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TECHNICAL UNIVERSITIES 2020

REPORT OF THE AUDITOR-GENERAL
ON THE PUBLIC ACCOUNTS OF GHANA:
TECHNICAL UNIVERSITIES
FOR THE PERIOD ENDED 31 DECEMBER 2020



**This report has been prepared under Section 11
of the Audit Service Act, 2000 (Act 584)
for presentation to Parliament in accordance with
Section 20 of the Act.**

**Johnson Akuamoah Asiedu
Acting Auditor-General
Ghana Audit Service
8 June 2021**

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

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

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

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

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TRANSMITTAL LETTER

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**Office of the Auditor-General
Ministries Block 'O'
P O Box MB 96
Accra
GA-110-8787**

**Tel. (0302) 662493
Fax (0302) 675496**

8 June 2021

Dear Rt. Hon. Speaker,

**REPORT OF THE AUDITOR-GENERAL
ON THE PUBLIC ACCOUNTS OF GHANA:
TECHNICAL UNIVERSITIES
FOR THE PERIOD ENDED 31 DECEMBER 2020**

I have the honour to present my report on the Public Accounts of Ghana - Technical Universities to be tabled in the House in accordance with Article 187 (5) of the 1992 Constitution of the Republic of Ghana and Section 20 (1) of the Audit Service Act, 2000 (Act 584).

2. This report is a consolidation of the significant findings and recommendations emanating from my routine audits of the 10 Technical Universities in the country and covers the period 1 January to 31 December 2020.

3. The report is in three parts: Part I provides overall summary of significant findings and recommendations. Part II gives summary of findings and recommendations according to each Technical University, while Part III provides details of my findings.

4. In line with Section 20 of the Audit Service Act, 2000 (Act 584), significant irregularities arising from the audit have been highlighted in the report. I have also drawn attention to instances of non-compliance with financial and other

regulations. On each issue raised, I have provided recommendations which implementation, I am confident, could help reduce the incidence of the irregularities.

Acknowledgement

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

6. I also acknowledge the massive contribution of Parliament in reviewing my reports and ensuring that my recommendations are enforced to enhance better public financial management.

7. Finally, I commend my staff for their invaluable contributions, in producing this report.

Yours faithfully,



**JOHNSON AKUAMOAH ASIEDU
ACTING AUDITOR-GENERAL**

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

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REPORT OF THE AUDITOR-GENERAL ON THE PUBLIC ACCOUNTS OF GHANA – TECHNICAL UNIVERSITIES FOR THE PERIOD ENDED 31 DECEMBER, 2020

Introduction

8. The accounts of the Technical Universities for the period 1 January 2020 to 31 December 2020 have been audited in accordance with Article 187 (2) of the 1992 Constitution of the Republic of Ghana. I present herewith the results of the audit.

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

10. I also evaluated the adequacy of internal controls, compliance with the Public Financial Management Act, 2016 (Act 921), Public Financial Management Regulations, 2019 (L.I. 2378), the Public Procurement Act, 2003 (Act 663), the Public Procurement (Amendment) Act, 2016 (Act 914), Income Tax Act, 2015 (Act 896), Value Added Tax Act, 2013 (Act 870) Technical Universities and Polytechnics' Act and other relevant regulations affecting public financial management in Ghana as well as International Auditing Standards and good practices.

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

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

PART I

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

12. Presented in Table 1 is the financial impact of various irregularities for the period ended 31 December 2020, with Table 2, showing the irregularities according to each Technical University.

Table 1: Summary of financial irregularities for the year ended 31 December, 2020

No.	Type of Irregularity	Percentage (%)	Total Amount (GH¢)
1	Outstanding Debtors/Loans/Recoverable Charges	30.39	3,897,983.40
2	Cash	26.60	3,412,426.69
3	Payroll	2.21	283,997.91
4	Procurement	14.80	1,898,239.48
5	Tax	0.07	8,670.78
6	Stores	2.01	258,014.88
7	Contract	23.92	3,067,775.56
	Total	100.00	12,827,108.70

Table 1b: Trend Analysis of Irregularities 2016 to 2020 (rounded to whole figures)

No.	Type of Irregularity	2016 GH¢	2017 GH¢	2018 GH¢	2019 GH¢	2020 GH¢
1	Outstanding Debtors / Loans	157,833	11,776,885	1,468,196	8,094,230	3,897,983
2	Cash	38,370,533	25,110,705	13,619,737	7,925,991	3,412,427
3	Payroll	21,708	2,405,000	1,707,374	262,571	283,998
4	Procurement	391,361	3,985,354	438,150	48,960,038	1,898,239
5	Tax	236,985	907,199	295,952	23,242	8,671
6	Stores	85,477	3,040,179	2,474,954	3,240	258,015
7	Contract	18,427,454	45,510,862	78,890,103	105,345,171	3,067,775
	Total	57,691,351	92,736,184	98,894,466	170,614,483	12,827,108

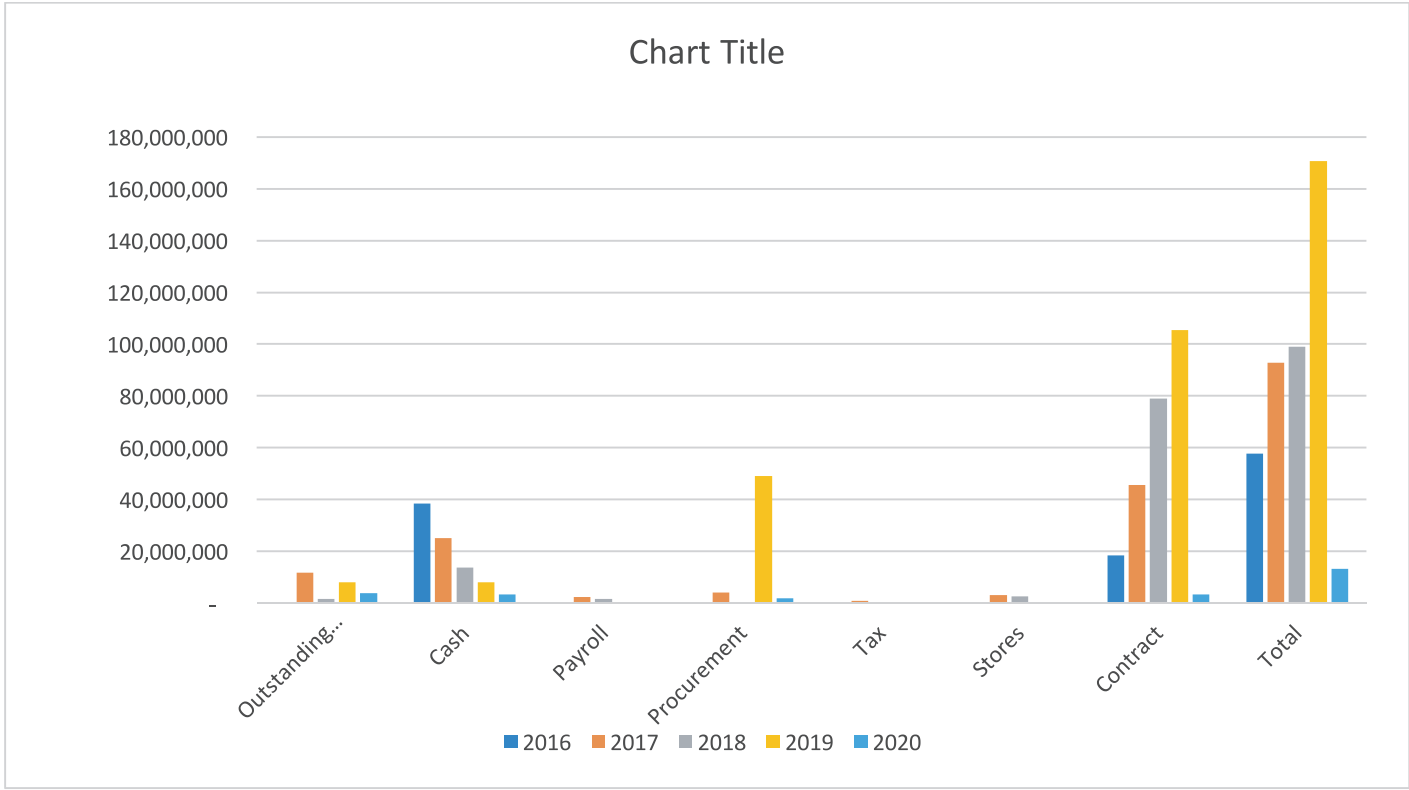


TABLE 2: SUMMARY OF FINANCIAL IRREGULARITIES ACCORDING TO EACH TECHNICAL UNIVERSITY FOR THE YEAR 2020

Technical University	Outstanding debtors/loans /Recoverable charges	Cash Irregularities	Payroll Irregularities	Procurement Irregularities	Tax irregularities	Stores Irregularities	Contract Irregularities
TAMALE	4,320.00	11,750.00	7,066.00	-	-	248,014.88	451,906.74
BOLGATANGA	58,747.20	558,952.82	-	66,035.20	-	10,000.00	241,531.00
CAPE COAST	48,009.22	-	-	-	-	-	337,140.33
HO	35,510.00	1,108,065.69	204,556.24	-	-	-	155,396.88
KOFORIDUA	3,336,883.29	-	15,834.65	-	-	-	1,881,800.61
KUMASI	136,000.00	28,276.57	56,541.02	249,250.56	-	-	-
WA	-	1,233,269.20	-	1,485,382.00	-	-	-
ACCRA	34,230.33	238,288.68	-	-	8,670.78	-	-
TAKORADI	119,903.64	166,105.60	-	-	-	-	-
SUNYANI	124,379.72	67,718.13	-	97,571.72	-	-	-
TOTAL	3,897,983.40	3,412,426.69	283,997.91	1,898,239.48	8,670.78	258,014.88	3,067,775.56

Outstanding Debtors/Loans/Recoverable Charges - GH¢3,897,983.40

13. These irregularities related to outstanding loans, and staff debtors. They arose out of management's inability to furnish the Controller and Accountant General's Department (C&AGD) with timely inputs and also disregard for Regulation 46 of the PFMR, 2019 (L.I. 2378), by allowing borrowers to make direct payment, or enforcing any other means feasible under the circumstances to pursue recovery. They were also as a result of lack of supervision and improper record keeping to monitor and recover loans granted.

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

Cash Irregularities - GH¢3,412,426.69

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

16. I advised management of the institutions to improve the control environment including the establishment and effective operations of Internal Audit Units; enhancing supervision over accounting staff to minimise these irregularities. I also recommended authentication of all payment vouchers; review of approved budgets, strict adherence to the provision of the Public Financial Management Regulations, 2019 (L.I. 2378) the efficient management of IGFs, and prompt retirement of imprest.

Payroll Irregularities - GH¢283,997.91

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

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

Procurement Irregularities - GH¢1,898,239.48

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

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

Tax Irregularities - GH¢8,670.78

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

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

Stores Irregularities - GH¢258,014.88

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

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

Contract Irregularities - GH¢3,067,775.56

25. These related to unjustified review of contract processes, excessive payment of mobilisation fee, and Management's inability to exercise due diligence in the award of contracts for project work. They were caused by management's inability to adhere to provisions in contract documents, improper contract budgeting and commencing many projects at the same time without recourse to availability of funds.

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

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

Audit Opinion

28. The 10 Technical Universities submitted their financial statements for validation. My office was satisfied, in all material respects, that the audited financial statements presented fairly financial information in accordance with the applicable statutory provisions, stated accounting policies of the Government and are in accordance with generally accepted accounting standards and essentially consistent with that of the preceding year; and in my opinion they presented a true and fair view of the financial position, and the financial performance of the Institutions for the year ended 31 December 2020.

PART II

SUMMARY OF SIGNIFICANT FINDINGS AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

29. We noted during our audit that ten members of staff of the University owed rent totalling GH¢4,320.00 for the period under review. We recommended to management to recover the outstanding rent from the officers involved without further delay.

30. Our examination of payroll records revealed that for the period November and December 2020, Haruna Hamza was overpaid salary totalling GH¢7,066.00. We recommended to management to ensure the recovery of the overpayment from Haruna Hamza.

