and huge debt stocks. The Auditor General's report (2014) directed the Ministry of Children, Gender and Social Protection to use proper means of disbursing money and avoid the use of mobile money transfers in order to make auditing an easy task.

Ghana has come out with legislations and institutional arrangements to ensure prudent management of state resources such as the promulgation of the Financial Administration Act, 2004 (Act 654), Economic and Organized Crime Office, the Audit Service Act 2000 (Act 584), Internal Audit Agency Act 2003 (Act 658), the Public Procurement Act 2003 (Act 663), Parliament and its Sub - committees on Public Accounts and Finance and Financial Administration Regulation 2004) (LI 1802), just to mention but few. According to Public Account Committee (2013), it has retrieved overGH¢2 million from various public institutions and individuals in the course of their work in 2014financial year alone. PAC stated that, a total of GH¢1, 400,000 was retrieved from the Senior High Schools while the remaining

GH¢600,000 was also retrieved from the various district assemblies (Office of PAC, 2015). It was revealed that SADA for instance, paid GH¢15 million to unauthorized company and procured items worth millions of Ghana Cedis without following due procurement process (05/01/2016 GTV Interview with the former CEO).

This research seeks to unveil whether the control mechanisms and regulations put in place in the public sector are obeyed to the latter and if any disparity exists, then why? This research is very relevant in the face of the myriad of financial problems in the public sector institutions.

Statement of the problem

In recent times, there have been innumerable recurrent reports on financial irregularities and frauds which persisted in a lot of Senior High Schools in Ghana simply because of laxity and disregard of financial rules and regulations, according to the Auditor General's Report (2012).

A chunk of the government expenditure goes to the education sector. The government budget allocation increased from GH¢1.7 billion in 2010 to GH¢5.8 billion in 2014. In 2015, GH¢6.7 billion was allocated to the sector, representing 21 percent of the national budget (Agymang, 2015). She posits that due to non-adherence to laid down controls and regulations, misappropriation, embezzlement and fraud has characterized financial administrations in the public sector. As a result of non-adherence to the internal controls and regulations, in a particular Senior High School, payment without expenditure supporting documents (GH¢2,648,733.74), payment for contract works performance certificate (GH¢116,038.21), unrepresented payment

vouchers (GH¢380,051.25) occurred between the period of (2010-2013) Auditors General's Report.

The 2011 Auditor General's report indicates that financial irregularities such as embezzlements, unverified payments, uncredited bank lodgments and misapplication of funds, due to failure by heads of institutions including tertiary institutions resulted in nearly two billion Cedis loss in cash irregularities alone (Office of the Auditor-General, 2013).

Again, payment totaling GH¢ 6,174.00 were made by the management of a Technical School, also in Volta Region for maintenance works but did not support the payment with works orders to indicate the works to be done, as well as Engineers' performance certificate to attest to the level of work done and the amount due (Auditor's General Report, 2012). Some Senior High Schools do not approve payment within their authorized limit, and when such situations come up, they refuse referring to the District Education Tender Committee for approval hence the leakage. In one particular Senior High School in Volta Region, the headmaster awarded contracts for the supply of goods and services worth GH¢86,736.41 in excess of his procurement threshold (Auditor General's Report, 2012). Per section 35 (1) of the procurement Act, Act 663, there must be competitive tendering to actually allow qualified contractors to tender for such contracts in order to select the best.

Research objectives

General purpose of the study

The main objective of the study is to investigate into the financial control practices in some selected Senior High Schools in Ho-West District.

Specific objectives

The specific objectives of this study are to:

1. Assess the extent of adherence to the legislative framework and controls for management of the schools.
2. Examine the factors that serve as impediment to compliance to the framework and controls by the management of the schools.
3. Examine the extent the non-compliance affect the resources of the schools.

Research questions

- 1) To what extent do the officers of the schools adhere to the legislative framework and controls in the schools?
- 2) To what extent do the factors identified affect compliance to the regulations and controls in the schools?
- 3) To what extent does the non-compliance affect the schools' resources?

Significance of the study

The study helps address the gap in financial control practices in the public institutions by providing a more superior alternative model as opposed to the existing literature. Though the study looks at the internal control in Senior High Schools in particular, the principles highlighted can be applied to

all organizations be it business organization, churches, not-for-profit organizations. Also, the study brings to light financial control practices in the management of Ho-West Senior High Schools. This will go a long way to help policy makers to devise ways to improve the use of public sector resources. The study also becomes an input for policy makers and a source of valuable document for students, analyst and other fellow researchers who want to conduct similar study into financial control practices.

Delimitation

The study was limited to Ho-West Senior High Schools, including 8 institutions. It centered on adherence to Internal Control and Financial Management bestPractices put in place to check fraud, misappropriation of funds and compliance to procurement procedures and financial regulations in the senior High Schools in the District.

Limitation

This study has some uncontrollable impediments to be undertaken. These range from difficulties in trying to compile adequate materials for this work to the hurdles in getting the right information. There was inadequate funds to meet transport needs to cover all schools and the data gathering has its fair contribution to the problem. The cost of logistics and the limited time frame for the research are all issues to grapple with and the materials to consult for the research are not easy to come by.

Definition of Terms

Public sector

It is the part of the economy which is principally dominated by the activities of government and its entities (Ekow, 2003). According to (Krah, 2012), Public Sector is the aggregation of all the aspects of the economy under the direct management of the central government through the Ministries, Departments and Agencies and Metropolitan, Municipal and District Assemblies, and even numerous Commissions formed by government.

Audits and Investigation

According to Addo and Yiadom (2004), an Audit is the independent examination of Financial Statements in such detail as will enable the investigator to form an opinion as to their truth and fairness. The audit is carried out by a neutral expert or body in order to enhance the confidence of the stakeholder.

Internal Audit Agency -IAA

The IAA was established by the Internal Audit Agency Act, 2003 (Act 658) with a mandate to ensure professional internal audit practices in the Ministries, Departments and Agencies (MDAs) and in the Metropolitan, Municipal and District Assemblies (MMDAs).

Budget

A budget is a plan that outlines where to get money from and what to spend it on.

Budgetary Control

Budgetary control is “the establishment of budgets relating the responsibilities of executives to the requirements of a policy and the continuous comparison of actual with budgeted results, either to secure by individual actions, the objectives of that policy or to provide a basis for its revision” (ICMA).

School Audit

School audit is carried out to ensure adherence to formerly submitted budgets.

Safeguarding assets

The meaning of “safeguarding of assets” depends upon the context it is used. At the statutory compliance level, it may focus on complying with the terms of the state Acts and may be Stock Market or Securities and Exchange Commission and or generally accounting procedures and regulations. At the corporate governance level, the focus must broaden to consider implications and accountability to all stakeholders, both internal and external to the corporation. At the general business risk-management level, safeguarding must integrate the full spectrum of corporate, financial, and operational issues relevant to asset management.

Collusion:

Control systems can be circumvented by employee collusion. Individuals acting collectively can alter financial data or other management information in a manner that cannot be identified by control systems.

Honesty

Honesty is demanded everywhere; be it in charge of someone's work or even your own work. In the right sense of the term, anything short of uprightness, morality, trustworthiness, goodness, scrupulousness, decency, rectitude, righteousness, fairness, reliability, honor, among others is a mark of dishonesty. There are various forms of dishonesty that worth listing:

Lying

Saying something false to someone who is entitled to know the truth. It includes misrepresenting or distorting or exaggerating fact in order to mislead.

Slander

Uttering false and malicious statements that injure a person's reputation.

Fraud

Inducing someone to part with money or property on false pretences.

Stealing

Taking property from a person without permission.

Organization of the Study

The research has been structurally and successfully arranged from one chapter to the other. The study is basically divided into five (5) chapters. Chapter one comprises Background of the Study, Statement of the Problem, Objectives of the Study, Research Questions, Significance of the Study,

Delimitation, Limitation, Terms and variables and lastly Organization of the Study. Chapter two deals with Review of the related Literature; under which the study looks at theoretical reviews, empirical review and theoretical and conceptual framework. Chapter three also deals with the various research methods which were employed in carrying out the study. Chapter four presents the analysis and discussion of findings. Lastly, Chapter five also contains summary, conclusion and recommendation of the study.

CHAPTER TWO

LITERATURE REVIEW

Introduction

A whopping amount of moneys are going down the drain due to disobedience to the financial rules and laws, and the main trash of this research is to assess the financial control practices prevailing in the Senior High Institutions. This chapter discusses the main theories which underlie the study. It also does the empirical reviews of the work of the leaders in the business and tries to compare and contrast their work in the field of financial control practices. The chapter also dwells on theoretical and conceptual framework to make the study more pictorial. Deductions from the previous work of others and the highlight on research gaps are also done in between the paragraphs.

Theoretical review

Agency Theory

Agency Theory describes firms as necessary structures to maintain contracts, and through firms, it is possible to exercise control which minimizes opportunistic behavior of agents. Accordingly, Barlie and Means (1932) posit that in order to harmonize the interests of the agent and the principal, a comprehensive contract is written to address the interest of both the agent and the principal. They further explain that the relationship is further strengthened by the principal employing an expert to monitor the agent. This position is also supported by Coarse (1937) who maintains that the contract provides for conflict resolution between the agent and principal, the principal determines

the work and agent undertakes the work. He however, states that the principal suffers shirking which deprives him or her from benefiting from the work of the agent.

Nevertheless, the theory recognizes the incomplete information about the relationship, interests or work performance of the agent described as adverse selection and moral hazard. Coarse (1937) explains that moral hazard and adverse selection affects the output of the agent in two ways; not doing exactly what the agent is appointed to do, and not possessing the requisite knowledge about what should be done. This therefore, affects the overall performance of the relationship as well as the benefits of the principal in form of cash residual.

Fiduciary Theory

Although pleadings alleging breaches of fiduciary duty are now commonplace, fiduciary law has been characterized as one of the least understood of all legal constructs (Leonard, 2011).

Fiduciary law is rather simple to describe a person, relationship, or obligation as fiduciary (Boston University Law Review, 2011). Frankfurter (2001) wrote to say that a man is a fiduciary only begins the analysis it gives direction to further inquiry. To whom is he a fiduciary? What obligations does he owe as a fiduciary? In what respect has he failed to discharge these obligations? And what are the consequences of his deviation from duty?

In *Lefebvre vs. Gardiner* where Huddart was quoted as saying “a review of the substantial jurisprudence to which council referred me suggests that the court will recognized a fiduciary relationship when it sees one although it may not be able to say why and it may not even call it that.”Gillese

(2011) has characterized the problem of defining fiduciary law in a comparable fashion, stating that “although we could not define ‘the beast,’ we could recognize one when we saw it so lack of a definition was not a problem”

Leonard (2011) quoted Frankfurter as saying, One early, lamentable attempt may be observed in *In re West of England & South Wales District Bank, ex parte Dale & Co.*, where Fry stated, in response to his question “what is a fiduciary relationship?”, “that is one in respect of which if a wrong arise, the same remedy exists against the wrong-doer on behalf of the principal as would exist against a trustee on behalf of the cestuique trust”.

In *DHL International (NZ) Ltd v. Richmond Ltd* Richardson states: The fiduciary duty arises where one party to the relationship (A) is reasonably entitled to expect of the other (B) that B will act in the interest of A; not in the interest of B or a third party and not merely having regard to A’s interests. Under the fiduciary standard the fiduciary must act solely and selflessly in the interest of the beneficiary. This is a similar proposition to that of Agency Theory this study dwelled on in the earlier paragraphs.

However, Leonard (2011) quoted Wilson in *Frame v. Smith* as saying relationships in which fiduciary obligation have been imposed seem to possess three general characteristics: first, the fiduciary has scope for the exercise of some discretion or power, secondly, the fiduciary can unilaterally exercise that power or discretion so as to affect the beneficiary’s legal or practical interests and thirdly, the beneficiary is peculiarly vulnerable to or at the mercy of the fiduciary holding the discretion or power.

It is abundantly clear that fiduciary law accomplishes task by imposing strict duties on fiduciaries, including, as indicated previously, requiring

fiduciaries to act selflessly and in the best interest of their beneficiaries. As a result, fiduciaries may not benefit themselves or third parties at the expense of their beneficiaries' interest that are tangibly related to the fiduciary nature of the parties' interaction, as expressed by the fiduciary rules against conflicts, according to Leonard (2011).

It is enough to say here that when one is entrusted with resources to perform specific functions, that person is under oath to observe utmost good faith in executing his or her duties. All the aforementioned arguments pointed out the fact that, the officers of public sector institutions are under obligation to abide by certain fundamental behaviours. Many scandals experience today in our business organizations are due to lack of the recognition that the accountable persons are under fiduciary duties to deliver to an amount of expectation. This being the case, the laws are so weak to frown on such behaviours where there is total disregard to the very controls and regulations put in place to ensure judicious use of the limited resources. According to the Auditors General Report in his report on the Public Account of Ghana for (2013) said millions of Ghana Cedis that should have been used by the Government of Ghana to finance infrastructure and other government projects have been embezzled in the public sector. That, although several contractors engaged by the government have not been paid since October 2012, because of lack of funds.

In the same vein, there are numerous controls and regulations as laid down in the public sector to follow to simply ensure value for money. In fiduciary principle, the fiduciary is to work close to the dictates of such control mechanisms and administration acts. However, the power conferred on the

fiduciary to exercise discretion power does not tantamount a breach of fiduciary duty or non-adherence to those procedures. The people who are in charge of the administration and governance of public sector resources are in agent- principal relationship and they ought to behave to the best interest of the principal.

In furtherance, the prevailing view of fiduciary holds that fiduciary law is atomistic, arising for varied reasons in a established categories of cases such as trustee- beneficiary, director- shareholder and ad hoc in relationship where one person trusts another and become vulnerable to harm as a result (Clark, 2002). He posits that, by contrast, the critical source of fiduciary of fiduciary duty maintains that in all relationship designated as “fiduciary” conforms to the under listed pattern: one party known as fiduciary acts on behalf of another party also known as the beneficiary. That, the primary purpose of the law of fiduciary duty is to combat opportunism within relationships that fit the above pattern. Clark further concluded that granted that the relationship is properly formed, the beneficiary initially protect against opportunism through self-help denying or threatening to deny the fiduciary access to the critical resource that is an essential platform for opportunistic behavior. This postulation is in line with critical resource theory which aids the courts to differentiate fiduciary relationships from those that harm is caused merely by misplaced trust.

Trait Theory

To err is human, but nobody cares why to err is human. According to Kendra (2014), the building block of who we are, the tumbling gears that make us do what we do, often seem as difficult to understand in this tumultuous world. What makes do what people do? Why they do it? The

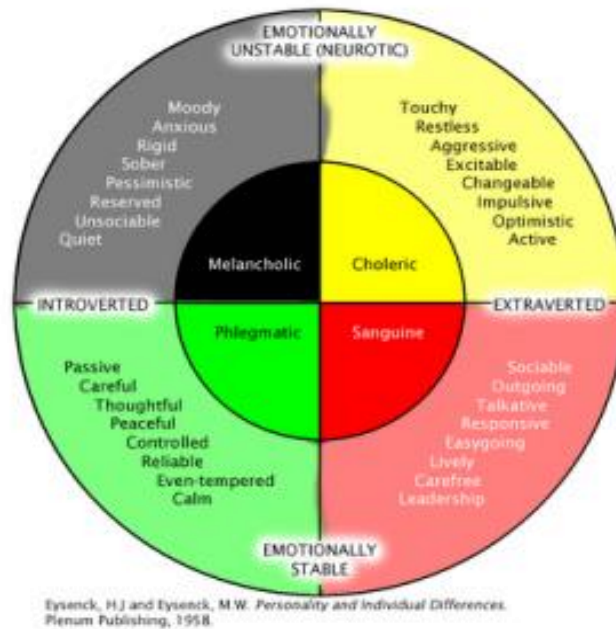
damage and the extent of it are probably ignored by many. No wonder, personality is a relatively new sub-discipline within the field of psychology.

Allport (1936) postulates that Trait Theory is the study of human personality that identifies and measure the degree to which certain personality traits- recurring patterns of thought and behavior, such as anxiousness, shyness, openness to new things, exist from individual to individual. There are other equally similar theories such as psychoanalytic theories that focus on interaction or conflict between personality components, type theories that categorized people into different personality buckets.

But this study concentrates on the trait theory to unearth the reason why the some managers of the public sector resources observe rules and try to mitigate their liability and why some dare to test the waters and do their own will despite the clear cut laid down rules to adhere to?

Figure 1

The personality traits possessed by individuals making them the way they behave



Source: Klein Trait Theory (2014).

Allport (1936) went through a dictionary and picked out more than 4,000 words that describe the human personality. While these would make up the greater toolbox of Allport's trait theory, he was able to group them into three main categories, and believed that only a few traits really define who we are (Kendra, 2014). She posits that, Allport called these defining traits, Central Traits, a small number of traits that together dominate a person's behaviour. Kendra admitted that these traits share the makeup of a personality, and can be descriptions like shy, intelligent or honest. Allport (1936), as quoted in Klein (2014) maintains that coming in at a less influential level are Secondary Traits. These are aspects of a personality that may be situational, or of limited importance, such as disliking being in closed spaces or crowds.

Finally, Allport theorized according to Klein (2014), that occasionally, but notably, one central trait will emerge as a dominant force in a personality. Allport called this Cardinal Trait, which becomes a person's defining personality trait that overshadows all others.

Another dimension of Trait Theory worth a discourse is the one summarized by Catell (1940). In 1940, Catell boiled Trait Theory down to something more manageable (Klein, 2014). She posits that, Catell listed and combined similar traits and eliminated those that seem unnecessary or very rare, and arrived at 171 characteristics as opposed to her predecessor, Allport who had 4,000. She therefore ran these characteristics through the factor analysis method to determine which of the traits were closely related and in sample group of people, hence arriving at only 16 main influential personality traits that Catell determined defined peoples' personality such as warmth, dominance, and apprehension which he agreed that people's personalities are determined by the degree to which each is present. The 16 personality traits that defined who we are as identified by Catell are: (1) Warmth (2) Reasoning (3) Emotional Stability (4) Dominance (5) Liveliness (6) Rule-Consciousness (7) Social Boldness (8) Sensitivity (9) Vigilance (10) Abstractedness (11) Privatness (12) Apprehensiveness (13) Openness to change (14) Self-Reliance (15) Perfectionism and (16); Tension Klein (2014).

Another influential scholar in trait theory is Eysenk (1940), a British Psychologist. He developed a model of personality based upon three universal traits as opposed to the above authors as follows:

Introversion-Extraversion: classified people as introvert, those who directs focus on inner world, or extravert, those who gives more attention to other people and his or her environment.

Neuroticism-Emotional Stability: is synonymous to moodiness versus even-temperedness, where in a neurotic person is inclined to having changing emotions from time to time, while an emotionally stable person tends to maintain a constant mood or emotion.

Psychoticism: this dimension refers to the finding it hard to deal with reality. A psychotic person may be considered hostile, manipulative, anti-social and non-empathetic (Klein, 2014).

The Big Five Factor Theory expatiated on the above existing theories through a thorough research which harmonized the Catell's&Eysenk's personality traits theories. This formulated Big Five theory model which states that there are 5 core traits which collaborate in order to form a single personality. These are made up of:

Extraversion; which explain the tendency to be active, sociable, person-oriented, talkative, optimistic, empathetic, among others.

Openness to Experience; which is also the tendency to be imaginative, curious, creative and may have unconventional beliefs and values.

Agreeableness; that also includes the tendency to be good-natured, kind-hearted, helpful, altruistic, and trusting.

Consciousness; involve the tendency to be hardworking, reliable, ambitious, punctual and self-directed.

Neuroticism; also the tendency to become emotionally unstable and may even develop psychological distress.

Trait theory suggests that individual personalities are composed of these broad above listed dispositions, which mainly focus on differences between individuals. This makes us to understand that a uniqueness of each individual is as a result of the combination and interaction of various traits forms of a personality.

Universally, Many agree that people can be described based upon their traits. Theorists unceasingly continue to debate the number of basic traits that make up human personality. Others also share quit a different view to say that, most common criticism of trait theory center on the fact that traits are often poor predictors of behavior. Another problem noted is that trait theories do not fully address how or why individual differences in personality develop or emerge.

In summary, according to Klein (2014) trait theory is considered a solid, objective tool for evaluating a personality, and over time its practitioners have developed quit sophisticated methods for getting good measurements of the key traits. The main tool for assessing the strength of a person's character traits is through self- reporting. Often, self-reporting can be extremely murky, as people are generally not the best interpreters of their own behaviours. Luckily, psychologists have developed tests with hundreds of questions that

have proven through research to be quite reliable at teasing out accurate personality assessments.

According to Morris and Carleton (1982), financial management experts identified the multiple and conflicting goal dimensions pose considerable problems in terms of an explicit modeling of a corporate objective function. They recognized the fact that beyond the intellectual difficulties, moreover, there are political dimensions which cause a reluctance to address an objective function explicitly and directly.

So far, at present, the research reported in this survey paper reveals that the finance model is incomplete, particularly with regard to inclusion of behavioural and political dimensions of organizational process under uncertainty.

Empirical Review

The Sarbanes-Oxley Act of 2002 (SOX)

In the recent past, many scandals have affected the accounting profession especially between 2001 and 2002 (Leslie, 20013). Many professionals in the field of accounting fear that the adverse effects caused by these scandals were too huge and as such surpassed the existing regulatory framework. This is why in July 2002, the Sarbines-Oxley Protection Act, commonly referred to as SOX Act, was ratified in order to transform the accounting profession (Klein, 2003).

Sarbox Sarbanes Oxley (SOX) Act was passed after the WorldCom and Tyco International diminished public trust in the U.S. corporations and it was designed to increase corporate accountability. The Sarbox Sarbanes –

Oxley (SOX) and Public Company Accounting Reform and Investor Protection Acts of 2002 were created setting forth the infrastructure for reporting requirements that companies and executive boards must follow. It requires companies to report on the effectiveness of their internal controls over financial reporting as part of an overall effort to reduce fraud and restore integrity to the financial reporting process.

This Act of SOX undoubtedly is one of the most popular frameworks in the history of America and affects security issues. Klein (2003) admittedly said that despite the fact that there are no doubts or controversies with regards to the main purpose of the legislation, the act has provoked many debates concerning how effective it will be upon its implementation.

Despite this assertion, decades after the implementation of the act, the act has changed the terrain of accounting profession in copious ways. Enumerated are due to SOX legislation, auditing committees in America have gained more autonomy and internal controls have become more effective, just to mention but few.

According to Klein et al (2003), the SOX Act came into force as a means of responding to high corporate scandals. The Act outlines aspect of business control as well as accounting guidelines and concepts and despite the fact that in most cases, the Act is designed only directly applicable in publicly traded companies; most of the ideas within the Act can in due course be applied to private entities as well. According to Leslie (2013) the SOX Act reveals criminal and civil penalties for securities violations as well as considerable longer jail terms and bigger fines for any corporate executives who expressly and intentionally misstate financial statements. The Act also

require the preparation of independent and annual audit reports by all public companies with regards to existence and condition of internal controls in the financial reporting sector.

In furtherance, the Act according to Leslie et al, wants companies to have an internal audit function, which is approved by external auditors. It also provides auditors with independence and autonomy and further demands the disclosure of any information and evidence requested at any time that involves significant transactions and how they are opened, approved, supported, administered and reported. According to them the Act supports the collection of ample data and information flow with regards to particular transactions in order to identify where material misstatements due to inaccuracy or fraud could arise, and generate information and other operations or controls that are internally aimed at averting or identifying fraud, including persons who execute the controls and divides as well as regulates the duties. The essence of this Act lies in its scope and material shift it spells out in the balance of centralized and governmental control over corporations. The rules governing corporate governance and business practices offered by SOX according to Leslie (2003) have seen a paradigm shift their redesigning.

The Act according to Allen & Ennis (2003) as quoted in Felicia (2013): the Act offers pertinent reforms that are intended to enhance performance and re-establish assurance within the accounting career; it further steered the end of self-regulation of the accounting profession in as far as the audit of public companies was concerned; necessitates that companies ought to establish stronger internal controls and also sets new demands for the CEO and CFOs of public companies and these includes compelling business managers to

personally pledge to release truthful quarterly and annual financial report of their companies. The Act according to them catapult the need for executives to only document the internal control environment within the company, but also to ascertain that the controls enforced are working effectively through adherence and at the same time ensure the proper mitigation of business risks. The SOX law also broadens the scope of independence and autonomy for board's audit committees (Bloomenthal, 2002). Section 404 of the SOX Act also requires managers in any organization to submit a report regarding the effectiveness of the internal control of their organization (Krishma, 2008).

Impact of the SOX Act

Without doubt, majority of the companies have recognized almost every aspect of their accounting committees and boards with the aim of meeting the demands of the new laws and standards for management set by the Act. The newborn legislation demands the total autonomy of directors of the boards such that they are the only ones responsible for nominations, accounting, auditing, and compensation as well as governance (Peary, 2013).

In a sharp contrast, the disclosure requirements stipulated in the new listing standards affect independence standards and determinations (Krishma, 2008). Similarly, the Commission further adopted new disclosure requirements regarding the process of nominating committees and shareholder communications with directors in November 2003 (Peary, 2013). He posits that the implication of this movement that companies will have to consider certain criteria in their evaluation of disclosure and this will need to meet both new requirements and those imposed by the recent listing standards.

However, this study recognizes the contribution of the SOX Act, in that, it has addressed many issues ranging from internal controls, responsibilities of managers, corporate governance issues, just to mention but few. For instance the Act has made it to perceive internal audit as one of the important tools for carrying assessment with regard to the usefulness of internal control systems (Tysiac, 2012).