BOLGATANGA TECHNICAL UNIVERSITY

31. We observed that the University applied rates ranging between GH¢72.00 and GH¢210.00 on rent deductions for 17 officers occupying the University's bungalows instead of the 10% prescribed rate. This resulted in the under-deduction of rent amounting to GH¢52,747.20. We recommended to management to apply the required 10% rate as rent for occupants of government bungalows.

32. We noted that management paid council members sitting allowances using unapproved rates resulting in an overpayment of GH¢15,300.00. We recommended that, the correct rates should be applied in the payment of sitting allowances to council members.

33. Our examination revealed that management procured goods valued at GH¢64,335.20 which were not included in the University's approved procurement plan for the year. We advised that management to plan adequately to avoid purchases outside the procurement plan.

34. We noted that, a Koyo water packing machine procured in June 2014 at a cost of GH¢10,000.00 was yet to be put to use. We advised management to put the machine to use for the University to obtain the benefits for its acquisition.

CAPE COAST TECHNICAL UNIVERSITY

35. Our examination revealed that 28 officers defaulted in the payment of salary advances totalling GH¢43,951.32 granted between 2017 and 2019. We recommended to management to recover the outstanding advances from the affected officers without further delay.

36. Our review disclosed that Mr. Tsatsu MacCarthy was granted study leave with pay for a period of five years, between February 2015 - November 2019, to pursue PhD in Tourism and Hospitality Management at Bournemouth University, United Kingdom. He however vacated post in December 2019 without serving the University as required. We recommended to management to pursue recovery of a total amount of GH¢337,140.33 from Mr. Tsatsu MacCarthy, failing which the guarantors should be held liable.

HO TECHNICAL UNIVERSITY

37. We noted that management failed to process transactions through the Ghana Integrated Financial Management Information System (GIFMIS). We recommended that management should ensure the Controller and Accountant fixed all the relevant platforms to enable the processing of their transactions through the GIFMIS system as required by the regulation.

38. Our audit disclosed that five members of staff who were recruited between 1 September 2020 and 12 October 2020 resigned from their positions without giving the three months or six months prior notice as stipulated in the terms and conditions of their appointment. We recommended to management to recover the total salaries of GH¢110,651.04 from the officers in lieu of notice.

39. Our review of payroll disclosed that eleven separated staff of the university were paid a total amount of GH¢93,905.20 as unearned salaries during the audit period. We advised management to recover the unearned salaries from the affected staff.

40. Our examination revealed that between August 2019 and May 2020, management granted salary advance totalling GH¢40,310.00 to three members of staff. We further noted that out of the total advance granted, GH¢4,800.00 had been recovered leaving a balance of GH¢35,510.00. We recommended to management to recover the outstanding amounts from the affected officers.

41. We noted during our review of the accounting documents that the University invested an amount of GH¢155,396.88 with the defunct Gold Coast Fund Management Ltd., however, neither the principal nor the returns had been redeemed from the receiver, Blackshield Capital Ltd. We recommended to management to pursue the recovery of the investments from the receiver.

KOFORIDUA TECHNICAL UNIVERSITY

42. Our analysis of students' billing and payments for the period 2013 to 2020 in the Online Students Information System (OSIS) revealed an outstanding debt of GH¢3,336,883.29 owed by 2,198 students. However, the University did not report on student debtors in the December 2020 financial statements. We

recommended a full audit to ascertain the actual students billed for the period and the associated payments received into the fees collection accounts.

43. Our examination disclosed that IT Consortium facilitated the sale of e-vouchers and proceeds from the sale were paid into the accounts of the service provider. However, IT Consortium delayed unduly in transferring the funds into the University's accounts for periods up to one month. We urged management to liaise with IT Consortium to effect prompt transfers of funds into the University's bank account.

44. Our review of personal staff files disclosed that three officers who separated from the University in the year 2020, were paid unearned salaries totalling GH¢15,834.65. We recommended that the amount should be recovered from the affected officers or their next of kin and same paid into the Consolidated Fund.

45. We noted that the contract agreement between the University and IT Consortium for the provision of the Online Students Information System (OSIS) was not supported with a Service Level Agreement (SLA). We recommended that the IT and Review Committees as well as the Legal Unit should ensure that an SLA is put in place.

KUMASI TECHNICAL UNIVERSITY

46. We noted that out of the ten parcels of land acquired by the University for development, only four parcels have been registered leaving the remaining without title of ownership. We recommended to management to expedite action to acquire title deeds for the remaining six parcels of land to prevent encroachers and litigation in future.

47. Our examination of the accounting records disclosed that management failed to recover an advance payment of GH¢136,000.00 from Dr. Adu-Aninkorah, former member of the Kumasi Polytechnic Council. We recommended that management pursue the recovery of the outstanding amount of GH¢136,000.00.

48. Our audit revealed that management made a payment of GH¢13,768.62 without supporting documents to authenticate the transaction. We recommended that the Director of Finance should provide the necessary supporting documents to acquit the payment failing which the amount should be recovered from the Director of Finance.

49. We noted that between December 2019 and May 2020, management failed to stop the salaries of three staff who had separated from the University resulting in the payment unearned salaries amounting to GH¢20,956.02. We further noted that management failed to stop the payment of fuel, car maintenance and off

campus allowances amounting to GH¢35,685.00 to five officers on scholarship abroad. We recommended to management to recover the unearned salaries from the officers or their next-of-kins and same paid to chest. We also recommended that the amount of GH¢35,685.00 should be recovered from the five officers on scholarship abroad.

DR. HILLA LIMANN TECHNICAL UNIVERSITY, WA

50. Our review of the procurement records of the University showed that, in November 2020 the Entity Tender Committee (ETC) of the University awarded a contract valued at GH¢1,485,382.00 to Kingdom Books and Stationery Limited for the Supply and delivery of office furniture and library equipment above its threshold of GH¢1,000,000.00. We urged management to seek retrospective approval from the Central Review Committee without any further delay.

51. We noted from a sample of payment vouchers reviewed that, payments totalling GH¢1,233,269.20 were not processed through the GIFMIS system during the period under review. We recommended to management to take the necessary steps to ensure that the University is linked to the GIFMIS system.

ACCRA TECHNICAL UNIVERSITY

52. Our examination of financial records disclosed that between January and February 2020, management paid Admaro Limited and Sawtel Ghana Limited a total amount of GH¢238,288.68 as outstanding debt for services provided in 2019. However, the debt was not included in the creditors' ledger or the 2019 audited financial statements of the university. We requested management to include the transaction in the financial statements as prior year adjustment to ensure the completeness, truth and fairness of the accounts.

53. We noted that management paid an amount of GH¢136,916.85 to Zangose Venture Ltd, for the construction of Boundary Pillars and Subsidiary Gates at Samsam campus, however, the contractual agreement, evaluation and other relevant reports for the execution of the contract were not made available to the audit team. We advised the management to provide us with the relevant documents for our examination.

54. We noted that the system for the recovery of loans was weak resulting in 28 officers defaulting in the payment of salary and rent advances totalling GH¢34,230.33 granted between 2016 and 2019. We recommended to management to strengthen their control systems to ensure the recovery of the outstanding advances.

TAKORADI TECHNICAL UNIVERSITY

55. We noted from our examination of the staff debtors' ledger that, 28 staff owed the University loans totalling GH¢79,528.16 granted between 2019 and 2020. We recommended to management to immediately recover the outstanding loans of GH¢79,528.16 from the beneficiaries and pay same into the University's accounts.

56. We noted during our examination of financial documents that 15 payment vouchers amounting to GH¢157,261.60 were not supported with the relevant documents to authenticate the transactions. We recommended to management to produce the relevant supporting documents for our review, failing which the amounts should be refunded by the authorizing and paying officers.

57. Our audit disclosed that 27 members of staff owed the rent advance totalling GH¢40,375.48 granted between 2015 and 2020. We urged management to recover the outstanding rent advances from the defaulters.

58. Our examination of vehicle documents of the University revealed that the ownership of two recently procured vehicles on 12 November 2020 from Toyota Ghana Limited still remained in the name of supplier. We recommended that management should take immediate steps to effect the change of ownership to the University.

59. We observed that the University procured various items totalling GH¢5,414,836.33 however, the entity tender failed to submit monthly procurement reports for the attention of the Public Procurement Authority. We therefore urged management to ensure that the Entity Tender Committee comply with this provision.

SUNYANI TECHNICAL UNIVERSITY

60. We noted that management of the University procured and used electronic receipts from Korporate Deamolus Ghana Ltd without seeking approval from the Controller and Accountant General's Department. We advised management to desist from the practice and seek approval from the CAGD on the design, form, content and ordering of all value books.

61. Our review showed that the accreditation for 12 programmes offered by the University had expired. We advised management to follow up and regularize the accreditation status of all expired academic programmes.

62. Our examination of the accounting records disclosed that between March and December 2020, four officers failed to retire imprest totalling GH¢21,399.27 granted them to undertake various activities. We recommended to the Director of

Finance to ensure that the officers retire the imprest without further delay failing which the amounts should be charged as personal advances against them.

63. We noted that between January 2020 and October 2020 management made payments totalling GH¢86,038.91 paid vide 11 payment vouchers. However, an amount of GH¢46,318.86 was not properly acquitted with the requisite supporting documents to authenticate the transactions. We recommended to management to ensure that the payment vouchers are properly acquitted failing which the total amount of GH¢46,318.86 should be refunded by the recipients.

64. Our audit revealed that the University procured goods and services amounting to GH¢97,571.72 on 11 payment vouchers without sourcing for at least three alternative quotations. We recommended to management to ensure full compliance with the Public Procurement Act in its subsequent procurement activities.

65. The University procured Desktop and Laptop Computers with Accessories totalling GH¢144,877.90 using the price quotation method instead of National Competitive Tendering Method. We urged Management of the University to ensure full compliance with the threshold requirements for procurements in order to obtain value for money.

66. Our audit revealed that salary advances amounting to GH¢50,633.57 granted to 31 officers between 2018 and 2020 remained unrecovered. We urged the Director of Finance to recover the advances from the officers without further delay.

67. We observed that management of STU did not have a contract or formal Service Level Agreement with the developer of the BKapps software (Dr. Ben Ayawli Beklisi). We recommended to management to ensure that a Service Level Agreement is put in place and adhered to by all parties.

68. Our review disclosed that 179 students were able to register for the 2019/2020 academic year without fulfilling their financial obligations as required. We urged management to put in place control measures to prevent future occurrences. We further advised management to sanction the officers who perpetrated the act in order to serve as a deterrent.

PART III

DETAILS OF FINDINGS AND RECOMMENDATIONS

TAMALE TECHNICAL UNIVERSITY

Introduction

69. This report relates to the audited accounts of the Tamale Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

70. The University during the period under review received grants and other income totalling GH¢39,826,510.60 and incurred a total expenditure of GH¢38,467,756.71 resulting in a Surplus of GH¢1,358,753.89 compared with a surplus of GH¢2,496,628.59 in 2019. The income margin (proportion of expenditure to revenue) thus dwindled from 7% to 3% as shown below:

Year	Revenue GH¢	Expenditure GH¢	Surplus/(Deficit) GH¢	Margin
2019	33,427,915.52	30,931,286.93	2,496,628.59	7%
2020	39,826,510.60	38,467,756.71	1,358,753.89	3%

71. The operations of the Tamale Technical University for the financial year, 2020 ended with an income surplus of GH¢1,358,753.89 representing 46% fall in the surplus of the previous financial year of GH¢2,496,664.59. Details are provided in the table below:

Income and Expenditure for the year ended 31st December 2020

Income	2020	2019	Variance	%
	GH¢	GH¢	GH¢	Change
Government Subventions	32,526,669.53	23,927,050.63	8,599,618.90	36
Internally Generated Funds	6,844,951.57	8,880,809.39	(2,035,857.82)	(23)
Project Income	454,889.50	620,055.50	(165,166.00)	(27)
Total Income	39,826,510.60	33,427,915.52	6,398,595.08	19
Expenditure				
Compensation for Employees	34,621,474.50	25,954,992.80	8,666,481.70	33
Goods and Services	3,610,640.52	4,554,504.01	(943,863.49)	(21)

Other General Expenses	235,641.69	421,754.12	(186,112.43)	(44)
Total Expenditure	38,467,756.71	30,931,250.93	7,536,505.78	24
Income Surplus/ (Deficit)	1,358,753.89	2,496,664.59	(1,137,910.70)	(46)

72. Total Income for the Tamale Technical University increased by 19% from GH¢33,427,915.52 in 2019 to GH¢39,826,510.60 in 2020. The above increase is mainly attributed to an increase in Government Subventions by 36% (GH¢8,599,618.90) from GH¢23,927,050.63 in 2019 to GH¢32,526,669.53 in 2020.

73. Total Expenditure also went up by GH¢7,536,505.78 representing 24% from GH¢30,931,250.93 in 2019 to GH¢38,467,756.71 in 2020. This was because of a 33% increase in expenditure on Compensation of Employees from GH¢25,954,992.80 in 2019 to GH¢34,621,474.50 in 2020.

Financial position

74. The Financial Position of the Tamale Technical University as at 31 December 2020 is as shown in the table below:

Financial position as at 31st December 2020

ASSETS	2020	2019	Variance GH¢	% Change
	GH¢	GH¢		
Non-Current Assets	6,001,986.69	5,842,013.80	159,972.89	3
Investment In BDU	81,661.66	81,661.66	0.00	0
Investment in TaTU Hospital	473,415.11	473,415.11	0.00	0
Current Assets	4,314,445.58	9,747,489.76	(5,433,044.18)	(56)
Total Assets	10,871,509.04	16,144,580.33	(5,273,071.29)	(33)
Liabilities				
Non-Current Liabilities	-	1,053,268.00	(1,053,268.00)	(100)
Current Liabilities	865,556.12	6,464,507.48	(5,598,951.36)	(87)
Total Liabilities	865,556.12	7,517,775.48	(6,652,219.36)	(88)
Net Assets	10,005,952.92	8,626,804.85	1,379,148.07	16
Current ratio	4.98	1.51		

75. Non-Current Assets increased by 3% from GH¢5,842,013 in 2019 to GH¢6,001,986.69 in 2020. This was due to additions to fixed assets during the year.

76. Current Assets also fell by 33% from GH¢16,144,580.33 in 2019 to GH¢10,871,509.04 in 2020. This was due to fall in all classes of Current Assets namely Cash and Cash Equivalent, Receivables & Inventories.

77. Total Liabilities (obligations) reduced by 88% from GH¢7,517,775.48 in 2019 to GH¢865,556.12 in 2020 due to the absence of Deferred Fee Revenue in 2020 falling from GH¢5,878,563.62 in 2019.

78. The liquidity ratio of 1.51:1 in 2019 indicates that the Tamale Technical University has the ability to meet its current liabilities as they fall due. The liquidity ratio improved to 4.98:1 in 2020 showing stronger ability to meeting current obligations when the fall due. This improvement is mainly due to the absence of the Deferred Fee Revenue in 2020.

Unsubstantiated trade creditors - GH¢451,906.74

79. Regulation 79 of the Public Financial Management Regulations, 2019 (L.I. 2378), demands that a Principal Spending Officer shall prepare a certification in respect of stores received.

80. The Statement of Financial Position for 2020 financial year indicated that the Clinic owed suppliers a total of GH¢451,906.74 made up of GH¢326,202.24 for drugs and GH¢125,704.50 for non-drugs. We were however unable to obtain store certification to authenticate the supplies and therefore the debt.

81. The above situation occurred as a result of poor management of the Hospital. We are therefore of the opinion that the outstanding trade creditors balance may have been overstated or do not exist. We find it quite odd that Ernest Chemist and other five private entities have failed to request for payment for drugs and consumables supplied as far back as 2018.

82. This may be a smokescreen to hide corrupt activities that has led to loss of Hospital funds and reducing the Hospital to a mere structure with a handful of staff.

83. We recommended that management should authenticate the credit balances by providing evidence of supply and use of the consumables received from the creditors or be held responsible for the claims of debt and personally pay the suppliers. We also recommended that the Director of Finance should ensure that qualified personnel are deployed to the Hospital to provide reliable records and

also ensure effective monitoring and supervision of Hospital’s financial operations.

Management response

84. Records of supply and use of consumables are available for your perusal.

Audit Comment

85. Management failed to substantiate the claims for the outstanding trade creditors

BUDGETARY PERFORMANCE

Revenue Performance

86. The school exceeded its revenue target for the period by 15% as shown below:

Revenue Item	Budgeted	Actual Revenue	Variance	%
	GH¢	GH¢	GH¢	Change
Compensation for Employee	24,460,860.00	31,976,669.53	7,515,809.53	31
Internally Generated Fund	10,046,203.00	6,844,951.57	(3,201,251.4)	(32)
Project Income	-	454,889.50	454,889.50	0
Capital Grant – GETFund	-	550,000.00	550,000.00	0
Total Revenue	34,507,063.00	39,826,510.60	5,319,447.60	15

Expenditure Control

87. The total expenditure incurred for the same period amounted to GH¢38,467,756.71 as against the approved estimates of GH¢34,507,063.00 resulting in unfavourable variance of GH¢3,960,693.71 The school therefore exceeded its expenditure target for the period by 11% as shown below;

Expenditure Item	Budgeted	Actual Expenditure	Variance	%
	GH¢	GH¢	GH¢	Change
Compensation of Employee	24,460,860.00	34,621,474.50	(10,160,614.50)	(42)
Use Goods and Services	10,046,203.00	3,610,640.52	6,435,562.48	64
Project Expenses		235,641.69	(235,641.69)	0
Total Expenditure	34,507,063.00	38,467,756.71	(3,960,693.71)	(11)

Effects of Covid-19 on Financial Performance & Position

88. An analysis of the financial statement showed that, for the first time since 2016, Liquidity for the current financial year has fallen below the comparative value. Thus, instead of upward growth in Cash & Cash Equivalents consistent with previous years, there was a negative growth of about 56% in 2020. Details are shown in the table below:

Effects of Covid19 on Liquidity				
CURRENT ASSETS	2020	2019	Variance	
	GH¢	GH¢	GH¢	%
Cash and cash equivalents	2,899,753.31	5,744,791.32	(2,845,038.01)	(50)
Receivables	1,306,507.74	3,833,973.01	(2,527,465.27)	(66)
Inventories	108,184.53	168,725.43	(60,540.90)	(36)
Total Current Assets	4,314,445.58	9,747,489.76	(5,433,044.18)	(56)

89. Operating Income (Internally Generated Funds – IGF) also dwindled by more than 24% as the academic year delayed. Details are shown in the table below:

Effects of Covid19 on Operating Income (IGF)				
IGF	2020	2019	Variance	
	GH¢	GH¢	GH¢	%
Fee Income	5,885,553.44	7,456,434.58	(1,570,881.14)	(21)
Sale of Forms Income	395,476.00	514,010.00	(118,534.00)	(23)
Other Income	426,031.75	910,364.81	(484,333.06)	(53)
Total	6,707,061.19	8,880,809.39	(2,173,748.20)	(24)

MANAGEMENT ISSUES

Rent not collected - GH¢4,320.00

90. Regulation 46 of the Public Financial Management Regulations, 2019, directs that the Principal Spending Officer shall ensure that non-tax revenue is efficiently collected. Regulation 47 further directs that Principal Spending Officers shall disclose the extent to which non-tax revenue has been achieved and provide measures that need to be taken to address shortfalls.

91. We noted during our audit that for the period under review, ten members of staff of the University owed rent totalling GH¢4,320.00 as detailed in the table below:

No.	Name	Department	Bungalow Type	Monthly Rent	Yearly Amount
1.	Mohammed Aliu	Accountancy	3 Bedroom	40.00	480.00
2.	Ibrahim Musah	Registry	3 Bedroom	40.00	480.00
3.	Abdul- Rauf Alhassan	Registry	3 Bedroom	40.00	480.00
4.	Dr. Mohammed Majeed	Marketing	3 Bedroom	40.00	480.00
5.	Mohammed Ibrahim	Estates	3 Bedroom	40.00	480.00
6.	Iddrisu Ibrahim	Computer Sci	3 Bedroom	40.00	480.00
7.	Abdul – Rashid Ibrahim	Registry	2 Bedroom	30.00	360.00
8.	Daniel Adjei	Automobile Eng.	2 Bedroom	30.00	360.00
9.	Alberta Rockson	HTM	2 Bedroom	30.00	360.00
10.	Gumah Salifu	Agric Eng.	2 Bedroom	30.00	360.00
Total					4,320.00

92. We attributed the lapse to failure on the part of management to provide the Controller and Accountant-General with the required inputs for the necessary deductions.

93. We recommended to management to recover the outstanding rent from the affected officers without further delay.

94. Management accepted our recommendation for compliance.

Double payment of utility bills - GH¢11,750.00

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

96. We noted that the University paid a total amount of GH¢11,750.00 to some senior management staff as electricity allowances for the year 2020. Our review of the University's payroll also indicated that the officers already received the electricity allowances as part of their monthly salaries. This thus resulted in double payment of the electricity allowance. The details are provided below:

DATE	DETAILS	PV NO.	CHEQUE_NO	AMOUNT GH¢
Jan. 8, 2020	J. K. Wumbei / Registrar	P009/01/20	ZENITH - 001864	500.00
Jan. 9, 2020	Alhaji Alhassan A. Razak	P021/01/20	ZENITH - 001889	500.00
Feb. 6, 2020	Alhaji Alhassan A. Razak	P034/02/20	STANBIC MAIN 632767	500.00
Feb. 10, 2020	J. K. Wumbei / Ag. VC	P064/02/20	STANBIC MAIN 632777	350.00
Feb. 19, 2020	J. K. Wumbei	P098/02/20	STANBIC MAIN 632792	500.00
March 12, 2020	Alhaji Abdul-Razak	P098/03/20	STANBIC 632832	500.00
March 13, 2020	J. K. Wumbei-Registrar's	P107/03/20	STANBIC 632834	500.00
April 1, 2020	J. K. Wumbei (Librarian)	P012/04/20	ZENITH 002004	400.00
April 1, 2020	J. K. Wumbei-Ag Vc's	P013/04/20	ZENITH 002004	400.00
April 2, 2020	Alhaji Abdul-Razak	P016/04/20	ZENITH 002005	500.00
April 14, 2020	Alhaji Yakubu Iddrisu (J. K.	P032/04/20	ZENITH 002014	500.00
April 23, 2020	Alhaji Abdul-Razak	P057/04/20	ZENITH 002023	500.00
April 23, 2020	J. K. Wumbei-Registrar's	P061/04/20	ZENITH 002023	500.00
May 16, 2020	J. K. Wumbei-Registrar's	P060/05/20	ZENITH 002055	500.00
May 16, 2020	Alhaji Abdul-Razak	P062/05/20	ZENITH 002057	500.00
June 1, 2020	J. K. Wumbei (Ag. Vc)	P002/06/20	ZENITH 002092	400.00
June 18, 2020	Alhaji Alhassan A. Razak	P065/06/20	ZENITH MAIN 002139	500.00
June 24, 2020	J.K Wumbei / Librarian	P086/06/20	ZENITH MAIN 002151	400.00
July 1, 2020	Registrar	P007/07/20	ZENITH MAIN 002165	500.00
August 31, 2020	Alhaji Alhassan Abdul-Razak	P045/08/20	ZENITH MAIN 002249	500.00
October 16, 2020	J. K. Wumbei	P052/10/20	ZENITH MAIN 002327	300.00
October 27, 2020	Alhaji Alhassan Abdul-	P083/10/20	ZENITH 002340	500.00
November 6, 2020	Alhaji Alhassan Abdul-	P018/11/20	ZENITH 002369	500.00
December 9, 2020	J. K. Wumbei - Registrar	P013/12/20	ZENITH 002420	500.00
December 9, 2020	J. K. Wumbei - Director Of	P014/12/20	ZENITH 002420	500.00
Total				11,750.00

97. We recommended to management to strengthen its controls and ensure the recovery of the total amount of GH¢11,750.00 from the affected officers.

98. Management accepted our recommendation for compliance.

Overpayment of Salaries -GH¢7,066.00

99. Regulation 90 of the Public Financial Management Regulations, 2019 (L.I. 2378), requires that a designated officer from the Human Resource Unit and the Head of the entity shall validate the employee electronic payroll to ensure, among others that, employees are placed at the right scale and any salary overpayment is recovered.