But the main trash of this study is to investigate why there is existence of numerous legislations and as well as a well-acclaimed effective control mechanisms which are stated in black and white and yet the scandals and mismanagements that characterize the public sector governance of the resources are very dramatic over the years? This research paper seeks to delve into rather what makes those put in charge of public resources do not adhere to the laid down rules, legislations, and controls put in place to protect the resources to the best interest of the state. The SOX Act could not explain why the non-compliance, by touching on the psychological and behavioural aspect of the mangers of the public sector resources and why people behave the way they do. It is this gap this research wants to fill by investigating into: assessment of the adherence to the regulations and controls by management of the public sector organizations, examine the factors that serve as impediment to compliance of the regulations and controls by the directors of the public institutions and finally, analyze the traits and qualifications of the management who are to implement the regulations and the controls put in place. The fear of this study is that, human beings continuously appear to be sophisticated and technology has applauded the situation. This research paper beliefs that, this is the way to go because how stringent a law may be it can be defeated as many

examples pointed to this fact. If the existing laws are inadequate, that is another topic for a debate. In the view of this paper, going contrary to the provisions of a legislative framework constitutes illegality punishable by law. But what makes people to commit this illegality? To the view of this paper, if care is not taken to investigate into why people do what they do, and why others behave in acceptable way and others are not, then the world must be prepared for millions of acts to replace the SOX Act and other fine ones. There is total lack of the behavioural aspects of the existing numerous legislations. This paper however recognized modifications to our legislations to cater for the change or to meet the exigencies of the time though.

In another development, Akyaa (2011), stated the problem, and continued that control of the financial decisions covering the organization, method, process and internal audit established by the administration in order to ensure that the activities are efficient manner in compliance with the purpose of the administration and determined policies and the legislation, the assets and resources are protected, accounting records are kept in an accurate and complete manner and financial and management information is produced in line and in a reliable manner. She argued, as stated in (Public Financial Management and Control Ex-ante Financial Control), that, control of the financial and transactions of the public institutions related to the revenue, expenditure, assets, and liabilities concerning their compliance with the budget, budget items, available applicable amount, expenditure programme, financing programme of the administration, to central government budget and other financial legislation provisions and in terms of the utilization of the resources in an effective economic and efficient manner. She posits that the

day to day purpose of the institution's financial management is to meet current and future operating needs. It involves the management of financial resources, including accounting and financial reporting budgeting; collecting accounts receivables risk management and insurance for the business. According to Oduro (2009) as quoted in Akyaa (2011) professionals have outlined four basic purpose of public Sector Accounting to include: (a) it serves as basis for planning and control (b) it serves as basis for decision making (c) it shows sources of government revenues and (d) it shows how the items of government expenditure will be financed. She further gives an exposition of what internal control system or procedure entails in business and the need to receive and evaluate it for organizational efficiency through the application of organizational resources so as to ensure smooth running of various second cycle institutions.

The Committee of Sponsoring Organization (COSO) of Treadway Commission as quoted in Akyaa (2011) and Hlodzedor (2016) as stated by Whittington &Pany (2004) emphasizes that internal control is a process or a means to an end and not an end in itself. According to COSO, an internal control is a process, affected by the entity's board of directors, management and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following:

- Reliability of financial reporting
- Effectiveness and efficiency of operations
- Compliance with applicable laws and regulations.

Akyaa maintained that COSO was established to find a common definition for internal control and provide standards for its assessment. She quoted (Whittington & Pany, 2004) and Rittenberg (2001) as defining internal control as “ a process, effected by an entity board of directors, management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives.

Akyaa wrote: “internal control is not one event or circumstances, but a series of actions that permeate an entity’s activities. These actions occur throughout an entity’s operations on an ongoing basis. They are pervasive and inherent in the way management runs the organization. Internal control is therefore different from the perspective of some observers who view it as something added on to entity’s activities or as a necessary burden. The internal control system is intertwined with an entity’s activities and is most effective when it is built into the entity’s infrastructure and is integral part of the essence of the organization”.

The above literature focused on the definitions of internal controls and their benefits. It would have done a little good to enumerate the vast array of controls and legislations we have had from independence and define all of them and state their benefits. This study believes that there is a complete dislocation between the objectives and what has actually been worked on. Akyaa (2011) quoted Domelevo (2006), that, today strong financial management in the public sector is not a luxury but a necessity. In an era of increased accountability and transparency in government, the stakeholders are demanding more effective use of public resources.

This paper argues that, there are a number of controls and legislations even procedures to protect the resources of the organizations. There are legislations that are old as Metusala. The managers of the public sector resources are also aware of the existence of those laws. According to the Auditors General Report (2013), Ghana is losing millions of Cedis, stating that, in 2011, Ghana lost a whopping GH¢173,174,541 because of financial irregularities alone. Are the people concerned not aware of the laws governing their operations? Are they not having the laws to consult and do what is expected of them? This paper argues that, there is something behind the compliance issues more than the inadequacies in financial rules and laws and it is exactly that this research seeks to find out. Unlike the reference piece by Akyaa (2011), this paper aims at testing why the non-compliance but not the assessment of existence and adequacy of the controls. The paper believes there can be enough and adequate legislations and someone can well be familiar with the contents of those legislations which are stated in black and white but still flout it. The reason behind the non-adherence is the aim of this paper.

Also, another topic worth intellectual discourse is Maimako (2005), who focused on the role of financial control institutions in promoting financial accountability in the public sector at the University of Jos, Nigeria. In his work, he stressed the importance of good financial management in achieving the objectives of government has not lost its relevance, saying that is why financial accountability of most countries is enshrined in the Constitution to facilitate the discharge of financial accountability.

In view of the enormous responsibilities placed on government for the welfare of its citizens, the public sector needs a lot of resources. Maimako

(2005) in his argument recognized that in pursuit of trying to have enough or at least protect the existing resources, government needs to put up a framework for the management and control of the public purse. He quoted Lucey (1996) that control is concern “with the efficient use of resources to achieve a previously determined objective, or set of objectives, contained within a plan.” Similarly, he posits in his record that, Koontz, Donnel and Wiehrick (1980) define control as the measurement and correcting of activities of subordinates to assure that events conform to plans. Maimako inferred from the definitions above stating that public finance not just deal with the ways government raises money, but also the manner such money is expended with the aim of achieving economic growth. He further reiterated the point that, there are formal and informal institutions of financial control over public revenue and expenditure.

However, this research recognizes that fact that, global practice shows that power over finance is shared between the Executive and the legislative and in some cases with an independent body designated by the government. Thebid to put in place a framework for the management and control of the public resources has become a normal formality. The emergence of new legislations or their modifications means the existing ones cannot stand the test of time. This paper hopes that changing legislation or merely replacing them may not necessarily solve the myriad of financial management problems faced today. Something fundamental must be done as this piece beliefs, at times, nothing is wrong with the existing framework. Constantly changing laws is not right though change is inevitable. The aim of his research paper is not how to raise money, but the roles of institutions to ensuring and promoting

financial prudence and accountability. Maimako (2005) also mentioned formal and informal institutions having control over public expenditure. The aim of this research exclusively covered public institutions and public funds. Any informal institutions and any unofficial funds are not in the jurisdiction of this research and as such treats them as illegalities. This is because there cannot be mention of public revenue and expenditure in connection with informal institutions. Definitely, under normal circumstances, government cannot borrow from a hair dresser in a kiosk.

To add, Wachira Wakiriba and Ngahu in their work on effects of financial controls on financial management in Kenya's Public sector, in Mirangine Sub-County of Nyandarua County, Kenya (2014), quoted Padilla et al (2012) that, in their study on financial sustainability for non-profit organizations such as the government establishments, effective financial management practices is essential in enhancing transparency, efficiency, accuracy, accountability which enable an organization to achieve its objectives. They maintain, as pointed out by Hendricks (2008), financial management should include keeping an accurate record of all financial transactions, linking the budget to the firm's strategic and operational plans. In their view, financial management further demands that management accounts ought to be produced in order for the managers to compare their organization's progress against the budget and then make decisions about the future.

More so, Wachira et al (2014) support the view that, financial management stipulates that there should be internal controls or checks and balances in place with the object of safeguarding the organization's assets and also to manage risk. They recommend that, there should be an audit committee

or auditor that assists in ensuring the quality and reliability of the financial information employed.

Notwithstanding the role of financial management, there are a number of factors that encourage financial corruptions in the public sector which Wachira et tal (2014) could not bring to bear. That is exactly what this research paper wants to unfold. Jajo (2005) asserts that control activities can be classified as authorization, record keeping, segregation of duties and reconciliations. He posits that these controls depend on the activity under consideration. Hubbard (2003) also argues that the activities need specific knowledge to determine what controls should be put in place. This paper maintains that, there are fine policies and yet the public sector experiences great lost of resources, and therefore the cure to this canker is not only developing good financial models. It goes on to argue that, every control needs to be implemented. As pointed out by Hubbard (2003), specific knowledge is needed to determine what control measure to be put in place.

According to Allis (2004), financial resource is considered as an important resource to many institutions and establishments. This paper wants to research and investigate into why the people in charge of the administration of these public resources do not comply and flout the fine and many frameworks instituted to protect the resources. This is because sometimes, according to Rosen &Gayer (2010), important resources are mismanaged and misappropriated by the very people put in charge. There is the need to actually look into why the laws are good, the people may be qualified, but there is mismanagement. This paper sees this as a gap to fill because, according to Prowle (2010) public sector organizations deal with large amount of public

funds and operate in a large political environment, thereby necessitating a need for a high degree of confidence in the way in which their financial affairs are being conducted.

The Auditor General's Report

On November 3, 2013, the Insight Newspaper quoted Auditor General weeps for Ghana. The ugly practices of the managers of the public sector resources actually befit the headline. In the report of the Auditor General, millions of Ghana Cedis that should have been used by the Government of Ghana to finance infrastructure and other governmental projects have been embezzled in the public sector. The paper quoted the report that several contractors engaged by the Government have not been paid since October 2012, because of lack of funds. According to the report, the Auditor –General has catalogued massive amounts of state funds that have either been stolen, or made untraceable.

The Auditor expressed grave frustration about the fact that those who embezzle state funds are left to go scot-free. The Auditor states in paragraph 24 of 2011 report: “The cataloguing of financial irregularities in my Report on MDAs and other Agencies has become an annual ritual that seems to have no effect because affected MDAs are not seen to be taking any effective action to address the basic problems of lack of monitoring and supervision and non-adherence to legislation put in place to provide effective financial management of the public resources”.

The Auditor General's Report (2012) stated that, in the 2011 financial year alone, Ghana lost a whopping GH¢173,174,541 because of financial

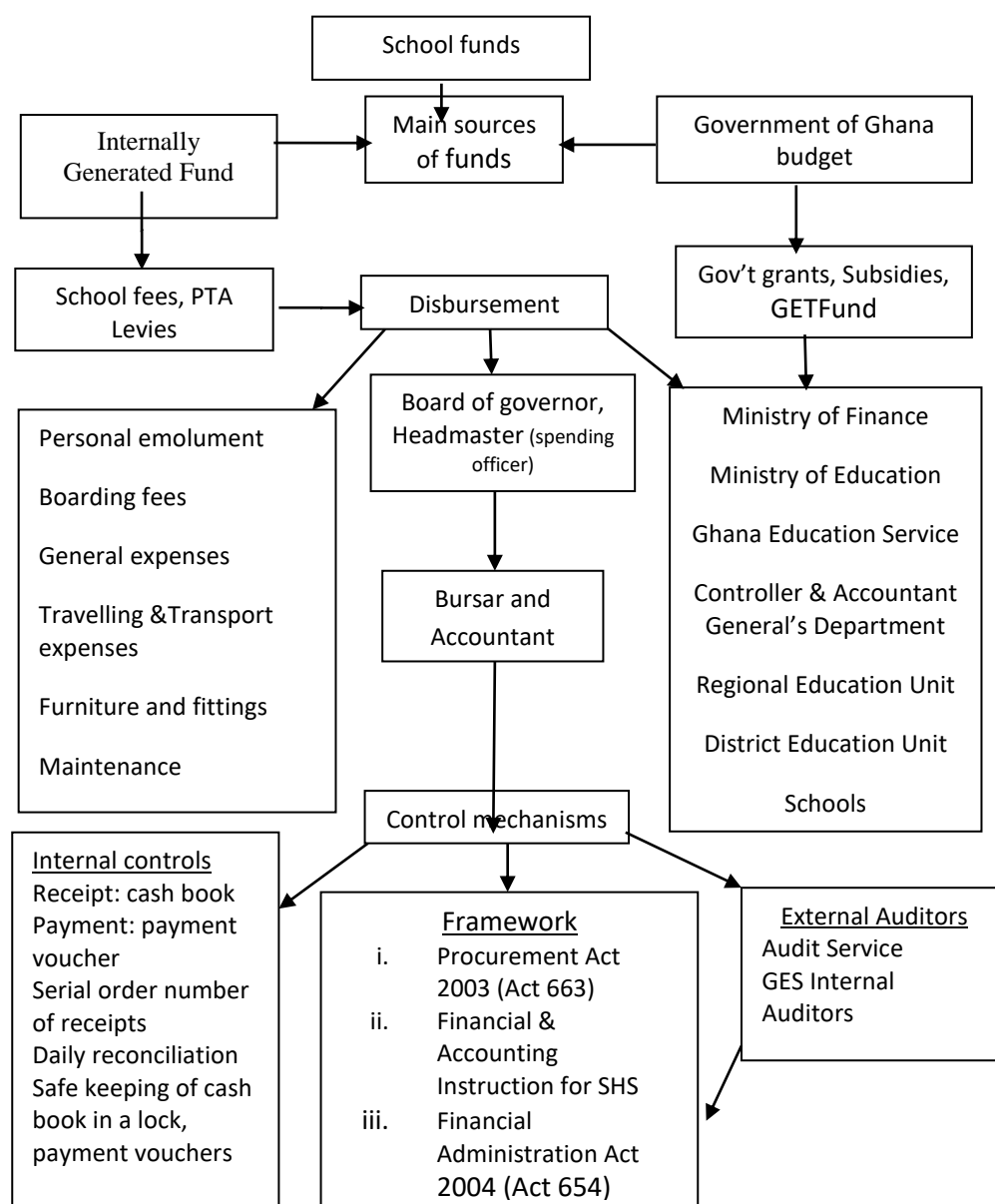
irregularities. The report however disclosed that this amount does not include losses arising out of inefficiencies, maladministration, poor cash management practices and sheer incompetence on the part of public officers, tax irregularities, un-authorized payment, and non-availability of adequate records on the revenues collected, resulting in failure to pay revenue collected into the Consolidated Fund.