100. Contrary to this provision, we noted that Mr. Haruna Hamzaa, Senior Development Assistant, entitled to gross monthly salary of GH¢2,445.00 was placed on the grade of Assistant Registrar position, with gross monthly salary of GH¢5,978. This anomaly between November and December 2020 resulted an overpayment of salary totalling GH¢7,066.00 to Mr. Hamza.

101. We urged Management to strengthen their controls and ensure the recovery the recovery of the overpayment from Haruna Hamza.

102. Management accepted our recommendation for implementation.

Assets Not Accounted For - GH¢5,524.88

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

104. Our audit disclosed that four assets acquired between September 2017 and June 2018, valued at GH¢5,524.88 could not be produced for inspection at the University Clinic.

Missing Fixed Assets						
Year of Acquisition	Item	ID N ^o	Qty.	Location	Purchase Cost	Remarks
2017	Stretchers	N/A	1	Male Ward	974.96	Not Found
2017	Stretchers	N/A	1	Children Ward	974.96	Not Found
2017	Stretchers	N/A	1	Emergency Ward	974.96	Not Found
2018	Ambor Bag	N/A	1	Labour Ward	500.00	Not Found
2018	Phone Tablets	N/A	2	All	2,100	Not Found
Total					5,524.88	

105. A Diathermy Machine, acquired at a cost of GH¢6,000 and located at the theatre, was returned to the Hospital during our physical inspection on 1 April 2021. The Administrator indicated that it developed a fault and was sent to the supplier.

106. Weak oversight in the Management of the assets of the University largely accounted for this anomaly. We urged management to strengthen its controls in this regard.

107. Management agreed with our recommendation and stated that they would take the necessary action to ensure the recovery of the missing items.

Clinical equipment acquired not in use - GH¢242,490.00

108. Section 7 of the Public Financial Management Act, 2016 (Act 921), requires Principal Spending Officers to manage the resources available efficiently.

109. We noted that TaTU Hospital invested a total of GH¢242,490 in acquiring hospital equipment as detailed in the table below for use at the University Clinic.

Year of Acquisition	Item	Serial N ^o	Location	Purchase Cost	Remarks
12-Aug-17	Electrolyte Analyzer	ADC17001G	Lab	23,900.00	Broken Down since 2017
11-Aug-17	Semi Auto Chemistry Analyzer	Sn900004170023	Lab	9,400.00	Broken Down since 2017

13-Sep-17	Haematology	Sn900004170623	Theatre	25,900.00	Broken Down since 2017
11-Aug-17	Electrophosis System	ADC17001G	Lab	2,600.00	Not in Use
11-Aug-17	Electronic Weighing Scale	7337	Lab	750.00	Not in Use
13-Sep-17	Suction Machine	AC220v508	Theatre	4,000.00	Not in Use
13-Sep-17	Anaesthesia Machine	M413100602	Theatre	46,500.00	Not in Use
13-Sep-17	Diathermy Machine	N/A	Theatre	6,000.00	Not in Use
13-Sep-17	Ultra Sound Machine	B715303V0009	ANC	7,500.00	Not in Use
28-Jun-18	Ultra Sound Printer	H-529-043-32	ANC	3,500.00	Not in Use
13-Sep-17	Chemistry Analyzer	SL180-10114	Lab	50,000.00	Not Installed
Total				242,490.00	

110. To ensure value for money in the procurement of the equipment, we urged management to take the necessary steps to ensure that the items are put into good use.

111. Management accepted our recommendation for compliance and stated that the University applied for the clinic to be upgraded from a hospital status. The further indicated that the equipment will be put to effective use as soon as the clinic is upgraded to the status of a hospital.

Introduction

112. This report relates to the audited accounts of the Bolgatanga Technical University for the period 1 January 2020 to 31 December 2020.

Financial Performance

113. The operations of the University for the financial year 2020 ended with a deficit of GH¢596,922.03 as compared with a deficit of GH¢1,143,923 for the previous year 2019, representing a 47.82% decrease in the deficit. Details are shown in table below:

Statement of financial performance

	2020	2019	Increase/ (Decrease)	% Change
Income	GH¢	GH¢	GH¢	
GoG Subventions: CoE	13,650,205.12	12,460,086.37	1,190,118.75	9.55
GoG Subventions: G&S	22,493.25	25,600.00	(3,106.75)	(12.14)
Internally Generated Funds	2,783,736.99	2,323,504.87	460,232.12	19.81
Profit on the sale of fixed asset-vehicle	28,200.00	-	28,200.00	
Total Income	16,484,635.36	14,809,191.24	1,675,444.12	11.31
Expenditure				
Employees Compensation	13,797,090.55	12,577,930.84	1,219,159.71	9.69
Use of Goods & Services	1,797,478.67	2,040,381.64	(242,902.97)	(11.90)
Consumption of fixed assets	1,486,988.17	1,333,751.40	153,236.77	11.49
Loss on the sale of fixed asset-vehicle	-	1,050.00	(1,050.00)	
Total Expenditure	17,081,557.39	15,953,113.88	1,128,443.51	7.07
Surplus/(Deficits) for the year	(596,922.03)	(1,143,922.64)	547,000.61	(47.82)

114. Total Income for the University increased by GH¢1,675,444 from GH¢14,809,191 in 2019 to GH¢16,484,635 in 2020 representing 11.31%. The increase was due to increment in both Government subvention and Internally Generated Funds.

115. Total Expenditure also increased by GH¢1,128,443.51 representing 7.07% from GH¢15,953,113.88 in 2019 to GH¢17,081,557.39 in 2020. This was due to increases in compensation of employees and consumption of fixed assets. The increase in compensation of employees was as a result of the recruitment of new staff for the University.

Financial position

116. The Financial Position of the Technical University as at 31 December 2020 is shown in the table below:

Statement of Financial Position as at 31 December 2020

Account	2020	2019	Increase / (Decrease)	% Change
	GH¢	GH¢	GH¢	
Non-Current Assets	7,175,818.43	6,888,761.51	287,056.92	4.17
Current Assets	2,771,617.17	1,572,706.37	1,198,910.80	76.23
Total Assets	9,947,435.60	8,461,467.88	1,485,967.72	17.56
Non - Current Liabilities	14,295,511.18	12,584,676.10	1,710,835.08	13.59
Current Liabilities	491,688.24	124,155.07	367,533.17	296.03
Net Asset/Equity	(4,839,763.82)	(4,247,363.29)	592,400.53	13.95
Current Ratio	5.6:1	12.7:1		

117. Non-Current Assets increased by GH¢287,056.92 from GH¢6,888,761.51 in 2019 to GH¢7,175,818.43 in 2020 representing 4.17%. The increase was due to the net effect of the disposal of three of the University's vehicles from its pool of motor vehicles, acquisition of industrial sewing machines, and major renovations carried out on five buildings of the University.

118. Current Assets also increased by GH¢1,198,910.80 from GH¢1,572,706.37 in 2019 to GH¢2,771,617.17 in 2020. This increment represents 76.23% and was largely due to an upsurge in student debtors.

119. Current Liabilities increased by GH¢367,533.17 from GH¢124,155 in 2019 to GH¢491,688.24 in 2020 representing a decrease of 296.03%. This was largely due to un-receipted fees paid by students.

120. The Liquidity position measured by current ratio of 12.7:1 in 2019 decreased significantly to 5.6:1 in 2020. This indicates a decline in the University's ability to meet its short-term obligations as and when they fall due.

MANAGEMENT ISSUES

Un-receipted school fees - GH¢445,252.80

121. Section 46 of the Public Financial Management Regulations, 2019 (L.I. 2378) requires that, a Principal Spending Officer of a covered entity shall ensure efficient collection of revenue due.

122. We noted during our review that the school operated two systems for accounting for its receipts. We observed that whereas some bank deposits in respect of fees collected were covered with receipts, there were others not supported with receipts. During the year under review for instance, fees amounting to GH¢445,252.80 deposited into the University's bank accounts, were not covered with official receipts to facilitate easy reconciliation with the relevant bank statements.

123. We recommended that, management should put in place the appropriate mechanisms to ensure that receipts are issued for all fees received.

124. Management accepted our recommendation for compliance.

Under-deduction of rent- GH¢52,747.20

125. Article 14.0 of the Conditions of Service for Senior Members and Senior Staff of the Polytechnic Teachers Association of Ghana (POTAG) states: "an employee shall be provided with accommodation if available, and shall be required to pay rent at the prevailing government rate."

126. We observed during the period under review that, the University applied fixed rent rates ranging between GH¢72.00 and GH¢210.00 on rent deductions for 17 officers occupying the University's bungalows instead of the 10% prescribed rate. As a result, the occupants paid rent lower than was required leading to an under-deduction of GH¢52,747.20. The details are as follow:

Name	Staff ID	Allocation	Monthly Basic GHC	Deductions (10%)	Current deduction GHC	Under - deduction	YEARLY REFUND GHC
Mr. John Adanse	1203854	Out house1	3,689.00	368.90	72.00	296.90	3,562.80
Mr. James Azanlerigu	261215	Flat B1	3,689.00	368.90	210.00	158.90	1,906.80
Mr. George Duut Nangpaak	307968	Flat A6	4,592.00	459.20	210.00	249.20	2,990.40
Mr. Gordon Maayir	751338	Bungalow 4	3,689.00	368.90	125.00	243.90	2,926.80
Mr. Oswald Atiga	751360	Flat A2	4,293.00	429.30	210.00	219.30	2,631.60
Mr. Emmanuel Akanpaadgi	751371	Bungalow 1	4,440.00	444.00	125.00	319.00	3,828.00
Mr. Richard Atia	751388	Flat B4	4,592.00	459.20	210.00	249.20	2,990.40
Mr. David Brown	751451	Bungalow 2	3,689.00	368.90	125.00	243.90	2,926.80
Mr. Donatus Anana Nyaaba	762688	Flat A3	4,221.00	422.10	210.00	212.10	2,545.20
Miss Rafiatu Imoro	777894	Out house3	3,689.00	368.90	72.00	296.90	3,562.80
Mrs. Diana Aburiya	797843	Flat B2	3,689.00	368.90	210.00	158.90	1,906.80
Mrs. Freda Augustina Adigbo	797979	Outhouse2	3,689.00	368.90	72.00	296.90	3,562.80
Prof. Daniel Oppong-Sekyere	801428	Flat B5	5,528.00	552.80	210.00	342.80	4,113.60
Miss Lucy Agaasa	854732	Bungalow 5	4,221.00	422.10	125.00	297.10	3,565.20
Mr. Dawuda Abudu	874448	Flat B3	4,293.00	429.30	72.00	357.30	4,287.60
Mr. Baako Haruna	901428	Flat A4	4,293.00	429.30	210.00	219.30	2,631.60
Mr. Polycarp Edem Kuvodu	905832	Flat B6	4,440.00	444.00	210.00	234.00	2,808.00
Total						4,395.60	52,747.20

127. We recommended to management to apply the required 10% rate as rent for occupants of government bungalows.

128. Management argued that, the fixed rates were approved by the University Council. They however agreed to discuss the audit observation with the Council for their direction.

129. We reiterated our recommendation for compliance.

Auction of University’s vehicles without approval from Chief of Staff

130. The Office of the President’s directive referenced: OP/1002/008 of 21 April 2009 directed that, no disposal of government property through auction or allocation shall be carried out by Ministries, Departments and Agencies without the express approval of the Chief of Staff.

131. We observed during the audit that, Council of the University at its 47th regular meeting held on Thursday, 16th January, 2020 approved the disposal of three vehicles with a total reserve price of GH¢20,000.00. However, management of the University failed to seek approval on the disposal and auction from the Office of the Chief of Staff. The details are as shown below:

No.	Vehicle No.	Make/ Type	Reserve price	Offer
1	GV 137-17	Nissan Pick Up (Hard Body)	5,000.00	6,000.00
2	GV 1682-14	Nissan Pick Up (Hard Body)	6,000.00	7,200.00
3	GR 3389 T	Duple Metsec DM 750 Standard	9,000.00	15,000.00
		Total	20,000.00	28,200.00

132. We therefore recommended and management agreed to seek retrospective approval from the Chief of Staff for the disposal and auction of the vehicles.

Use of unapproved rates for Council sitting allowances - GH¢106,200.00

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

134. The Ministry of Finance circular BD/CMU/BOLAP/28/5/19 of 31 /5/19 approved rates for councils sitting allowances as GH¢2,100 for the Chairman and GH¢1,800 for members.

135. We noted during the audit that, management used unapproved rates of GH¢2,500 and GH¢2,100 for Council chairman and members respectively resulting in an overpayment of GH¢15,300.00 as detailed in the table below:

No.	Account	Date	PV No.	Chq. No.	Detail	Rates used	Approved rates sighted	Over-payment
1	ADB	28-10-20	10-12-20	913464-80	49 Regular meeting a	72,200.00	61,800.00	10,400.00
2	CBG Main	26-11-20	11/18/20	416-424	Special Council Meeting	34,000.00	29,100.00	4,900.00
Total						106,200.00	90,900.00	15,300.00

136. Management’s claim that the rates used were in line with the current University status was untenable.

137. We recommended that, management should apply the approved rates in the payment of sitting allowances.

Transfer of funds to undisclosed SDF project account - GH¢7,500.00

138. Article 187 of the 1992 Constitution of the Republic of Ghana states: “the public accounts of Ghana and of all public offices, including the courts, the central and local government administrations, of the Universities and public institutions of like nature, of any public corporation or other body or organisation established by an Act of Parliament shall be audited and reported on by the Auditor-General. (3) For the purpose of clause (2) of this article, the Auditor-General or any person authorised or appointed for the purpose by the Auditor-General shall have access to all books, records, returns and other documents relating or relevant to those accounts.”

139. We noted during the audit that, an amount of GH¢7,500.00 was transferred from the University’s CBG account No. 0560167100004 to CBG/Skill Development Fund (SDF) project account no. 0560167100004. However, management failed to present the details of SDF account for our audit.

140. The Finance Officer explained that, the SDF account is audited by the project’s own appointed Auditors to the fund. However, management could not provide any proof to substantiate this claim.

141. We were therefore unable to ascertain the purpose of the transfer and how the GH¢7,500.00 was accounted for.

142. We recommended to management to account for the transfer of GH¢7,500.00 to the SDF Account. We further urged management to make all documents on the activities of SDF available for our examination.

143. Management said the transfer was made to settle an amount of GH¢7,500.00 borrowed from the SDF account in 2019 to meet the University's operational cost.

144. Since the indebtedness of GH¢7,500.00 to SDF was not disclosed in the University's 2019 Financial Statement, we advised management include the activities of SDF in the University's final accounts.

Failure to seek approval to write-off receivables - GH¢6,000.00

145. Section 53 of the Public Financial Management Act, 2016 (Act 921) states inter-alia that, the Minister shall seek the approval of Parliament to abandon or remit a claim by or on behalf of Government, abandon or remit a service to the Government, and write off a loss of or a deficiency in public funds or public resources.

146. Contrary to the above provision, we noted during the audit that, the University Council at its 48th regular meeting gave approval for management to write-off an amount of GH¢6,000.00 in respect of account receivables in the Financial Statement as at 31 December, 2020. This was without an express approval from Parliament through the Minister of Finance.

147. Management opined that; the approval of the University's Council was sufficient to warrant the write-off.

148. We urged Management to strengthen their debt management system to minimise the risk of bad debts.

149. Management noted our recommendation for compliance.

Printing of 200 receipt booklets without the required approval GH¢1,700.00

150. Regulation 147 of the Public Financial Management Regulations, 2019 directs that, the Controller and Accountant-General shall specify conditions for

the management and safety of value books used by the University and shall approve the design, form and content of value books, order the supply of value books, issue guidelines for the management of value books, and approve stock levels of value books to be produced for use by the University.

151. Our audit disclosed that Management of the University procured 200 booklets of a 50-page self-carbonated receipt booklets from Rada Concept Co. Ltd at a total cost of GH¢1,700.00 without prior approval from the Controller and Accountant-General. Although this was a subject of comment in our 2019 audit, as at the time of the audit, these receipt booklets were being used for the collection of fees and other IGFs for the University. The details are shown in table below:

	Serial Numbers		
No	From	To	No. of Booklets
1	0010001	0012000	40
2	0012001	0014000	40
3	0014001	0016000	40
4	0016001	0018000	40
5	0018001	0020000	40

152. The lapse occurred as a result of management’s failure to comply with the Regulation stated above and our earlier audit recommendation.

153. Without approval and control from the Controller and Accountant General over the printing of receipt booklets, management could abuse its usage to the detriment of the University.

154. We urged management to stop the usage of the unapproved value books in order to minimise the risk of abuse. We further advised management to desist from the practice and seek approval from the Controller and Accountant-General in line with the provisions of the Regulation.

Failure to fully use GIFMIS

155. Regulation 83 of Public Financial Management Regulations (PFMR), 2019 requires, amongst others that, the University shall make all payments through the Ghana Integrated Financial Management Information System (GIFMIS). In addition, Controller and Accountant General's directive on circular CAGD/FMS/NAD/2019/07 dated 20 June 2019 entreated all covered entities to use GIFMIS for all financial transactions as per the dictates of the Public Financial Management Act, 2016 (Act 921).

156. We noted from a sample of payment vouchers reviewed that only two payments totalling GH¢22,500.00 were processed through the GIFMIS system during the period under review.

157. The Finance Director explained that the GIFMIS is not fully deployed to process all financial transactions hence impeding its implementation.

158. In our view, the failure to process transactions through the GIFMIS system could adversely affect the objective of monitoring and improving efficiency in managing public funds.

159. We recommended to management to take the necessary steps to ensure that the University's financial transactions are fully deployed through the GIFMIS system.

Failure to enforce bond conditions - GH¢236,781.00 & GH¢4,750.00

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

161. We noted during our review of personnel records that, in 2015, Management of the University granted Dr. Allan Stephen Balaara study leave with pay to pursue PhD in Architecture at the University of Auckland, New Zealand. After successful completion of the programme in June 2019, Dr. Balaara failed to return to the University and also serve the six-year bond term as provided in the conditions of the granting of his study leave with pay.

162. Similarly, the appointment letter of Ms. Jennifer Abena Amoah (BP/AP/68/V.2/35 of 1st February 2013), a Senior Administrative Assistant of the University states "the appointment may be terminated by either party in writing; giving three (3) months' notice or in default, the payment of three (3) months' salary."

163. Ms Jennifer Abena Amoah, a Senior Administrative Assistant of the University resigned her position effective from 1 January, 2021, being one-month notice to the University. However, the conditions of her employment require the giving of three (3) months’ notice or in default, the payment of three (3) months’ salary.

164. The lack of the beneficiary’s commitment to the provisions of the bond and employment as well as the inability on the part of management to enforce these provisions accounted for this anomaly.

165. We recommended that, Management should ensure the refund of GH¢236,781.00 being amount spent on Dr. Allan Stephen Balaara for failing to serve his bond condition.

166. We also urged management to recover the 2 months’ salary amounting to GH¢4,750.00 from Ms. Jennifer Abena Amoah.

167. Management responded that all efforts to get Dr. Allan Stephen Balaara to serve his bond term proved futile. Also, the officer in a communication with the University expressed his intention to resign. This was accepted by management on condition that he pays back an amount of GH¢236,781.00 being amount spent on him during his studies.

168. Additionally, Ms. Jennifer Abena Amoah left before submitting her letter of resignation to management and that all efforts to locate her whereabouts proved futile.

169. We reiterated our earlier recommendation for compliance.

Procurement outside procurement plan – GH¢64,335.20

170. Section 21 of the Public Procurement Act, 2003 (Act 663) as amended states that a procurement entity shall prepare a procurement plan to support its approved programme.

171. We however observed that, management approved the procurement of goods valued at GH¢64,335.20 which were not included in the approved procurement plan of the University for the period reviewed. The details are shown the table below:

No	Date	Details	Suppliers / Contractors	Amount
----	------	---------	-------------------------	--------

1.	01-Dec-20	Supply of plumbing materials	Bona One Day Enterprise	8,725.50
2.	03-Jul-20	Supply of laboratory tools	GS. Basek Lean Ventures	7,786.80
3.	17-Sep-20	Installation of fibre to home connectivity material	Mac-Robert Computers	5,242.70
4.	03-Jul-20	Supply of Laboratory table	Simon Unique Metal Works	15,285.20
5.		Supply of network items	Hastarifa Ghana Ltd	27,295.00
Total				64,335.20

172. Unplanned procurements could lead disbursements on unplanned activities, budget overruns which would not enhance transparency and accountability in the procurement process.

173. This could lead the University not obtaining value for money.

174. We advised management to desist from the practice of unplanned procurements and plan adequately to enhance transparency and accountability in the procurement process.

175. Management agreed to implement our recommendation.

Water packing machine procured not put to use - GH¢10,000.00

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

177. Our review of 2020 stock taking records of the University revealed that, in June 2014 the University procured a Koyo water packing machine at a cost of GH¢10,000.00. The equipment which was to produce sachet water had not been put to use.

178. We advised management to put the machine to use for the University to obtain the benefits for its acquisition.

179. Management noted our recommendation for compliance.

CAPE COAST TECHNICAL UNIVERSITY

Introduction

180. This report relates to the audited accounts of the Cape Coast Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

181. The operations of the Cape Coast Technical University for 2020 financial year, ended with a Surplus of GH¢3,035,871.78 as compared with a deficit of GH¢433,419.75, recorded in the previous year 2019. Details are provided in the table:

Income & Expenditure for the year 2020

Incomes	2020 GH¢	2019 GH¢	Diff. GH¢	% Change
GoG Subvention	29,308,457.51	18,261,509.18	11,046,948.33	60.5
Internally Generated Fund	7,478,139.32	6,363,737.32	1,114,402.00	17.5
Total Income	36,786,596.83	24,625,246.50	12,161,350.33	49.4
Expenditure				
Employees Compensation	27,767,402.84	17,992,277.52	9,775,125.32	54.3
Goods and Services	5,528,569.81	6,351,432.98	(822,863.17)	(13.0)
Depreciation	454,752.40	714,955.75	(260,203.35)	(36.4)
Total Expenditure	33,750,725.05	25,058,666.25	8,692,058.80	(34.7)
Income Surplus/Deficit	3,035,871.78	(433,419.75)	3,469,291.53	(800.5)

182. Total Income increased by GH¢12,161,350.33 representing 49.40%, from GH¢24,625,246.50 in 2019 to GH¢36,786,596.83 in 2020. The increase was largely due to employment of management staffs of the University leading to increase in GOG wages and salaries from GH¢16,544,252.51 to GH¢25,887,436.51 representing 56.8% upward movement, increase in students enrolment increased the school fees from GH¢5,069,947.57 to GH¢6,068,022.56 representing 19.7% and also an increase in GETFund from GH¢7,500.00 to GH¢849,452.17 representing 11226% for GETFund projects proceeds from affiliation fees of GH¢50,000.00 was received by the University.

183. Total Expenditure for the period also increased by GH¢8,692,058.80 representing 34.7% upward movement, from GH¢25,058,666.25 in 2019 to

GH¢33,750,725.05 in 2020. This was largely due to increase in wages and salaries.

Financial position

184. The Financial Position of the University as at 31 December 2020 is shown in table below:

Financial Position

	2020 GH¢	2019 GH¢	Incr/(Decr) GH¢	% Change
Non-Current Assets	10,578,889.93	9,410,098.89	1,168,791.04	12.4
Current Assets	6,835,503.43	3,645,639.22	3,189,864.21	87.5
Total Assets	17,414,393.36	13,055,738.11	4,358,655.25	33.4
Current Liabilities	3,160,397.38	1,952,654.71	1,207,742.67	61.9
Net Assets	14,253,995.98	11,103,083.40	3,150,912.58	28.4
Current ratio	2.18:1	1.87:1		

185. Non-Current Assets increased by GH¢1,168,791.04 representing 12.4%, from GH¢9,410,098.89 in 2019 to GH¢10,578,889.93 in 2020. This was due to restatement of motor vehicle cost in the property, plant and equipment (PPE) schedule for 2020.

186. Current Assets on the other hand, increased by GH¢3,189,864.21 representing 87.5% from GH¢3,645,639.22 in 2019 to GH¢6,835,503.43 in 2020. This was due to increase in students’ debtors.