The report also covered many instances of inadequate controls over administration of procurement, payroll and contracts. The Auditor –General for a example questioned Controller and Accountant General Department on GH¢20.9m paid to an IT Consulting Company because due process was not adhere to. It was reported that in the Internal Revenue Service, various taxes due for payment to IRS/CEPS&VAT divisions under the Ghana Revenue Authority, remained uncollected during the period reported on stood as GH¢52,807,322.72. The report added that cash irregularities caused in some 15 Ministries resulted in the loss of GH¢33.9m. According to the report as quoted in Insight Newspaper (2013), the incidence of cash irregularities was more pronounced in the following Ministries: Justice and Attorney General GH¢(16,375,045.05); Health (GH¢ 12,089,459.63); Education (GH¢ 2,621,482.63); MoFEP (GH¢2,004,238.00); Employment and Social Welfare (GH¢276,723.53); Youth and Sports (GH¢237,864.70); Defense (GH¢81,039.61) and other Agencies (GH¢84,758.12). The report revealed other losses such as: procurement irregularities (GH¢780,027.67); Outstanding loans (GH¢5,709,276.16) Payroll overpayments (GH¢1,021,062.77) and Contract irregularities (GH¢24,946,637.32). This paper believes that, there is something fundamentally wrong but not the deficiencies or inadequate

financial legislative framework. The Chapter 13 of the Constitution of Ghana makes supreme and broad provisions on the public financial management in Ghana. The study however probes into the extent of non-compliance, the factors that make compliance difficult and the personality traits of the executives of the public sector organizations.

Figure 2

Theoretical and Conceptual Framework



Source: Author's Construct, 2016 {Adapted from FAA, 2003, FAR, 2004, PPA, 2003}.

The disbursement of funds are executed through the Ministry of Education from the Ministry of Finance to Ghana Education Service, Regional Education Office through the Controller and Accountant General's Department and then to the various Banks and finally to the schools for use on school activities. The annual estimates of the second cycle institutions in respect of recurrent expenditures are incorporated in the estimates of the Regional Offices of the Ghana Education Service. The funds are then reimbursed to the institutions from the Regional Education Office usually on quarterly basis (Auditors General's Report, 2011). Before the funds are released to the various institutions, they need to submit to the Ministry of Finance detailed estimates of income and expenditure for the coming year. According to Section 26 of the Financial Administration Act, draft estimates, supported by Establishment schedules, Justification, Memorandum and the relevant Board of Governors' resolution approving the Estimate shall be submitted in duplicate to the Ministry of Education in Accra with copies to the appropriate Regional Education Office and the Auditor –General, Accra within the time specified by the Ministry.

This chapter however looked at the main theories that put the study into perspective. It discussed the theories underlying the topic and also reviewed the related work of others to set the tone and lay the foundation and also brings a clear distinction for this research.

CHAPTER THREE

RESEARCH METHODS

Introduction

This chapter is the research methods chapter. The main objective of this study is to investigate the financial control practices in some selected Senior High Schools. The chapter describes the methods and the tools employed by the researcher in collecting data for this work and how objectives were investigated to ascertain the financial control practices in the Senior High Schools in Ho-West. It covered the research design, study population, sample, data collection instruments, ethical considerations, setting and the participants, pilot study, instrumentation, study procedure, sources of primary and secondary data, and data analysis. Reliability and validity of data, data analysis procedures and finally the conclusion. It also describes in detail the methods the researcher employed for the collection of data and the various ways used in analyzing the data as well as sample size used.

Research design

This study is composed of mixed approach in its analysis. Other approaches are not considered because they do not vividly meet the needs of the study. This study adopted descriptive research design because such a design allows simultaneous description of views, perceptions and beliefs of the respondents. This design enables the study into the financial control practices in Senior High Schools in Ho West District.

Study Area

The study area, for the purpose of this study covered the Ho-West District which is one of the newly created but renowned districts in the Volta Region of Ghana with over 45 towns and villages with the Dzolokpuita as the district capital. It has a total land area of (783) square kilometers, with a total population of 95,145 people according to the 2000 Population and Housing Census Report. It is 25 kilometers from Ho Municipality, and about 25 minutes drive from Ho. Some major towns are Kpedze, Akome, Tsito, Dzolo, Abutia, Amedzofe, Anyrawase, and Anfoe. The study uses a population of 70 participants from which the researcher strives for .8 certainty that an existing effect is found in the sample.

Population and Sample

Ho-West District is a newly created district under NDC Government in 2012. There are eight (8) Senior High Schools in this study area. The target population of the study consists of the Headmaster, Assistant Headmaster, Senior Accountant or the Bursar, the Account Clerks, totaling seventy respondents (70). The breakdown is as follows: the Headmaster (8), Assistant Headmasters (12), Senior Accountants or Bursar (10), Other Accountants (40).

Sampling Procedure

The instruments and other materials needed for the research were readied in safe place. A letter was written to the heads of the institutions to seek their consent for the exercise. Great deals of ethical issues were considered. Verbal explanation was also carried out to allay their fear that, the

any information obtained from them would be treated with utmost confidentiality, and also assuring them that there is no risk whatsoever involved in the exercise.

Data Collection Instruments

The study uses both quantitative and qualitative methods in its analysis. The questionnaire used to collect the data is researcher made and it does not based on any exiting instrument. The researcher developed the format of the questionnaire and generates an array of orchestrated questions for the respondents to answer. The questionnaire is designed vis-à-vis the objectives of the study. A pilot study was conducted to test the authenticity and validity of the instrument.

Pilot study

This study undertakes a pilot study to actually validate the effectiveness of the instruments such as the questionnaire, and the value of the questions to elicit the right information to answer the primary questions. The researcher developed data collection procedures and decides on the characteristics of the sample. The study uses the respondents who are above two years old in their respective schools.

Ethical considerations

Special arrangement was done not to disrupt the academic period of time for various schools, so ample time was given to the participants to respond to the questionnaire. This was factored in during the planning, conducting and evaluation of work. The researcher did not force anybody to

respond to the questionnaire as care was taken to explain to them the purpose of the study and a clear statement was made with respect to maintenance of confidentiality of the data recovered at all times, and identification of the participants would be unavailable during or after this study.

Sample Size and Sampling Technique

Census sampling was used to select the ample size where every member of the target population participated in the study. There were a total of forty respondents who are selected with the following breakdowns: the Headmaster (8), Assistant Headmaster (8) Senior Accountant or Bursar (8), Other Accountants (16). This literature administers the questionnaire according to the list at hand.

Sources of Data

Both the primary and secondary sources of data were exploited by the researcher in obtaining facts which were relevant to this work. The data based on the financial control practices and the state of compliance in the various schools. The personal characteristics and bio-data of the officers of the schools who matter in the study were also considered since they all have a telling effect on their subject under discussion.

Primary Source of Data

Data from primary source enabled the researcher to acquire first hand information and materials on the topic under study. The primary data was gathered through the use of questionnaires and informal interviews to supplement the secondary source. The main aim was to collect ample

information which was relevant to the purpose of this work. The primary data is obtained from the respondents in the various schools about the financial control practices since the study aims at assessing that.

Secondary Source of Data

The secondary source expansively refers to the available data already gathered by other writers on the area or issue under study. These were information tapped from textbooks, library books, magazines, Auditors-General's Report, School Account records, related thesis and dissertation, online database and website which helped to provide extra information pertinent to the study.

Data Collection Instruments

Interview

This method will be used to further clarify certain information that will be in the questionnaire. Also, interview will be employed to cross check certain information from the respondents within the institutions. It serves as confirmation to some of the responses provided in the questionnaire that helped to enrich this work and further enlightened the researcher.

Questionnaire

The questionnaire will comprise both close - ended and open - ended questions. The open - ended questions enable respondents contribute their views and suggestions, while the close - ended questions allowed respondents to respond to common responses. The entire data will be screened through a process of editing and irrelevant portions removed. A coding manual system

will also be developed to facilitate assigning values to the various items in a completed questionnaire scored.

The entire data was screened through a process of editing and irrelevant portions were removed. A coding manual system was developed to facilitate assigning values to the various items in a completed questionnaire scored.

Likert Scale

This is a psychometric scale commonly involved in research employing questionnaires. This tool is used as a self-reporting system to scale responses in this research. This research makes statements which requires the respondents to specify their level of agreement or disagreement on a symmetric agree-disagree scale. The researcher tries to capture the intensity of their feelings for a given item by letting them grade the questions as strongly agree, moderately agree, agree, neither agree nor disagree, disagree, moderately disagreed and strongly disagreed. This paper believes that the distances between each item is equaled and balanced to reduce to very minimal any unnecessary arbitrary. The neutrality or undecided element of the scale is removed because; the neutral option can be seen as an easy option to take when a respondent is unsure. This study hopes to sum the responses to create a score for a group of items as the paper considers the Likert items as interval-level data. The study also tries, in terms of good research practice; ensure equidistant presentation to avoid a bias in the analysis. The researcher uses the Likert scale because the items in questions are related to each other, pointing to find out a common problem.

It must however put on record that the Likert Scale used in this research is arbitrary. The value assigned to a Likert item has no objective numerical basis either in terms of measure and theory or scale from which a distance metric can be determined. The value assigned to each Likert item is simply determined by the researcher designing the survey, who makes the decision based on a desired level of detail, by convention, assigning progressive positive integer values to the items.

Reliability and Validity

For the reliability and validity of this piece of work, the researcher structured the questions to suit the subject matter. Also, questions were designed using simple English language ranging from close to open-ended ones. More close-ended questions were used to avoid the tendency of overburdening the respondents. To further enhanced authenticity of this research, an instrument like interviews was carried out to clarify and enhance the reliability of the study. With respect to the questionnaire design, care was taken to frame the questions in order to determine the cause and effect of the financial control practices in Ho West District in the Volta Region of Ghana. The validity of the questionnaire is also enhanced by design, and pilot testing of the propose survey instrumentation to assure that the instrument is clear and unambiguous as modifications are done during the period.

Data Collection Procedure

The researcher prepares himself on the particular day by reading through his literature and focused on the objectives to be achieved. He then selected the schools to visit first and ensured on accessibility of the

respondents. He then set off to the field one early morning on Monday, 13th February 2016. Upon arriving, the researcher first of all, establishes a congenial relationship with the respondents. He tries to get along with them to erase any negative impression about his visit. The researcher then distributes the questionnaire as they fill the questionnaire. He made himself available for any clarification from the respondents. Gratitude was expressed and he disengages and physically leaves the setting. The researcher writes a report on the events. The time for administration of the questionnaire was cancelled once due to the unavailability of some key participants. Other school activities also had their fair share including the attitude of some respondents not to cooperate, thinking that the exercise is meant for any malicious intention to victimize them.

Data processing and Analysis

The study used mainly the descriptive statistics in analyzing the data collected. The data was presented by a means of simple information by the use of frequencies, percentages and bar charts. It also uses simple mean and standard deviation to test the deviation from the norm.

Descriptive statistics

The researcher ensures that it helps to present the data in a meaningful manner, and to limit the study to the analysis of the data collected. This statistics is employed because it is hard to visualize what the data were showing, and that, it allows simpler interpretation of the data to see the spread of the incidence of non-compliance and ultimately the overall or pervasiveness of it in the public sector institutions.

Chapter summary

In a summary, the study used questionnaire and interview to collect the data. The fund needed to print materials and other logistics to make the study convenient were lacking. The study design of this research is descriptive in nature. The next chapter which includes results and discussion of this research promises the use of the above tools to presenting and discussing of the data collected in a simple way.