187. Current liabilities also, increased by GH¢1,207,742.67 from GH¢1,952,654.71 in 2019 to GH¢3,160,397.38 in 2020 representing an increase of 61.9% as a result of increase in Ghana water company limited bill amounting to GH¢905,284.40 also as result of the GT loan of GH¢546,588.64 taken by the University.

188. The liquidity position represented by current ratio increased from 1.87: 1 in 2019 to 2.18:1 in 2020 indicating that the University has increased its ability to meet its short-term obligations as and when they fall due.

MANAGEMENT ISSUES

Non-deduction of Government Rent - GH¢4,057.90

189. Regulation 46 of the Public Financial Management Regulations, 2019 (L.I. 2378) requires that, a Principal Spending Officer shall ensure the efficient collection of revenue due the entity.

190. We noted during our audit that Mr. Ato Anaman, an employee of the University who occupied the senior members' flat block 4 A, owed rent totalling GH¢4,057.90 for the period February 2020 to December 2020.

191. We attributed the lapse to failure on the part of management to provide the Controller and Accountant-General with the required inputs for the deductions to be effected.

192. This has denied the state non-tax revenue of GH¢4,057.90 which could have been used to support other planned activities.

193. We urged management to ensure that the amount of GH¢4,057.90 is refunded without further delay. We also advised management to furnish the Controller & Accountant General with the required inputs for direct deduction of the rent.

194. Management responded that, the necessary steps are being taken to retrieve the outstanding rent from Mr. Ato Anaman. Also, management is working to ensure the direct deduction of his rent from his salary through the Controller and Accountants General's Department.

Overdue Salary Advances GH¢43,951.32

195. Section 14.9 of Financial & Stores Regulations 2020 of the Cape Coast Technical University States that, Salary Advances may be granted by the Director of Finance on the recommendation of the applicant's Head of Department /Section/Centre/Unit. Such personal advances shall not exceed two months' basic salary and shall be payable within twelve (12) months at an interest rate of 5%.

196. We noted that 28 officers defaulted in the payment of salary advances totalling GH¢43,951.32 granted between 2017 and 2019, to be recovered within a period of 12 months as detailed below:

S/No.	Staff Name	Amount GH¢	Repayment As At 7/4/2021 GH¢	Outstanding As At 7/4/2021 GH¢
1.	Reynolds Ofori Atiamo	4,645.56	4,091.58	553.98
2.	Kobina Nyarko	319.56	307.00	12.56
3.	Janet Wilkinson	1,479.78	-	1,479.78
4.	Paulina Agyeman	500.00	-	500.00
5.	Ahmed Ibrahim	1,500.00	375.00	1,125.00
6.	George Coleman	4,020.00	-	4,020.00
7.	Anna Nora Appiah	1,200.00	-	1,200.00
8.	Samuel N. Taylor	1,400.00	-	1,400.00
9..	Jemimah Adjei Attah	3,000.00	-	3,000.00
10.	Joseph Appiah	7,000.00	4,000.00	3,000.00
11.	Rebecca Nelly Arhin Sam	1,500.00	1,050.00	450.00
12.	Francis Twento	2,000.00	-	2,000.00
13.	Koomson Sillas Mawuli	1,600.00	-	1,600.00
14.	Lawrence Fynn	320.00	-	320.00
15.	Anthony Forster	1,100.00	1,000.00	100.00
16.	Stephen Essel	300.00	-	300.00
17.	Yahaya Garriba	300.00	-	300.00
18.	Sarah Obo	200.00	-	200.00
19.	David Arthur	200.00		200.00
20.	John Zanore	500.00	50.00	450.00
21.	Kofi Andoh	600.00	-	600.00
22.	Joseph Andoh	300.00	-	300.00
23.	Emmanuel Arthur	6,500.00	-	6,500.00
24.	Emma Jackson	1,520.00	160.00	1,360.00

25.	Lily Decker Addaqueh	1,100.00	-	1,100.00
26.	Jennifer Bentil	940.00		940.00
27.	John Onumah	10,000.00	-	10,000.00
28.	Janet Martison	1,000.00	60.00	940.00
Total		55,044.90	11,093.58	43,951.32

197. We attributed this lapse to management's failure to enforce the terms and conditions for the granting of salary advances.

198. We recommended to management to recover the outstanding advances from the affected officers without further delay.

199. Management accepted the recommendation to recover all outstanding advances from the officers by the end of the year 2021.

Non-redeemed Bond - GH¢337,140.33

200. Provisions in the Cape Coast Polytechnic study leave application form, states 'after the successful completion of the course I will be required to serve the Polytechnic for twice the number of years spent in school or pay in lieu of service the total expenditure incurred by the polytechnic on me during the period of my study including salary and allowances plus five percent (5%) interest on the said expenditure'.

201. During our review of personal files of sponsored staff, we noted that Mr Tsatsu MacCarthy, Assistant Lecturer with the Hotel, Catering and Institutional Management Department was granted study leave with pay from February 2015- November 2019 to pursue a PhD in Tourism and Hospitality Management at Bournemouth University, United Kingdom (UK) for five years.

202. He however vacated post in December 2019 without serving the University as required.

203. Per the provisions, Mr. Tsatsu MacCarthy must refund the total salary amounting to GH¢307,468.99 paid to him during the period of study.

204. In addition, the University failed to delete his name from the payroll, resulting in the payment of unearned salaries amounting to GH¢29,671.34 for the period December 2019 to March 2020 to Mr. Tsatsu MacCarthy.

205. The details are provided in the table below:

Name	Staff ID	No of Month	Amount Per Month GH¢
Mr. Tsatsu MacCarthy	761501		
2015	1/2/2015-31/12/2015	11	47,959.72
2016	1/1/2016-31/12/2016	12	53,734.28
2017	1/1/2017-31/12/2017	12	65,594.44
2018	1/1/2018-31/12/2018	12	70,428.00
2019	1/1/2019-31/11/2019	11	69,752.55
Sub Total			307,468.99
Unearned Salary	1/12/2019-31/3/2020		29,671.34
Grand Total			337,140.33

206. The lack of the beneficiary’s commitment to the provision of the bond and inability on the part of management to enforce the conditions of the bond agreement resulted in the anomaly.

207. In effect, the University had been deprived of the benefit which could have been derived from skills acquired by the beneficiary.

208. We recommended to management to pursue recovery of a total amount of GH¢337,140.33 from Mr. Tsatsu MacCarthy, failing which the guarantors should be held liable.

209. Management responded that, it is taking steps to retrieve the funds from the guarantors’ failure which a court action will be initiated against the beneficiary, Mr. Tsatsu MacCarthy.

Failure to sign Bond forms

210. Article 15.6 of the Conditions of Service for Senior Staff and Senior Members of the Polytechnic Teachers Association of Ghana (POTAG) provides that employees granted study leave shall be made to sign bonds before proceeding on the course.

211. In reviewing the personal files of staff on study leave, we noted that two out of the twenty-three staff failed to sign bond forms after being granted study leave with pay for the period 2017-2019 to pursue various courses. The completion of a bond form is a requirement in the approval letter for application for study leave with pay. Details are attached as below:

No	Name	Type Of Sponsorship	Institution	Period of Programme
1.	Mr. Elisha D'archimedes Armah	PhD Information Technology	B.S. Abdul Rahman Crescent Institute of Science & Technology, Chennai - India	July 2019 – July 2022
2.	Mr. Moses Ahomka Yeboah	PhD In Management	Newcastle University, Australia	July 2017 - July 2021

212. Similarly, we observed that, Mr, Emmanuel Kwabena Gyasi, an Assistant lecturer with Statistics Dept., who had not completed his one-year probation was granted study leave to pursue a three-year PHD in computer Science at Vellora Institute of Technology.

213. This control weakness in our view, exposes the University to the risk of not having full control of the beneficiaries on completion of their courses to return to help the University.

214. We therefore recommended that management should improve its control mechanism in the award of scholarship to its staff.

215. Management accepted our recommendation and indicated that, three of the five staff had completed the bond forms. The remaining two have been sent a reminder via email to complete and forward same to the University.

Items not embossed

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

217. Our verification indicated that the University’s assets had not been embossed and distinctively marked with identification numbers to indicate the

ownership and existence. Notable among these assets is detailed in the table below:

Item	Qty	Rate	Amount
HP Colour Laser Jet CP 5224N Printer	1	8,446.00	8,446.00
supply of mace/ staff of office ceremonial chairs	1 set	12,500.00	12,500.00
Swivel Chair (manager)	3pcs	1,700.00	5,100.00
Swivel Chair (MB 65)	1 pc	1,100.00	1,100.00
Executive L- Shaped Desk (2.0m)	1pc	2,700.00	2,700.00
Executive L- Shaped Desk (1.8m)	1pc	2,400.00	2,400.00
3-in -1 canon laser jet printer (black & white)	1pc	1,850.00	1,850.00
3-in -1 HP laser jet printer (Coloured)	1pc	2,280.00	2,280.00
HP Desktop computer Intel core i3 processor-4GB-500GB	1Pc	2,700.00	2,700.00
HP Colour Laser Jet Printer Pro 452	1 pc	2,200.00	2,200.00
Canon Copier Drum	1Pc	150.00	150.00
HP Note book 15 Laptop (4GB,1TB,	1Pc	2,950.00	2,950.00
HP Pavilion 14x360 laptop	4Pcs	2,870.00	11,480.00
HP Laser Jet Printer (front &back print)	2pcs	2,980.00	2,980.00
swivel chairs	pcs	750.00	5,250.00
writing desk (1.0)	3 pcs	550.00	2,350.00
Lawn mower	1Pcs	3,502.00	3,502.00
HP Desktop computer Intel processor- 4GB-500GB	10pcs	2,450.00	24,500.00
HP Laser Jet Printer Pro 40 1dn	2PCS	1,490.00	2,980.00
all in all, printer	2pcs	1,850.00	3,700.00
HP Desktop Computer	5pcs	2,450.00	12,250.00
HP Laser Jet Printer pro 40odn	1Pc	1,490.00	1,490.00
Pedrollo borehole water pump (1.5)	1 Pc	3,850.00	3,850.00

Mobile Telecommunication hand set	2PCS	1,484.47	2,968.93
MFP M. 28 Printer	1Pcs	1,890.00	1,890.00
Desk-Top Computer	2 Pcs	Donation	NIL
Laptop	1Pc	4,595.00	4,595.00

218. Management’s failure to emboss these assets could expose the University to the risk of newer assets being exchanged for older ones and also management not being able to identify these assets in case of theft.

219. We recommended that management should ensure that the assets are distinctively marked with the University’s identification marks.

220. Management responded that steps are being taken to emboss the items.

HO TECHNICAL UNIVERSITY

Introduction

221. This report relates to the audited accounts of the Ho Technical University for the period 1 January 2020 to 31 December 2020.

Operational Performance

Income statement for 2020

Income	2020 GH¢	2019 GH¢	(%) Change
Government Subventions	34,448,802	24,063,895	43
Internally Generated Funds	2,287,478	7,462,292	(69)
Annual GET Fund Allocations	0	154,5455	(100)
Other Income	1,038,144	1,238,577	(16)
Total	37,774,424	32,919,309	4,855,115
Expenditure			
Compensation of Employees	33,857,469	23,677,041	42
Goods and Services	7,240,217	8,666,134	16
Total	41,097,686	32,343,175	8,754,511
Surplus/(Deficit)	(3,323,262)	532,334	3,855,597

222. Total income of the university increased by GH¢4,855,115 or 15 % over 2019 income figure, this increase was as a result of increase in Government subventions. There was a drop in Internally Generated Funds of the University by GH¢5,174,814 or 69% of the 2019 figure.

223. Total Expenditure increased by GH¢8,754,511 or 27% of the 2019 figure. The Increase was mainly due to an increase in Compensation of Employees which also increased by 42%. The increase in compensation was due to the employment of 203 new staff for the university during the year. The university recorded a deficit of GH¢3,323,262.

Financial position as at 31st December 2019

	2020 GH¢	2019 GH¢	% Change
Non- Current Assets	21,455,911	22,307,564	(3.9)
Current Assets	7,193,014	8,850,384	18
Non-Current Liability	(438,873)	(688,873)	(36.3)
Current Liabilities	(6,082,168)	(5,598,365)	8.6
Net Asset	22,127,885	24,870,710	(11.0)
Current Ratio	1:18	1.6:1	

224. Non-Current Assets reduced from GH¢22,307,554 to GH¢21,455,911 a decrease of 3.9% The reduction is mainly due depreciation charge for the year. Current Assets decreased by 18% as a result of decrease in receivables. The university recorded a current ratio of 1.18:1.