CHAPTER FOUR

RESULTS AND DISCUSSION

Introduction

In this chapter the results of the data analysis are presented. The data were collected and then processed in response to the problems pose in chapter one (1) of this dissertation. In a concise form, the chapter starts by presenting in totality, the summary of the collected data and the simple statistical treatment and mechanics of analysis. The focus and the goal of this study is to assess the reason why there is massive non-compliance, and the contributing factors of non-adherence to the numerous financial legislative frameworks all over the place in the public sector institutions and its resultant effect on the resources of the state in terms of amount of moneys lost. According to Public Account Committee (2013) the various forms of financial misappropriations in the various Ministries are so alarming and needs urgent step to reverse the situation. The findings presented in this chapter demonstrate the potential for merging the theory and the practice.

An important criterion for the success of regulatory reform is whether regulatory systems accomplish their objectives. Despite a massive increase in regulation and government-imposed formalities in most countries such as Ghana, for sometimes now, results have often been disappointing. This has prompted most governments including Ghana to examine how they can achieve their policy objectives more cost – effectively through better regulation and different mixes of policy tool. However, this paper is poised to

unfold and examine why the compliance issues and which factors have given birth to that.

In more detailed, eight schools are examined to provide the reasons, factors and extent of loss of state funds as a result of non-compliance to the financial legislative frameworks.

The nature of the data collected for the research is summarized: two types of data were generated for this study- secondary and primary. The primary data were collated and coded before being analyzed. The use of the analysis enables the researcher to interpret the assessment of financial control practices in the public sector institutions.

Data Representation

For easy explanation, brevity and clarity of this research study, descriptive statistics were utilized to analyze the data gathered. By simple means of tables and charts and in some cases inferential statistics, the findings are presented and analyzed.

The study population

This research is carried out on all public Senior High Schools in Ho West District. These schools are purely public schools and they get their resources from the central government to finance their activities. Some of the funds generated internally are government approved, such as the PTA levies. The following schools in table: 1 were however covered in this research.

Table 1

Senior High Schools in Ho-West District of Volta Region, Ghana

No	School	Level	Town
1	Kpedze Senior High School	SHS	Kpedze
2	Akome Senior High School	SHS	Akome
3	Akedzofe Senior High School	SHS	Amedzofe
4	Dzolo Senior Ghigh School	SHS	Dzolo
5	Abutia Senior High Technical	SHS	Abutia
6	Tsito Senior High Technical School	SHS	Tsito
7	Awudome Senior High School	SHS	Awudome
8	Avatime Senior High School	SHS	Avatime

Source: Field survey, (2016)

The schools in the table1 constitute the schools under study. The schools are however different in terms of staff numerical strength and the student population. Awudome Senior High and the Kpedze Senior High are the most populated schools; the students being over 2000.

Administration of the questionnaires

The evidence used to form this study came from the used of questionnaires, interviews, with some managers of the institutions. Different category of questionnaires were designed and administered. Two sets of questionnaires were designed. One set was administered to the Bursar and the Accountant and another to the Headmaster and the assistant. This is because they are in charge of the official resources of the schools. The study tries to investigate the reasons for non-compliance and their impacts on the public purse and to draw conclusions about the validity of the research findings and the recommendation thereof.

Table 2

Number of Copies of the Questionnaires Distributed to the various Schools

No	School	Number	of
Questionnaire			
1	Kpedze Senior High School	10	
2	Akome Senior High School	8	
3	Akedzofe Senior High School	8	
4	Dzolo Senior Ghigh School	8	
5	Abutia Senior High Technical	9	
6	Tsito Senior High Technical School	9	
7	Awudome Senior High School	10	
8	Avatime Senior High School	8	
Total		70	

Sources: Field survey, (2016)

Response rate

Forty surveys were initially sent to respondents of the schools that were identified. This number is considered legitimate for this research and the result is shown below.

The table below shows the distribution of questionnaires and the level of participation by the various officers of the schools. The study was organized in order to achieve high participation of the officers.

Table 3

Questionnaire Administered and Returned (Administered in February, 2016)

Respondent %	Number Administered	Number Returned	Valid
Headmaster	8	8	100
Assistant Headmaster	12	12	100
Bursar/Senior Accountant	10	10	100
Other Accountant	40	39	98
Total	70	69	96%

Source: Field survey, (2016)

The response rate of the questionnaire administered was very high as only one questionnaire was returned. This assures this study of faire findings in the field survey. The portion of the questionnaires that were left blank

affected two of them and were not many to have any telling effect on the result as they are very few. The response rate is however 96% with breakdown in the table above, 8 was sent to the Headmasters and all were responded to and returned indicating 100% participation, 12 was dispatched to the Assistant Headmasters and the same 12 was returned also indicating 100% response rate. The result concerning the Bursars is no exception as 10 was sent and 10 returned also 100% response except the other accountants returned 39 instead of 40 with 2% short of the expected 100%. In total, 70 questionnaires were dispatched out of which 69 was returned and within this number two left two spaces blank.

Gender

Out of the total population of 70, 18 of them are female constituting about 26% and their counterpart is 52 representing about 74%. The breakdown according to the portfolio they hold in the schools is indicated in the table 4.

Table 4

Breakdown of the Posts held by the Respondents in the Schools

Office Held by the Respondent	male	female	% of Male	% of Female	% of Total
Headmaster	7	1	10.00	1.43	11.43
Assistant Head	10	2	14.29	2.86	17.15
Bursar	9	1	12.85	1.43	14.28
Account Clerk	26	14	37.14	20.00	57.14
Total	54	18	74.28	25.72	100.00

Source: (Filed Survey, 2016)

As indicated in the table 4, the male counterpart dominates the offices held and the women are at the lower side. In total, men are 54 as against 18 representing 74.28% and 25.72% respectively. The percentage of women who are in the helm of affairs is only 4.29% (1.43% + 2.86%) and those in the accounting profession in the schools also carry a percentage number of 21.43% (1.43% + 20%). For their counterpart 24.29% (10% + 14.29%) in the management position and in the accounting offices, 49.99% (12.85% + 37.14%) of respondents are in top positions.

Budget Preparation

A budget is a planned activity for the ensuing year, and it has become one of the techniques of managing financing activities of an organization. It is a very important yardstick as it forms the basis for internal performance barometer and also a guide to internal audit work in ensuring that the resources of the schools are utilized in the most efficient manner.

Ideally, as has been accepted by many, budget preparation must be all inclusive if it must succeed. The following table illustrates the percentage representation in the budget formulation by the various categories of officers as indicated by the questionnaire administered.

Table 5

Representation of Budget Preparation by the respondents

Responsible Officer	Frequency	Percentages
Headmaster and assistant	12	30
Bursar	12	30
Accountant	10	25
Others	10	15
Total	40	100

Sources: Field survey, (2016)

In answering the questions by the officers about their representation in the budget preparation, table 4 shows that, out of the (40) responses, twelve (12) agreed on Headmaster and the assistant being part, representing thirty percent (30%) of the total responses. In the same vein, twelve also are in favour of the fact that, thirty percent (30%) representing the Bursars, in the budget preparation. In case of the accountants, the frequency indicated that ten (10) of them are part of the budget formulation team representing twenty – five percent (25%). Other component of the officers made up of six people representing fifteen (15%).

As indicated by the table 4, it can be confidently concluded that, the Schools’ Budget is prepared by a group of people that made up of the Headmaster and the Assistant, the Bursar, the Accountant and other officers representing the Heads of Departments, Teachers and Students representatives. The negligible number of others who are made up of teachers and the students pointed out to the fact that input from them towards the budget preparation is not much for a mere reason as many agreed that this exercise is not their core

mandate or function in the schools. This happening persists in a lot of Senior High Schools in the District.

Level of budget implementation

Budget implementation is very critical. This is where both human and other resources are committed into action to achieve results within the parameters of the framework.

Table 6

Percentage Level of Implementation of the Budget prepared

Respondent	Level of Budget Implementation in percentages	Frequency
Others	1% - 25%	6
Assistant	26% - 50%	10
Headmaster/Assistant	51% - 75%	12
Bursar/Accountant	76% - 100%	12
Total	100%	40

Source: (Field Survey 2016)

The study found out that, the Bursars and the Accountants are in the center of the implementation of the budget, followed by the Headmaster and the Assistants and others taking negligible proportion, ranging from 1% to 25%. This is partly because the Bursars and the Headmasters see themselves at

the helm of affairs and the day-today running of the schools rests on the shoulders.

Table 7

Influence of Budget Implementation on the Functions of Accountants

Influence Type	Frequency	Percentage (%)
Positive influence	1	8.33
Negative influence	10	83.34
No influence	1	8.33
Total	12	100.00

Source: (Field Survey, 2016)

The background and experience of the respondents in the sample

Eight completed questionnaires were received from the Headmasters who are the spending officers of the various institutions. The questionnaires revealed that, two (2) out of the eight (8) are abreast with the framework, and the remaining depends on the Bursar and the Accountants to for the interpretation of the framework and its application. The majority of the Accountants and the Bursars have close to 80% demonstrations as having knowledge about the laws governing their operations. The data collected also pointed out that most Headmasters became heads over three years at post and the Bursar and the Accountants are also within the same year bracket at their present stations.

Staff qualification

The study reveals that most of the people who found themselves as Bursars and the Accountants do not have the requisite professional qualifications to manage public sector resources. To be an accountant, the study believes that a college degree and a professional is needed. The study pointed out that only few people are having their degrees and are principal accountants and the majorities are below the expected qualification.

Table 8

Percentage of Staffs with their Qualifications

Respondent	Qualification					%	%
	DBS	HND	GATT	DEG.	MAST.	Unqualified	Qualified
Headmaster	0	0	0	3	5	37	88
Assistant Head	0	0	0	11	1	9	91
Bursar	2	5	0	5	0	58	42
Accountant	0	9	0	3	0	83	17
Other	28	0	0	0	0	0	100

Source: (Field Survey 2016)

In the case of a Headmaster of school, one is qualified as substantive Head to head a school if that person has a Deputy Director status and with a professional background. Out of a total of eight (8) Headmasters, 63% of them are having their masters and are qualified. 5 of them are having degrees and 25% are qualified to head a school, making a total of 88%. The remaining 12% are not qualified to be a substantive head, and therefore are acting as heads of schools at the time of this study. In case of the Assistant

Headmasters, only one (1) of them is having masters constituting a single number of 9%, and the rest are having degrees and are Assistant Directors by work experience, and they are qualified to hold that position anyway. This number is made up of 91%. In case of the Bursars, none of them is having masters 0% and 5 of them are having their degrees giving 42% and the 58% fall below having either HND or DBS. Out of the 42% of the sample of the Bursars not having masters, 8% confirmed they are pursuing their masters degrees with the following breakdowns: 1% with University of Cape Coast, 3% with the University of Ghana- Legon, 2% with Kwame Nkrumah University of Science and Technology and 2% with University of Professional Studies. Other personnel in the accounting office or any other auxiliary staffs are 40, and are unevenly distributed in the schools under study; constitute 70% of the workforce in the accounting office. Out of this, 30% are not having the required qualifications. They have qualifications with little or no accounting background but work in the account office. The study ascertained that, the non-compliance to the rules and the laws to protect the public sector resources is partly as a result of the wrong selection done in the public sector. Either the selection is done based on affiliation or any other ground. The developers of the rules and the implementers of those rules and laws are political couples hence the difficulty to bring the culprits to book. This mismatched results in lost of government revenues and the situation is so pervasive in all the public sector institutions.

Work experience

It was found out that, apart from staff inadequacy, the job experience of the staffs in terms of number of years at present post is so short to enable

them gain the necessary experience about how things are done around to foster any financial prudence and effectiveness in their respective institutions.

Table 9

Staff and their Level of Experience in Years

Respondent	Number of Year at Post	Frequency
Assistant Head	$\leq 1 \geq 7$	10
Headmaster	$\leq 1 \geq 3$	8
Bursar	$\leq 1 \leq 2$	12
Other	$\leq 1 \geq 7$	40
Total		70

Source: (Field Survey, 2016)

Staff changes are frequent and those who are affected do spend few years in a school then they are transferred to another school. In the table above, the Assistant Heads and other account Clerks are oldest in most of the schools. At times the decisions are taken by this category of Accountants who have a limited understanding of the Framework which they have to work with. Mostly, some personnel are older in the service but are frequently transferred to a new environment which at times takes time for them to adjust. This transfers ranges from one offense to another, which they admit during such allegations of financial impropriety, they are transferred to another school. The headmasters are transferred not based on any legitimate particular criteria. The findings pointed out that headmasters who are nearing their retirement age are transferred from less endowed schools to the most privileged schools but not based on what they can bring to the table.

Characteristics and work efficiency

The workers in the schools have different commitment and ideology. The questionnaire showed that only 13% of the account officers were female and the 70% were male. There is only one female Bursar and the rest are female out of the ten. The workers in the schools also are made up of people between the ages of 25 years to 58 years. 86% of the headmasters were nearing their retirement age. Between 25 years and 42 years are made of the 90% of the young men and women who occupied key positions in the various accounting offices. The work commitment level as indicated by the questionnaire is not very effective. This phenomenon is as a result of the lack of incentive in the Education Sector they explained. Some also mention lack of autonomy to work and work pressure are some of the factors militating against their effectiveness and efficiency.

The School Funds

The information gathered through interview with the Headmaster and the Bursar showed that monies available to the schools come in the form of government of Ghana budget line and some approved levies which are utilized on the schools' educational and other administrative concerns. The Headmaster and the Bursar gave detailed uses of moneys as shown in the table 10.

Table 10
Sources of Funds and their uses

Government Sources	Uses of Funds
Government Grant	Personal Emolument, Social Security
Service Grant	Fund, Travelling Allowances, Trans-
Administrative Grant	fer Grants, Car Maintenance
GETfund	Allowance, School Sports and Cultural
PTA Levies	Festival, Postage charges, Overtime Allowance, and other Minor Repairs.

Source: Field survey,(2016)

A source of funds available to the schools in a graph form is presented below. These include the fees paid by the students, grant from the government and other forms of legitimate levies. In the preparation of the school budget, these sources of revenue form the major part of all revenues. Other sources of revenue are captured in the budget but that is not the focus of this research.

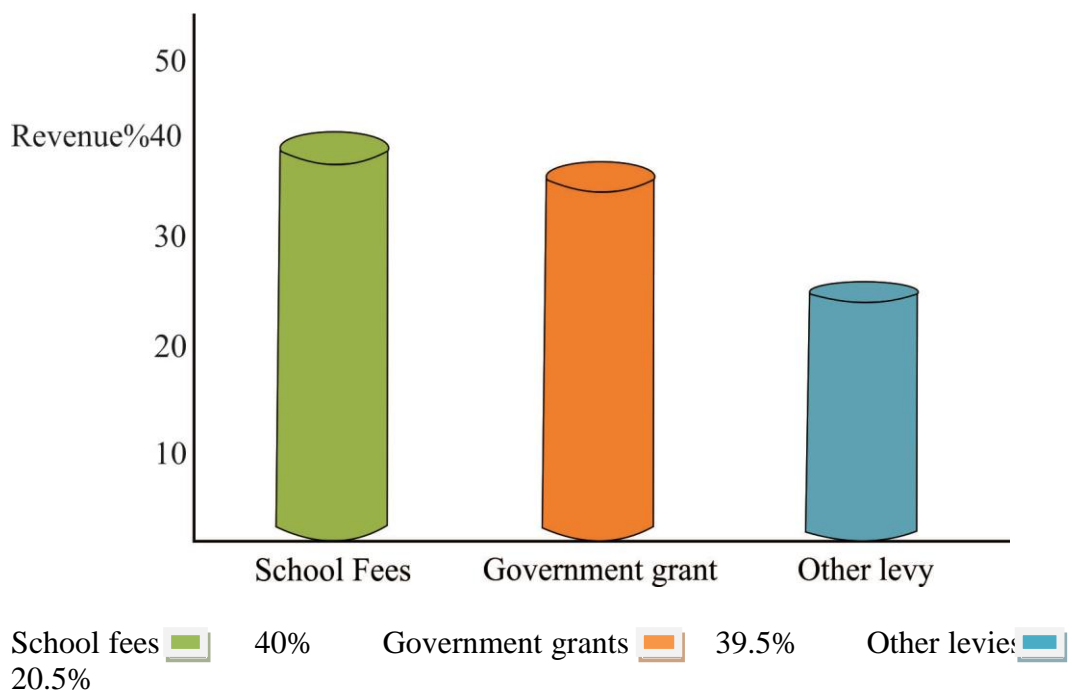


Figure 3
Percentage sources of Funds to the Schools

Author's construct, 2016

Off all the funds available to the schools to spend on their activities, fees paid by the students constitute 40% of the revenue. Slightly below are the grants from government with 39.5%. The school fees paid by the students are government approved fees which they government ensures that all books relating this funds are audited and accounted for. Other levies which this paper believes an official fund is the PTA- parent Teacher Association Levies is also pegged at 20.5%. Especially with the introduction of progressively fee-free education, all forms of charge is abolished at the basic level but PAT levies are still on-going. In the Senior High Schools, this form of levy is also applicable as the results of the questionnaire showed. Out of a sample of 70, 67 agreed that 40% of the school funds are made of up of the fees paid by the students, 39.5% of the funds are through government grants and the rest 20.5% are from other sources. 3 people disagreed making up of only 4%. This phenomenal response is common to all the schools under study. This paper however beliefs that majority is what pertains.

Table 11

Effectiveness of checks and balances on school funds

Level of Effectiveness	Frequency	Percentage (%)
Highly effective	0	0.00
Effective	30	42.58
Ineffective	29	41.43
Highly ineffective	11	15.71
Total	70	100.00

Source: (Field Survey, 2016)

The awareness and significance of the existence of the Framework

The respondents are very much aware of the existence of the many financial legislative frameworks to guide their conduct and management of the public sector institutions. The missing link resulting in large amount being embezzled or misappropriated is what this study seeks to find out.

Table 12

Degree of knowing and understanding the content of the Framework

Respondent	Framework	Content	Frequency
		Familiarization	
Bursar / Accountant	1992 Constitution Chapter Financial Administration Act, 2003 (Act 654) Financial Administration Regulation 2004 (LI 1802)	16%20%	10
Headmaster	Public procurement Act, 2003 (Act 663 Internal Audit Agency Act 2003 (658)	11%- 15%	12
Assistant Head	Audit Service Act 2000 (Act 584) Internal Audit Agency Act 2003 (Act 658)	6%- 10%	8
Others	Local Government Act 1993, Act 462 Financial Memorandum for MMDAs 2004 National Pension Act 2008, Act 766	1%-5%	40

Source: Field survey, (2016)

The Financial Legislative Framework is the rules and laws enacted by parliament to regulate the management of public moneys. It is a common knowledge to accept the fact that, those that are in charge of the public sector resources ought to know and be familiar with the content of those legislations and ensure the best practices. The trend follows that the percentage level of budget implementation moves in a sharp contrast with the familiarization or knowledge one has in the rules and the laws. The problem culminating into loss of millions of Ghana Cedis as indicated in the table is a clear manifestation of this fact. In the table above, the bursar and the accountant and

the headmaster are in the helm of financial affairs of the institutions, and it follows that, to a large extent those financial rules and laws ought to be applied with a higher level of expectant, but the reverse is rather the case shown by the table. The amount of money lost to the state and the reason of instituting the framework has been defeated.

According to Organization for Economic Co-operation and Development, reasons for non-compliance can be found at three levels: (a) the degree to which the target group knows of and comprehends the rules, (b) the degree to which the target group is willing to comply- either because of economic incentives, positive attitudes arising from a sense of good citizenship, acceptance of policy goals, or pressure from enforcement activities and (c) the degree to which the target group is able to comply with rules. Figures 8 above pointed out as revealed by this research that, there is low level of the degree to which the target group knows and comprehend the rules and the laws.

According to the interview administered by this research, 40 respondents were interviewed from the various institutions to find out whether they have it at their heart to comply with the rules and the laws governing their operation, 32 of them agreed on doing the right thing, that is 80% but felt cheated since they are comparing their remuneration with their counterparts in other government establishments, saying there is no incentive and their salaries are relatively low. The study infers from this confession that respondents do not have any incentive or positive attitude and are not able to comply with the rules and the laws. This paper beliefs that regulatory compliance is not automatic. The paper unfolded that the agent also has

interests to pursue and that makes him to deviate from the interest of the principal. This research is optimistic that when incentives are introduced, those negative parochial interests of the agent can be coiled. Out of the seventy (70) people interviewed, all agreed (100%) that when they are all satisfied at their work places the tendency to amass wealth for themselves is shelved.

Sources of Financial Misconduct

The result indicated by the questionnaire pointed out that, all respondents agreed that source of financial lost to the state in the various institutions are listed in the table 13.

Table 13

A whopping Amount of Moneys that were Lost to the State between the periods of 2010 to 2013 according to the Auditor Generals' Report in the Education Sector alone

Source	Amount GH¢
Misappropriation	204,184.16
Irregularities	26, 799,173.28
Misapplication	427,753.20
Outstanding Staff Advances	3, 326, 761.48
Non-Compliance with VAT	301, 634 .24
Payment of Unearned Salaries	954, 449.44
Total	32, 013, 955.80

Source: Field survey, (2016) based on Audit Report (2010-2013)

The table 8 is pointing at the amount of moneys lost to the state in the period of 2010 –2013 in misappropriation alone is GH¢204,184.16 and a

whopping amount of GH¢26,799,173.28 was swallowed in irregularities consisting of cash irregularities, procurement irregularities, store irregularities, payroll irregularities including tax irregularities. GH¢3,326,761.48 went into staff advances without being retrieved. GH¢954,449.44 also vanished as result of payment made to separated staffs in 37 institutions due to delay in deletion their names from the payroll.

The resultant effect of these practices is that the achievement of government objectives is derailed leading to poor performance in the education sector, an interviewed with the heads revealed.

Table 14

2013 Annual Financial Performance in Education Sector

Funding Sources Of	Approved Budget	Expenditure	Exp. As %
	GH¢	GH¢	Budget
Central GoG	2, 955, 854, 502.00	3, 150, 494, 242.00	107
Donor	84, 427, 211.00	48, 547, 469.00	58
IGF	680, 956, 470.00	662, 980,000.00	97
GETFund	691, 475, 200.00	88,000,000.00	13
Total	4, 412, 713, 383.00	3, 950, 021, 711.00	88

Source: Field survey, (2016)

With the exception of the funding from the Central Government, where the expenditure outweighed the budgeted, experiencing 7% deficit, the rest are showing positive signs. The Donor, IGF and the GETFund; all saw surplus results. Though the sector lamented seriously about untimely releases of funds, the education sector should not be suffering the way it is now (Annual

Performance Report of the Civil Service). There is a serious leakage that brings about the inadequacies of funds rather than lack of it; to the belief of this paper.

It is prudent to bank all revenues or keep the revenues in a safe and bank them as soon as practicable, but this research study unearthed situations where cash is kept in the office for days in contravention of the stipulations of Financial and Accounting Instruction for Secondary Schools. It was also revealed that cash are kept in excess of the threshold. In a particular Senior High School, research interview revealed that the Headmaster can be anywhere and call for money without any budget for it, and over 45% of the expenditure was not budgeted for. These funds are usually unaccounted for and making auditing very difficult for the Auditors because there are no records on them. Aside, other unplanned expenditure which were not captured in the budget were not having any proper record on them. Due process and procedures are not adhered to since anytime fund is needed, the Bursar or the Headmaster, in a particular Senior High School can call and any available fund is used for that purpose.

Table 15

Period it takes for cash to be deposited at bank

Period	Frequency
Daily	9
Weekly	24
Monthly	37

Source: Field survey, (2016)

In a total of 70 responses, 9 people agreed that cash is deposited at bank every day, representing only approximately 13% of what is expected. 24 out of 70 also confirmed that the moneys are banked weekly and 37 out of the 70 also went along with monthly deposit representing 34% and 53% respectively. This, the study found out that can be a recipe of temptation to steal money. Moneys collected from students or a disbursement from the government should be lodged in the school account.

It also a rule that students pay their school fees into the school Bank Account, but students fail to pay their fees promptly and the only option the Heads or any other authorized person use is to drive away students during examination times. Students keep their moneys until the time when they are pressurized to pay their fees. When this happens some of these moneys fall into unauthorized and unsafe hands, since the master invigilating usually collects such moneys. Out of the 70 respondents 47 agreed that this has become the usual way to force students to pay their fess. What it means is that, 67% of the revenues are collected through the wrong approach.

Table 16

Significance of the Framework in Achievement of Financial Goal

Significance of the framework In Controlling Public Finance	Frequency	Percentage (%)
Highly significant	1	1.43
Significant	9	12.86
Insignificant	53	75.71
Highly insignificant	7	10.00
Total	70	100.00

Source: Field Survey 2016

Regulatory knowledge of the workers

The 69 out of the 70 respondents confirmed that the regulatory framework is too legalistic. People cannot comply with regulations if they do not understand what is required of them. In regulatory design and development policymakers often feel pressured to issue new rules or expand existing ones to cover unforeseen circumstances, to close loopholes, and to address new problems; was dropped in an interview with the group. They agreed that such pressure can lead cumulatively to a loss of simplicity and therefore the loss of the ability in the target groups to understand what compliance with the resulting regulatory structure involves. This number of 69 respondents are facing problem in understanding the rules and hence the resultant financial loss in the public Education Sector.

Active participation in accounting process

Seventy responses were collated based on whether all is involved in ensuring that the framework is obeyed to the maximum, 52 agreed that only the senior staffs like the Bursar and the Headmaster who have the power to dictate what has to be done without any input from the junior staffs. This is close to 73% of the other accounting staffs who are juniors and are relegated to the background in terms of policy decision. The Bursar and the Headmaster overshadowed the other staffs and their decision is final. The remaining 27% have a little say partly based on their experience and seniority in the office before the arrival of the Head or the Bursar. They are seen as the errand guys to these top officials in the schools. Financial records kept by the Bursar and other Accountants tells the general public the amount of information they are

willing to give and this is a key responsibility. In verifying some of the records kept by this group revealed that, some of the records are incomplete and some are not properly kept. The table below however shows the number of financial records kept by the Accountants.

Table 17

Number of Financial Records kept by the institutions

Number	Frequency
1-5	51
6-10	15
11 and above	4
Total	70

Source: (Field Survey 2016).