MANAGEMENT ISSUES

Payments not made through the GIFMIS System - GH¢1,108,065.69.

225. Regulation 61 of Public Financial Management Regulations, 2019 states that a commitment for the following expenditure and payment of a covered entity shall be made in the Ghana Integrated Financial Management Information System (GIFMIS) within a commitment ceiling issued according to the budget availability: recurrent and capital expenditure financed by the Consolidated Fund.

226. We noted from a sample of payment vouchers reviewed that, payments totalling GH¢1,108,065.69 were not processed through the GIFMIS system during the period under review. The details are attached as Appendix 'A'.

227. Management explained that the University was not linked to the GIFMIS system to enable financial transactions to be processed therein.

228. In our view, the failure to process transactions through the GIFMIS system could adversely affect the objective of monitoring and improving efficiency in managing public funds.

229. We recommended to management to take the necessary steps to ensure that the University is linked to the GIFMIS system.

230. Management responded that the staff of the Finance Directorate had undergone training with the GIFMIS Secretariat, the system had been installed but they were yet to be operational.

Vacation of posts – GH¢110,651.04

231. Statute 61 of the Statutes of the Ho Technical University, August 2018, states ‘Except as may be otherwise provided by Council, Senior Member may resign from a position of appointment and thereby terminate the engagement within the University on giving, in writing under the Senior Member’s signature to the Vice-Chancellor at least six (6) calendar months’ notice.’

232. Article 4.5 of Conditions of Service for Senior Staff & Senior Members of Polytechnic Teachers Association of Ghana (POTAG) states ‘an employee may resign by giving three months prior notice to his principal, or in lieu pay three months’ salary, provided that such notice shall be given to take effect for the end of an academic year’.

233. Our audit disclosed that five members of staff who were recruited between 1 September 2020 and 12 October 2020 resigned from their positions without giving the three months or six months prior notice as stipulated in the terms and conditions of their appointment.

234. In the absence of giving the three or six-months’ notice, the affected former staff were required to pay a total amount of GH¢110,651.04 representing the salaries in lieu of notice. The details are provided in the table below:

No.	Name	Staff ID	Rank	Date of Resignation	Salary GH¢	No of Months	Total Payment GH¢
1.	Dr. Sulemana Musah	121612	Lecturer	08-12-20	4,282.68	6	25,696.08
2.	Ms. Mavis Agbodza	926864	Assistant Lecturer	01-01-21	4,331.01	6	25,986.06
3.	Mr. Godwin K.D. Amuzu	1374942	Assistant Lecturer	01-11-21	4,331.01	6	25,986.06
4.	Mr. Delali Kofi Tortor	156856	Assistant Lecturer	01-11-20	4,331.01	6	25,986.06
5.	Mr. Emmanuel A. Danso	1380949	Principal Admin Assistant	01-01-21	2,332.26	3	6,996.78
Total							110,651.04

235. In our opinion, the practice of vacation of posts by members of staff without prior notice could negatively impact on the academic output of the University.

236. We recommended to management to recover the GH¢110,651.04 from the officers without further delay.

237. Management noted our recommendation for compliance.

Unearned salaries – GH¢93,905.20

238. Regulation 92 of the Public Financial Management Regulations, 2019 stipulates that the Principal Spending officer shall ensure the immediate stoppage of payment of salary to public servants and notify the Controller and Accountant-General in the following circumstances:

- i) on the death of an employee,
- ii) on the conviction of an employee for an offence and sentence of that employee to imprisonment,
- iii) on the dismissal of an employee or relief of post on administrative and other related grounds,
- iv) on the grant of leave without pay to an employee,
- v) on the vacation of post by an employee and
- vi) on the resignation or retirement of an employee.

239. We however noted from a review of the nominal roll and electronic salary vouchers of the University that 11 staff who had separated were paid a total amount of GH¢93,905.20 as detailed below:

No	Name	Staff ID	Type of Separation	Date of Separation	Date of Deletion	No of months	Amount GH¢
1	Mr. Paul Deladem Koku	753634	Resignation	30-01-20	Mar-20	1	7,382.68
2	Mr. Hubert Mawuli Yevu-Agbi	795820	Resignation	01-03-20	Apr-20	1	4,807.61
3	Dr. Sulemana Musah	121612	Resignation	08-12-20	Jan-21	1	6,287.88
4	Ms. Mavis Agbodza	926864	Resignation	01-01-21	Feb-21	1	9,900.77
5	Mr. Godwin K.D. Amuzu	1374942	Resignation	01-11-21	Dec-20	1	16,485.00

6	Mr. Delali Kofi Tortor	156856	Resignation	01-11-20	Jan-20	2	10,990.00
7	Mr. Emmanuel A. Danso	1380949	Resignation	01-01-21	Feb-21	1	2,994.58
8	Mr. Johnson Kwadzo Ofori	754437	Deceased	28-10-20	Jan-21	2	29,769.02
9	Mr. Moses Kudzo Tsyokplo	754617	Deceased	25-07-20	Sep-20	1	1,412.97
10	Mr. Daniel Aprobi	752295	Deceased	30-06-20	Aug-20	1	3,226.38
11	Mr. Harrison Nonu	851675	Deceased	21-02-20	Apr-20	1	648.31
Total							93,905.20

240. Management explained that the Controller & Accountant-General was notified to delete the names of the separated staff from the payroll. Furthermore, their bankers were instructed to place an embargo on the salaries. However, both the Controller and the banks failed to take action resulting in the unearned salaries.

241. We recommended to management to pursue recovery of the amount from the officers/families concerned and same paid to chest.

242. In response, management said that even though letters were written to the Controller and Accountant-General and bankers of the staff who separated to stop the payment of salaries, some of the names appeared in the validation report.

Unrecovered Salary Advance – GH¢35,510.00

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

244. We noted that out of a total salary advance of GH¢40,310.00 granted three staff between August 2019 and May 2020, GH¢4,800.00 had been recovered leaving a balance of GH¢35,510.00 outstanding. The details are provided in the table below:

No	Name	Balance (2019) GH¢	Date of Loan	Addition GH¢	Total GH¢	Payment Date	Amount Paid GH¢	Balance Dec 2020 GH¢
1.	Sorkpah David Kwame	5,810.00	Aug 2019	-	5,810.00	July-Dec. 2020	3,000.00	2,810.00
2.	Awagah K. Nicholas	14,000.00	Oct 2019 - May 2020	17,500.00	31,500.00	-	-	31,500.00
3.	Dagadu Joan	3,000.00	Aug 2019	-	3,000.00	July Dec. 2020	1,800.00	1,200.00
Total					40,310.00		4,800.00	35,510.00

245. In our view management's inability to put in place mechanisms that ensure the timely and effective recovery of the salary advances accounted for the lapse.

246. This could deny the University of the financial resources to meet similar needs of other officers.

247. We recommended that Management recover the GH¢35,510.00 from the beneficiaries and put in place mechanisms including the timelines within which the advances should be refunded.

248. Management responded that Mr. David Sorkpah and Ms. Joan Dagadu would complete payment of their advances by May 2021 in lieu of ongoing deductions. The Controller and Accountant General was yet to fully pay the salary arrears of Mr. Nicholas Awagah. Letters had been written to the Controller and Accountant General requesting a full refund of the arrears and this would enable the University to recover the salary advance given to him.

Absence of Insurance Policy on University Facilities

249. A Principal Spending Officer of a covered entity, state-owned enterprise or public corporation has the responsibility under Section 52 of Public Financial Management Act, 2016 (Act 921), to manage the assets of the institution under his care and shall ensure that proper control systems exist for the custody and management of the assets and preventive mechanisms are in place to eliminate theft, loss, wastage.

250. We observed that the lecture halls, offices, catering services department and other buildings of the University were not insured to prevent loss, damage to life and property in the event of a fire outbreak, accident or natural catastrophes.

251. We attributed this lapse to the absence of an insurance policy for the University.

252. In the event of fire outbreak or natural disasters, the University may lose valuable assets without compensation for replacement.

253. We recommended that as matter of urgency council should prevail upon management to insure the University's buildings and other facilities.

254. Management noted our recommendation for compliance.

Unsecured applicant's data & inadequate Security on access to admission portal

255. Section 17 of the Data Protection Act, 2012 (Act 843) requires a person who processes data to consider the privacy of individuals whose data is been processed. It obliges that data security safeguards be followed when processing data. Section 18 (1) of Act 843 further requires that a person who processes personal data shall ensure that personal data is processed without infringing the privacy rights of the data subject.

256. Section 28 of the Data Protection Act, 2012 (Act 843), requires key security measures to be employed to secure the integrity of personal data in the possession of the data Controller.

257. Our review of the mechanism for the entry of personal data by applicants seeking admission into the Ho Technical University revealed some significant weaknesses resulting in the personal data being visible on the website.

258. The student admission system showed that:

- the vendor of the application failed to establish and maintain confidentiality and the security measures necessary to ensure the integrity of personal data.
- management failed to ensure that these measures were included in the contract between the University and the vendor of the application.
- management had not conducted audits on the application to ensure the integrity of personal data of the application.

259. In a related development, we noted that the only requirement by applicants to view the status of their applications for admission, was the admission form number. The vulnerability of the system makes it possible for an unauthorised user to view form numbers on the admission portal by guessing the form numbers since these were numbered serially.

260. In our opinion, management's failure to ensure that the computerized system used to process admissions were adequately safeguarded and the appropriate risk management framework put in place to ensure the privacy of applicants' data was the cause of these anomalies.

261. The applicants' data on the website therefore;

- make them exposed and vulnerable to identity theft and impersonation which could lead to the University suffering reputational damage.
- make it possible to log into an applicant's dashboard since the form number is the only information required to log on to the admission portal.

262. We recommended to management to ensure:

- that the applicants' personal data were removed from the website.
- that the necessary security measures are put in place to ensure the integrity of personal data of applicants in line with Section 28 of Act 843.
- the conduct of a full assessment of the application system in line with Section 28 of Act 843.
- that the admission form numbers be randomly generated to prevent guessing.
- that users be required to enter a password and/or an SMS code (to a phone number used for the registration) before access is provided to an applicant's data.

263. In response management said that the features had been factored into the ongoing redesign of the model by the service provider. The upgraded module would include double authentication and other improved security features.

The Ho Technical University not registered as a Data Controller under the Data Protection Act

264. Section 27 of the Data Protection Act, 2012 (Act 843) requires that a data controller who intend to process personal data shall register with the Data Protection Commission. Section 53 of Act 843 also states that a data controller who has not been registered under this Act shall not process personal data.

265. Our IT audit disclosed that, the Ho Technical University, through the admission and student portal provided by Ropart System, processes personal information of applicants for admission and other student details at the University. Our examination further revealed that the University had not been registered as a data controller in line with the provisions of the Data Protection Act, 2012 (Act 843).

266. We advised management to ensure that the University is duly registered with the Data Protection Agency as a Data Controller in accordance with Act 843.

267. Management responded that registration with Data Protection Commission was far advanced and that they would take steps to speed up to get it completed as soon as practicable.

Non-Redemption of Fixed Deposit – GH¢155,396.88

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

269. We observed that the University in 2018 invested an amount of GH¢155,396.88 in fixed deposits with Gold Coast Fund Management Ltd. We further noted that as at the time of this audit neither the principal nor the returns had been redeemed from the receiver, Blackshield Capital Ltd.

270. We could also not have access to relevant documents such as the deposit slip, certificate of investment and terms & conditions of the investment.

271. We attributed this lapse to insufficient effort on the part of management to pursue the redemption of the investment from the receiver.

272. The University risks losing the investment if the documents and particulars of the investment are not found.

273. We recommended to management to pursue the receiver to redeem the investment.

274. In response, Management stated that validation of the investment amount had been done, awaiting further action by the liquidator. Management also promised to constantly pursue the liquidator to ensure the recovery of the investment.

275. A copy of a letter of validation from Black Shield Capital Management for an amount of GH¢142,304.29 was sighted by the audit team.