In response to the questionnaire, a number of the group accepted the fact that poor quality of financial statements are prepared by the Accountants and the bursars, and the table below shows the reasons for poor financial record keeping.

Table 18**Reasons for Poor Financial Record Keeping in the Institutions**

Reasons for Poor Financial Records Keeping (%)	Frequency	Percentage
Inadequate number of qualified staff	23	32.86
Inadequate number of accounting staff	14	20.00
Careless of the accounting staff	11	15.71
Lack of interest of the accounting officers	6	8.57
All of the above	13	18.57
None of the above	1	1.43
Others- specified	2	2.86
Total	70	100.00

Source: Field survey, (2016)

Refresher course for account officers

The study questionnaire pointed out that in over four years, no refresher course was organized for the workers to update their minds. Only 12% of the workers ever attended a course like that in their work life time. This people are in the ages of 40 – 42 years in case of the account officers. The rest of the 88% of the accountants have not ever experienced such and nothing like that ever took place even internally to enhance their work experience. They depend on the classroom experience which they confirmed is largely different from what they meet at their workplaces. The response revealed that government rely on good drafting and enforcement practices but never devote resources to adequate implementation policies, aimed at making it feasible for the target group able to comply with the rules. The tables 18 and

19 below show the level of satisfaction of the financial and material supports from the government and their effects on the performance of the accountants to ensure effectiveness.

Table 19

Level of Satisfaction of material support from Government

Level of Satisfaction	Frequency	Percentage (%)
Highly satisfied	0	0.00
Satisfied	6	8.57
Dissatisfied	49	70.00
Highly dissatisfied	14	20.00
Not sure	1	1.43
Total	70	100.00

Source: (Field Survey, 2016)

On the report on the support from the government in terms of effectiveness of the compliance to the financial rules and laws, table: 19 shows the results.

Table 20

Perceived Effectiveness of Support from Government

Level of Effect	Frequency	Percentage
(%)		
Highly effective	0	0.00
Effective	13	18.57
Ineffective	40	57.14
Highly ineffective	10	14.29
Others- specified	7	10.00
Total	70	100.00

Source: Field survey, (2016)

Pressure from superior to falsify accounts

The study learnt that seventy percent of other Account Clerks are pressured by their superior as how the accounts should be prepared which at times does not conform to the norm. 56 people agreed that 86% of the frauds in the accounting offices are the pressure from their boss and the rest 14% of the frauds are perpetrated by the junior accountants themselves without their boss knowing it. 1 account clerk out of the forty of them in a school generated his own receipts and was collecting school moneys into a private account, and was caught when the auditors visited the school on 9th January 2016 at time of this study.

Honesty is seen as outdated

In seven schools out of the eight schools the researcher visited, they frankly agreed that honesty has been outdated. In an interview, 68 of the people agreed that, the common forms of dishonesty are lying and fraud representing 93% of cases of dishonesty. This is prevalent and pervasive in the schools the researcher visited according to the respondents. The 68 of the people agreed that they are under pressure to either lie or perpetrate fraud activities.

Due process in procuring items for the Schools

The response in the questionnaire revealed that, due process is not followed in the procurement of goods and services to the schools. The Bursar predominantly takes charge of the purchases and supplies to the schools. At times, the store keeper is not aware of which sources the suppliers are contacted for these supplies. Due diligence is not carried out in procuring the items needed in the schools hence mostly; substandard materials are eventually supplied to the schools. In an interview with the Store Keepers, they are not at times involved in the procurement of the goods and services to the schools. On the source of supplies to the schools, they hinted that the Bursars have their own source from which they procure items for the schools. The interview helped the researcher to uncover situations where the Bursars themselves are the suppliers, which according to this study is in serious contravention of the Procurement Law of Ghana. This situation also brings into focus, conflict of interest and the best is always lacking.

Non – Compliance to Financial Rules and Laws

In all the 8 schools visited, there were issues of non – compliance to the financial rules and laws. In these particular schools, in a response to the questionnaire, indicated the following results as indicated in table 21.

Table 21

Non – compliance in Percentage terms of the Institutions

Level of compliance	Frequency	Percentage (%)
Highly complied	0	0.00
Moderately complied	0	0.00
Complied	3	4.29
Not complied	67	95.71
Total	70	100.00

Source: Field survey. (2016)

The result on the table 21 revealed that only 3respondents agreed that the financial rules and regulations are complied with and rest 67 stated otherwise, indicating 4.29% and 95.71% respectively.

The Extent of Non – Compliance

The extent of non – compliance according to the response to the questionnaire was pervasive in all the 8 schools visited by the researcher.

Table 22

Extent of Non – compliance in the Schools

The Spread of Non-Compliance	Frequency	Percentage (%)
Highly pervasive	53	75.71
Pervasive	13	81.57
Not pervasive	4	5.71
Total	70	100.00

Source: Field survey, (2016)

Types of Non- Compliance

The questionnaire administered pointed out the factors that cause the non-compliance in the various institutions. The result is indicated in table 23.

Table 23

Factors that cause the Non-compliance

Factor ofContribution	Frequency	% Non-Compliance
Due to lack of Regulatory knowledge	32	45.71
Due to force by Superior	14	20.00
Due to Own attempt	16	22.86
Due to collusion of Subordinates	8	11.43
Total	70	100.00

Source: Field survey, (2016)

Incentives for higher compliance

The respondents in their response to the items, unanimously, agreed that there is no incentive for ensuring higher level compliance of the regulations, indicating 100%. They confirmed that, such regulations are formulated and imposed upon them. They also stated that inadequate remuneration, personnel issues, lack of refresher courses and above all, the legalistic nature of the regulations are militating against their efforts to exhibit a high level of understanding and compliance hence the widespread of non-compliance.

Chapter Summary

This chapter essentially looked at the results and the analysis. The findings indicate that there are serious issues with compliance to the rules and the laws put in place to ensure prudence financial management in the public sector resources. Though there may be financial problems but the behavior of the managers of the public sector resources include serious financial malpractices if not checked will derail the government from achieving its aim of ensuring quality life of the citizenry. The next chapter however, promises the summary of the findings and surely offering some recommendations to curb the future occurrence of the problem.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Introduction

The purpose of this paper is to assess the financial control practices in some selected public sector institutions in Ghana in Ho West District in particular. What actually informed this research is the whopping amount of moneys that waste away as a result of non-compliance with the financial rules and regulations in the public sector enterprises. This paper is poised to delve into what extent people in charge of the public sector resources obey the financial rules and laws; and if they do not what account for that disobedience and the extent of financial loss to the state. In this chapter the summary of the findings are laid to bare and the conclusion thereof. Candid recommendations are also provided for future research and practice in the field.

Summary of Findings

This research empirically assesses the financial control practices in Senior High Schools in Ho West District of the Volta Region of Ghana. The summary of the major findings of this research are as follows:

- a. The target population has no obedience for the financial rules and laws.
- b. The individual persons have certain behaviors that make them to rebel against and not comply to the regulations in the bid to get the chance to amass wealth for themselves.
- c. The people do not have the adequate qualification and professional inclination to implement the regulation to achieve its aims and objectives

- d. There is massive financial misappropriation, irregularities and misapplication in the public sector institutions.
- e. Some elements in the public sector accounts offices hijack the system and prevent inputs from others (sub-ordinates) in order to get the chance to perpetrate fraud.
- f. The junior accountants in the public sector establishments are pressurized to falsify accounts by their superiors for their personal gains
- g. The required numbers of accounts are not prepared to produce the required information to make auditing easy, and those that are produced, are full of dishonest activities.
- h. The regulator approach to regulation is too legalistic making the comprehension of the content of the regulation difficult.
- i. There is no strategy of education, persuasion, and co-operation to persuade managers of the public sector resources to voluntarily and preventively comply with the regulatory rules in the first place.
- j. The adversarial and punitive means to sanction non-compliance is not effective because of the political reasons.
- k. Women appointment to the various posts especially in the management is relatively low.
- l. There is no “regulatory pluralism” to involve other parties in regulation process including the implementers of the regulation hence lack of motivation to comply.

- m. Budgetary non-compliance such as expenditure without budgetary approval, exceeding of approved budgetary limits, under funding and non-funding of approved estimates are quite common.
- n. The reliance of the Auditor on the financial statements prepared by the Accountants of the institutions does not significantly enhance performance.
- o. Breaches of financial rules and regulations include expenditure without supporting documents, absence of prepayment audit, stock and cash shortages and refusal to follow and implement audit recommendations.
- p. The regulatory strategies do not accomplish good compliance rates because these strategies are not holistic, pragmatic, and contextually mixed to generally be more effective in accomplishing compliance
- q. The regulations themselves are not motivating because, their contents are not friendly, and this procedural injustice has made their very purpose cosmetic hence the widespread compliance in the various public institutions is very unlikely.

Conclusion

Regulatory reform is an innovative and fast-moving field. The intent of this paper is to help the government to develop new capacities and identify best practices for improving the quality of its regulatory decisions by factoring in the human factor. The intent is to help the government to establish a longer-term basis for efficient and responsive regulation by changing incentives, capacities, and cultures in the public sector institutions, based on market,

juridical, and public management principles. This research therefore seeks to scientifically and empirically investigate into the financial control practices in Senior High Schools in Ho West District in Volta Region of Ghana. Following the findings of this research paper, the forthcoming conclusions are drawn.

There is a massive disobedience of the financial rules and regulations that are put in place to enhance prudent management of the public sector resources. Majority of the members of the managers of these resources do not possess the required qualifications, experience and erudition to man the resources in the most efficient and effective way. It can also be concluded that, the compliance challenges are partly due to the pre-existing of historical, political and economic factors; that are militating against the regulatory instruments in achieving their objectives. This research has arrived on some characteristic behaviors within the people, as humans as they are, to indulge in fraudulent activities. These dishonest attitudes of them make them to falsify for example accounts, or pressure their sub-ordinate to do so, or lying about what is not in place just for their parochial interests. The people in the helm of affairs; to ensure compliance and those at the grassroots are not provided any rewards and incentives for high or voluntary compliance. This makes them to find their own means of satisfying themselves. There is no designed, reliable and sustainable refresher programmes to update and sharpen the minds of those in charge of the public sector resources to give off their best in terms of management of the public sector resources to achieve the desires of government. The due process is not adhered to in procuring materials and the committees are not effective in helping to advise on procurement issues. Proper ledgers are not maintained to record inventories, items are issued on

large scale without authorization and most stores are misappropriated. Budget provisions are not adhered to and there is no predetermined ways of solving problems but mostly, the use of an ad-hoc means is predominant.

Recommendations

This section presents the following recommendations to improve financial control practices in the public institutions in Ghana and in Ho West District in particular. These recommendations are based on the findings in the research.

Maintaining required Records

This paper recognizes the importance of maintaining the required records to provide the required information that give a true and fair view of financial positions. It however recommends that proper accounts have been kept, adequate internal rules, and procedures be established to provide effective check on the assessment, collection and proper allocation of revenue and other institutions' property. The paper stresses that if this is done, financial business will be conducted with due regard to economy, efficiency and effectiveness.

Qualification alone should not be the only yardstick to determine whether someone can perform on the job.

Those people who are engaged in the public sector institutions should be recruited properly in order to select the best for the job. Such employees should attain the required qualification, professional background and experience to manage well. He or she must be relevant and has the stuff to deliver. Aside paper qualifications, the individual should be examined to have the right character of self-discipline, self-respect, co-operation, team player and ability to listen to suggestions.

There must be refresher programmes to update the minds of the people on the financial rules and the laws

This research recommends that, there should be regular trainings and workshops to assist the managers and employees of the public sector institutions to be abreast with current issues. There must be on-going education and persuasions to tell the people the need to voluntarily comply with the rules and the laws in managing public sector resources.

The rules and the laws must be interpreted in a guide in ordinary English to make them simple to understand and comply

This research recommends that, as matter of importance, the regulatory framework should be reduced to ordinary language to enhance easy comprehension of those who are to implement it. A small manual may be developed to offer such explanations or a specialist be engaged to assist most

of the managers in the public sector since not all may be having the legal background to understand the rules and the laws.

The must be a reliable system of accountability and laid down Due Process

It has been stated in this research that Due Process aims to eliminate non-compliance to financial rules and regulations and also avoid resorting to an ad-hoc means to solve problems, which is not reliable. When this is done those activities that are not in line would be spotted and corrected quickly. The research recommends the establishment of functional Due Process Unit to be solely responsible for this course.

There must be a system of blowing the whistle to nick the unacceptable behaviours in the bud

The employees, the organized civil society and the media should show greater interest in public sector financial accountability. They should educate and also alert on any minute financial malfeasance and impropriety to the appropriate authority for actions. They should also educate on the importance of financial accountability, and the spirit of patriotism with a view to encouraging government to be financially accountable and ensure fiscal discipline.

The sanctions and other punitive measures should be implemented to the latter

This research recommends that appropriate punishment be meted out to financial offenders according to the existing laws. The punishment should

therefore be reformatory and at the same time severe enough to commensurate the loss. It is recommended to start with persuasion and graduate into severity such as revocation of license and payment of damages.

The managers of the public sector resources should be involved in regulatory process

It is the belief of this paper and therefore recommends that, managers of the public sector resources should be involved in the regulatory process. When it is done, they are motivated and try to work hard to achieve target in order to merit reward and praises. Ultimately, the goals will be met.

Monitory and follow-up should be intensified

This paper recommends that the mechanism for monitoring and supervision should be resuscitated, and relevant recommendations from both internal and external audit reports should be implemented as directed to help achieve greater compliance and the institutional objectives.

Strengthening the Office of the Auditor -General

First, it is recommended that the Auditor-General should not be appointed by the Executive arm of government. This should be the power of the Legislature. The appointee must not necessarily be chosen from the Civil Service. The person to be appointed and the other employees of the Service should be a person of high moral integrity with the required qualification and professional inclination and experience and above all be a non-partisan.

Further Recommendations and Research

- a. Krafchick and Wehner(2003) suggest that the organized civil society and the media play an important role in promoting financial accountability in the public sector. This needs to be researched empirically.
- b. Small and Medium Enterprises bear the burden of costs of compliance due to the differential impact of cost of improvements, and the relationship between cost to company and benefit that is likely to accrue from the investment in compliance by SMEs vis-à-vis larger enterprises. This needs to be researched.
- c. Inaccessible and incomprehensible regulation affects small business compliance rates. This needs to be investigated empirically.
- d. Gbaka (2016) posits that Ghanaians have ‘Something’ in them that makes them to amass wealth for themselves. This also needs to be researched scientifically.

Contribution to knowledge

- a. The existing gap in literature has been filled by this research. The research has demonstrated that there are significant non-compliance issues in the public sector institutions and the financial control practices are not the best to enhance objective achievement.
- b. This research on regulatory compliance is intended to assist the state in improving the efficiency and effectiveness of public sector policies carried out by regulation and alternative policy tools. It will enable the government to review major issues with respect to regulatory compliance and catalogue innovative approaches to improve compliance.

- c. It assists the government and the individuals alike to be aware of the “The State of Regulatory Compliance Issues Trends and Challenges”.

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APPENDIX I

UNIVERSITY OF CAPE COAST

CAPE COAST (UCC)

COLLEGE OF DISTANCE EDUCATION

QUESTIONNAIRE FOR THE BURSAR AND THE ACCOUNTANT

Dear Respondent,

I am a final year student of University of Cape Coast MBA Programme in Accounting, and I am undertaking a Research Study on *the Assessment of Financial Control Practices* in Senior High Schools in Ho-West District. As a key stakeholder, you have been selected to participate in the exercise.

I would be very grateful if you could complete this questionnaire by simply ticking (✓) in the spaces provided below where applicable [()], fill in, or any other means as may be specified. Where the question asked is not relevant to your school, please, leave it blank.

This exercise is purely for an academic purpose and any information provided will be kept confidential as much as possible.

Thank you.

Part A

1) What is your qualification?

- a) DBS ()
- b) GATT ()
- c) HND ()
- d) First Degree ()
- e) Masters ()
- f) PhD ().

2) How long have you worked in the school?

- a) 1-5yrs ()
- b) 6-10yrs ()
- c) 10yrs and above ()

3) What is your current position or rank in the school?

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4) What are your main duties? (Select as many as applicable)

- a) Collection of money ()
- b) Issuing of receipts for cash received ()
- c) Authorization of transaction ()
- d) Preparing students' bill ()

Others please specify

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5) Do you receive cash revenue?

- a) Yes ()
- b) No ()

6) If yes, how do you treat cash receipt?

- a) Keep in a safe ()
- b) Banked the same day ()
- c) Banked the next day ()

- 7) How often do you deposit cash receipt at bank?
a) Daily ()
b) Weekly ()
c) Monthly ()
- 8) Do you allow your students to pay money directly into the bank?
a) Yes ()
b) No ()
- 9) How often do they make the payment?
a) Monthly ()
b) Termly ()
c) Yearly ()

10) If no why?

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- 11) Do you force students to pay the fees?
a. Yes ()
b. No ()

- 12) If yes, when do you get them to pay their fees?
a. As soon as they resume ()
b. In the middle of the term ()
c. During the examination time ()

- 13) What is the percentage of the following sources of funds available to the school?
a. School fees %
b. Government grant%
c. Other levies..... %

- 14) Who is responsible of preparing the budget? [You can specify more than one]
a) Accountant ()
b) Headmaster ()
c) Bursar ()
d) Others ()

15) What is your level of or involvement in the implementation of the school budget?

- a) 1-25% ()
- b) 26-50% ()
- c) 51-75% ()
- d) 76-100 % ()

16) Do you have a budget committee in place?

- a) Yes ()
- b) No ()

17) If you have, what are the functions of the budget committee?

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18) Does your school's expenditure exceed income?

- a) Yes ()
- b) No ()

19) If yes, what do you do under that circumstance?

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20) Are you aware of the existence of some regulatory framework within which you have to work?

- a) Yes ()
- b) No ()

21) List some of them

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22) How do you understand the term regulatory compliance?

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23) Are procurement procedures followed when buying goods and services?

- a) Yes ()
- b) No ()

24) Does the head of the institution ensure that procurement provisions are complied with?

- a) Yes ()
- b) No ()

25) Do you find understanding the regulatory framework difficult?

- Yes ()
- No ()

26) In your opinion, how would you describe the effectiveness of the financial controls in the school?

- a) Very Effective ()
- b) Effective ()
- c) Not Effective ()
- d) Not Very Effective ()

27) Are all the staffs active to ensure that the right thing is done with respect of following a due process?

- a. Yes ()
- b. No ()

28) If yes, do you all ensure and agree that the right thing is done at all times?

- a. Yes ()
- b. No ()

29) If no, do we have some who are seemed to have some say?

- a. Yes ()
- b. No ()

30) What is the reason why others have say and others are not?

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.....

31) Do you see the need for obeying financial rules?

- a) Yes ()
- b) No ()

32) Do you in some occasions go contrary to the rules?

- a) Yes ()
- b) No ()

33) IF yes, is it intentional?

- a) Yes ()
- b) No ()

34) If no, what circumstances led to that?

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35) If it is unintentional, what steps did you take to resolve the problem?

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36) Do you often have any refresher course to update yourself on the legislative framework?

- a. Yes ()
- b. No ()

37) Do you know some activities that the schools funds are spent on in the schools?

- a. Yes ()
- b. No ()

38) If yes, list some of these activities

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39) What is the relationship between you and your superiors as far as financial issues are concerned?

- a. Not cordial ()
- b. Not very cordial ()
- c. Cordial ()
- d. Cordial but not always ()

Part B

THE BURSAR AND THE ACCOUNTANT

Please select the number below that best represents how you feel about the state of compliance with the financial rules and the laws in your school for each statement.

Statement	Strongly Agree	Moderately Agree	Agree	Neither Agree nor Disagree	Disagree	Moderately Disagree	Strongly Disagree
The regulatory frameworks are read and well understood	1	2	3	4	5	6	7
You have the copies of the hand book of the legislative frameworks	1	2	3	4	5	6	7
You strive to adhere to the regulation and control measures in the schools	1	2	3	4	5	6	7
There are clear factors that prevent you from complying with the controls and regulations	1	2	3	4	5	6	7
These factors are known to all of							

you	1	2	3	4	5	6	7
You always consult the appropriate person for help whenever in problem	1	2	3	4	5	6	7
The problems are always solved in line with acceptable practices	1	2	3	4	5	6	7

PART C

statement	Strongly Agree	Moderately Agree	Agree	Neither Agree nor Disagree	Disagree	Moderately Disagree	Strongly Disagree
You have particular character that would always make you to flout the laws	1	2	3	4	5	6	7
These traits can be managed whenever you are confronted with a dilemma situation	1	2	3	4	5	6	7
You have the requisite professional qualifications to deliver	1	2	3	4	5	6	7
The non-adherence to the legislative framework cause	1	2	3	4	5	6	7

irreparable financial damage to the school							
Financial loss affects school activities and the students' performance	1	2	3	4	5	6	7
The auditors visit the schools religiously to ensure compliance	1	2	3	4	5	6	7
The auditors do their jobs without favoritism	1	2	3	4	5	6	7

statement	Strongly Agree	Moderately Agree	Agree	Neither Agree nor Disagree	Disagree	Moderately Disagree	Strongly Disagree
The management always presents true and fair reports and statements	1	2	3	4	5	6	7
There is no uttering of documents as you prepare information for external users	1	2	3	4	5	6	7

I am presurerized by my boss to falsify report	1	2	3	4	5	6	7
I am always honest in my reportage	1	2	3	4	5	6	7
I struggle with "something" within me to falsify documents	1	2	3	4	5	6	7
I always work to the best interest of my principal	1	2	3	4	5	6	7
I am adequately rewarded to satisfactory and never tempted to amass wealth	1	2	3	4	5	6	7

APPENDIX II

UNIVERSITY OF CAPE COAST

CAPE COAST (UCC)

QUESTIONNAIRE FOR THE HEADMASTER AND THE ASSISTANT
(S)

Dear Respondent,

I am a final year student of University of Cape Coast MBA Programme in Accounting, and I am undertaking a Research Study on *the assessment of financial control practices* in Senior High Schools in Ho-West District. As a key stakeholder, you have been selected to participate in the exercise.

I would be very grateful if you could complete this questionnaire by simply ticking (✓) in the spaces provided below where applicable [()], fill in, or any other means as may be specified. Where the question asked is not relevant to your school, please, leave it blank.

This exercise is purely for an academic purpose and any information provided will be kept confidential as much as possible.

Thank you.

PART A

- 1) What is your qualification?
 - a) First Degree ()
 - b) Masters ()
 - c) PhD ()

- 2) For how long have you been in the Service?
 - a) 1-5 yrs ()
 - b) 6-10Yrs ()
 - c) 11-15Yrs ()
 - d) 16Yrs and above ()

- 3) What are the duties of the headmaster?
 - a. Authorization of transactions ()
 - b. Chairing financial committee ()
 - c. Ensuring the compliance ()

- 4) Does the school encounter financial problem?
 - a) Yes ()
 - b) No ()

- 5) If yes, how often that happen?
 - a) Always ()
 - b) Not always ()

- 6) By what means are school fees collected?
 - a) Cash ()
 - b) Through Bank ()
 - c) A tasked individual teacher

- 7) What type of expenses takes a higher proportion of the school funds?
 - a) Administration activities ()
 - b) Food ()
 - c) Teachers' incentives ()

- 8) Do you have a limit to any of your transaction?
a) Yes ()
b) No ()
- 9) Do you comply with those limits?
a) Always ()
b) At times ()
- 10) Who supervises the expenditure of the school?
a) Headmaster ()
b) Thief Accountant of the school ()
c) Internal Auditor ()
d) External Auditor ()
- 11) What are some of the financial controls implemented to check expenditure? (please you can tick more than one)
a) Serially numbered document ()
b) Issuance of Receipt ()
c) Periodic bank reconciliation ()
d) Period audit of the books of account ()
e) Budget preparation ()
- 12) What control measures in place to curb embezzlement of school funds?
a) Recording of transactions ()
b) Authorization of transaction ()
c) Separation of duties ()
d) Cross-checking bank payment against receipt ()
- 13) Others specify
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- 14) Have you had any complaint of misappropriation of school fund for the past two years?
a) Yes ()
b) No ()

15) Do you prepare budgets?

- a) Yes ()
- b) No ()

16) Are the budgets implemented according to plan?

- a) Yes ()
- b) No ()

17) Have you ever experience a budget deficit?

- a) Yes ()
- b) No ()

18) If yes, how is the situation corrected?

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.....

19) Do you often have any refresher course to update yourself on the legislative framework and that of your subordinates?

- a) Yes ()
- b) No ()

20) Do you know some activities that the schools funds are spent on in the schools?

- c. Yes ()
- d. No ()

21) If yes, list some of these activities

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Part B

THE HEADMASTER AND THE ASSISTANT

Please select the number below that best represents how you feel about the state of compliance with the financial rules and the laws in your school for each statement.

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You always consult the appropriate person for help whenever in problem	1	2	3	4	5	6	7
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These traits can be managed whenever you are confronted with a dilemma situation	1	2	3	4	5	6	7
You have the requisite professional qualifications to deliver	1	2	3	4	5	6	7
The non-adherence	1	2	3	4	5	6	7

to the legislative framework cause irreparable financial damage to the school							
Financial loss affects school activities and the students' performance	1	2	3	4	5	6	7
The auditors visit the schools religiously to ensure compliance	1	2	3	4	5	6	7
The auditors do their jobs without favoritism	1	2	3	4	5	6	7

PART C

Statement	Strongly Agree	Moderately Agree	Agree	Neither Agree nor Disagree	Disagree	Moderately Disagree	Strongly Disagree
The management always presents true and fair reports and statements	1	2	3	4	5	6	7
There is no uttering of documents as you prepare information	1	2	3	4	5	6	7

for external users							
I am pressurized by my boss to falsify report	1	2	3	4	5	6	7
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I always work to the best interest of my principal	1	2	3	4	5	6	7
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