KOFORIDUA TECHNICAL UNIVERSITY

Introduction

276. This report relates to the audited accounts of the Koforidua Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

277. The University recorded a deficit of GH¢5.83 million in 2020 financial year as compared to GH¢2.62 million recorded in the previous year; representing 322.3 % decrease on the previous year’s surplus. The deficit recorded was due to the impact of the Covid-19 pandemic on the University’s activities.

278. The comparative performance indicators for the two years are shown in Tables below:

Financial performance

-	2020	2019	Variance	%
Income	GH¢	GH¢	GH¢	Change
Gov't Grants	45,214,913.73	34,440,575.89	10,774,337.84	31.28
IGF	2,165,880.39	15,548,288.27	(13,382,407.88)	(86.07)
Project Grants	86,827.32	120,256.39	(33,429.07)	(27.80)
Total	47,467,621.44	50,109,120.55	(2,641,499.11)	(5.27)
Expenditure				
Compensation of Employees	45,581,873.06	37,419,076.04	8,162,797.02	21.81

Use of Goods and Services	6,389,099.88	8,220,412.84	(1,831,312.96)	(22.28)
Project Expenses	166,568.75	243,684.19	(77,115.44)	(31.65)
Consumption of Fixed Assets	1,157,279.34	1,604,415.93	(447,136.59)	(27.87)
Total	53,294,821.03	47,487,589.00	5,807,232.03	12.23
Income Deficit/Surplus	(5,827,199.59)	2,621,531.55	(8,448,731.14)	(322.28)

279. Total Operating Income for the year was GH¢47.47 million as compared to GH¢50.11 million recorded in 2019. This represented GH¢2.64 million or 5.27% decrease due to the non-billing of students owing to Covid 19 Pandemic.

280. IGF was GH¢15.55 million in 2019 but decreased to GH¢2.17 million in 2020 representing GH¢13.38 million or 86.07 % decrease occasioned by the non-billing of student as mentioned previously.

281. Due to the COVID 19, the 2020/21 academic year, which was to begin in August 2020, was differed to January 2021 and therefore there was no billing of students in 2020. Academic work is expected to be normal in 2021 and students will be billed twice for 2020/21 and 2021/22 academic years to make up the shortfall in income for 2020 financial year.

282. Total Expenditure however increased by GH¢5.81 million or 12.23% from GH¢47.49 million in 2019 to GH¢53.29 million in 2020 mainly due to compensation of employees which increased by 8.16 million 21.81%.

Financial position

Description	2020	2019	Change	%
	GH¢	GH¢	GH¢	Change
Non-Current Assets	28,743,320.42	22,914,380.10	5,828,940.32	25.44
Current Assets	2,416,356.74	10,367,976.59	(7,951,619.85)	(76.69)
Total Assets	31,159,677.16	33,282,356.69	(2,122,679.53)	(6.38)

Current Liabilities	4,999,832.81	1,457,216.66	3,542,616.15	243.11
Net Current Assets	(2,583,476.07)	8,910,759.93	(11,494,236.00)	(128.99)
Non-Current Liabilities	1,188,268.44	1,447,619.47	(259,351.03)	(17.92)
Total Liabilities	6,188,101.25	2,904,836.13	3,283,265.12	113.03
Net Assets	24,971,575.91	30,377,520.56	(5,405,944.65)	(17.80)
Current Ratio	0.48	7.11		

283. Total Non-Current Assets increased by GH¢ 5.83 million or 25.44 % from GH¢22.91 million in 2019 to GH¢28.74 million in 2020 primarily due to the ongoing infrastructural development projects (FBNE Block) and purchase of plants and equipment, furniture and fittings in 2020.

284. Net Current Assets decreased by GH¢11.49 million or 129.0 % mainly due to a reduction in cash and cash equivalent. The decline in cash and cash equivalent was due to the impact of COVID 19 on the University finances.

285. The decline in cash and cash equivalent position affected the payment of current liabilities which increased by GH¢3.54 million or 243.11 % from GH¢1.44 million in 2019 to GH¢4.99 million in 2020 and also drastically reduced the current of 1:7.11 in 2019 to 1:0.48 in 2020.

286. Total Non-Current Liabilities decreased by about GH¢0.26 million or 17.92% primarily due to part payment of the long-term obligations for the purchase of GETFund Hostel.

MANAGEMENT ISSUES

Challenges with the Online Students Information System (OSIS)

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

288. We noted significant weaknesses in the OSIS covering admissions, registration, billing, fee payments and generation of reports that undermines the integrity of financial reporting:

- i. The system did not allow for automatic reversal of fees wrongly credited by the banks to accounts via Transflow. In 2020 reversal of wrong credits by the Banks amounting to GH¢164,565.57 did not reflect on the OSIS.
- ii. The OSIS accepted payments without reference to the students ID, name, programme and fees payable. There were instances where 138 of such payments made in 2020 amounting to GH¢100,235.80 were not linked to any student's account.
- iii. The system also allowed direct entry of fee payments through the "Frontend Entry" and other cash and cheque payments that did not pass-through Trans flow.
- iv. Fee payments in dollars do not reflect as dollar payments or its cedi equivalent on the OSIS.

289. Other system challenges included the; inability to generate reports from OSIS on sale of e-vouchers for admission forms; inability of the admissions officer to setup programmes for admission; manual assigning of index numbers to students after admission; courses that did not show for some students who had registered for those courses; and navigation, display and reporting issues.

290. We further noted poor systems interface and integration. OSIS did not have an interface with the Topaz Accounting Pro, requiring manual entries in the Topaz. On daily basis, student fees paid at the bank and captured in OSIS via Trans flow are collated as daily collections by an Accounts officer, recorded in Topaz and issued a control receipt.

291. We also observed that the Trans flow which is a peripheral application interfacing the banking platform with OSIS was poorly implemented. Updated payments transactions in the form of reversal at the banks were not automatically updated in OSIS. Additionally, the payment of fees feature was not properly integrated with the registration module to allow for automatic clearing of students for course registration.

292. These challenges were the result of poor system design and development. Additionally, the poor technical support and non-responsiveness to resolving reported issues also allowed the situation to persist.

293. The effect of poor integration had led to increased human intervention which exposes the University to risks including the manipulation of financial records and overall integrity of the system.

294. We recommended a full review of the OSIS and its operations at the University to allow for a re-design of the system to resolve the challenges. All changes should be based on formal requirement definition and adequate testing to ensure that system solution meets KTU's needs. We further urged management to ensure that automatic reversals are incorporated for payments that have been wrongly credited and reversed by the banks. Communication between the banking system and OSIS via the Trans flow should be two-way to provide confirmation and feedback between the two systems.

295. Management responded that the University is currently working on the system integration to reduce errors and time wasted and has taken the initiative to re-design and develop the system to address the challenges identified.

Absence of individual receivables, payables and assets ledgers.

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

297. The Topaz Accounting system did not have individual ledgers for creditors, staff advances and fixed assets. These ledgers were tracked using Excel Worksheets outside the Topaz and journalised in the Topaz.

298. Students' information including billing, payment of fee and ledgers were recorded in the OSIS. However, because of issues with students' payments and reversals not reflecting in the OSIS, it was difficult to reconcile the actual debt position of each student. For instance, the student debtors' position reported in Topaz was GH¢898,786.33 which was at variance with GH¢3,336,883.29 captured in OSIS.

299. We also noted that the OSIS and the TOPAZ were not properly integrated hence the inability to automatically transfer receivable information on Students' Debtors from the OSIS into the TOPAZ.

300. Management stated that it was waiting for system audit of the TOPAZ in order to purchase the additional features including the individual ledgers.

301. In our view, manual reconciliation to ascertain the true position of receivables, creditors and fixed assets could be frustrating, time consuming and inherent with errors which could render the receivables, payables and assets values unreliable for management reporting.

302. We therefore recommended to management to liaise with the developers for the issues to be addressed.

303. In response, management said that the University is still seeking approval for the existing packages (ledger/modules) from the Audit Service before adding the recommended packages/modules on receivables, payables and fixed assets ledgers.

Unrecognised Student Debts of GH¢3,336,883.29

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

305. Our analysis of students' billing and payments for the period 2013 to 2020 in the Online Students Information System (OSIS) revealed an outstanding debt of GH¢3,336,883.29 owed by 2,198 students. However, the University did not report on student debtors in the December 2020 financial statements. The analysis also showed negative balances amounting to GH¢1,154,306.04 for the same period.

306. We were therefore unable to confirm the students' debtors position due to challenges with the OSIS.

307. We recommended a full audit to ascertain the actual students billed for the period and the associated payments received into the fees collection accounts.

308. Management stated that, the issue had been identified and a committee has been set up to resolve the problem with the students' debtors. For the year ended 31 December, the students' ledger balance revealed an outstanding ledger balance of GH¢3,336,888.29 and a negative balance of GH¢1,154,027.99 given a net students' receivable balance of GH¢2,182,860.30.

309. However, we found these figures unrealistic as our initial investigations into the system revealed that some students' bills had been duplicated. Some payments by students have not been credited into their accounts, and others are allocated with wrong bills etc. These figures have not been included as part of the students' receivables for the year ended 31 December 2020. They have

been considered as contingent asset and liabilities pending the outcome of the report by the committee set up to investigate the students’ ledger balances.

Staff development irregularities – GH¢1,881,800.61

310. Article 10 of the conditions of service of the Koforidua Technical University states that an employee whose training is approved is expected to successfully complete his/her course within the stipulated period and resume duty. Article 11 also states that individuals shall refund the full cost of any financial assistance even if they fail to complete the course of study for reasons that are not acceptable.

311. Paragraph 2 of the provision on the Bond Form for Sponsorship states ‘I further undertake to bind myself and my guarantors (2nd and 3rd obligors) liable to refund to the Koforidua Technical University, the whole amount spent on my sponsorship (including salaries and allowances etc.) plus interest at current rate calculated in the year of default, should I default in any (or all) of the undertakings or should be dismissed by Koforidua Technical University within the bond period.

312. We noted that Management spent GH¢1,881,800.61 as salaries & allowances, school fees and related charges on 12 members of staff as sponsorship on their studies. However, three staff failed to present their certificates after completion, six others did not return after completion of studies and three separated from the university before their bonds elapsed as shown below:

S/N	Name	Fees & Charges GH¢	Salaries received GH¢	Total GH¢	Remarks
1.	Mr. Mathew Kujo Monyo	7,000.00	0	7,000.00	No certificate submitted
2.	Engr. Gabriel Osei	16,000.00	0	16,000.00	No certificate submitted
3.	Mr. Adubufour Frimpong	16,000.00	0	16,000.00	No certificate submitted
4.	Mr. Theophilus Okore Hanson	24,000.00	179,670.79	203,670.79	Did not return from study leave
5.	Dr. Ebenezer Owusu	24,000.00	200,785.00	224,785.00	Left before the elapse of his bond

6.	Mr. Ebenezer Miezah Kwofie	24,000.00	255,819.26	269,819.26	Left before the elapse of his bond
7.	Dr. Augustine Ntiamoah	24,000.00	279,503.15	303,503.15	Left before the elapse of his bond
8.	Mr. Albert Osei	14,000.00	116,652.74	130,652.74	Did not return from study leave
9.	Mr. Charles Hackman Essel	0.00	154,080.12	154,080.12	Did not return from study leave
10.	Mr. Joseph Wilfred Baidoo	0.00	176,585.10	176,585.10	Did not return from study leave
11.	Mr. Benjamin Teye Boison	0.00	164,996.39	164,996.39	Did not return from study leave
12.	Mr. Isaac Effah Essampong	0.00	204,708.06	204,708.06	Did not return from study leave
	Total	149,000.00	1,732,800.61	1,881,800.61	

313. We attributed the irregularities to ineffective control within the administration of sponsorship for officers on study leave.

314. The University in our view did not derived any benefit from the total amount of GH¢1,881,800.61 spent on the staff.

315. We advised that, Management should recover the amounts plus interest from the affected staff and ensure effective controls over the administration of sponsorships for officers on study leave.

316. Management indicated that the members of staff concerned have been informed about their indebtedness to the University. Their Guarantors have also been requested to assist the University to recover the monies from them. The matter of their indebtedness has been referred to the Legal Office for necessary action.

Unearned salaries of separated staff- GH¢15,834.65

317. Regulation 92 of the Public Financial Management Regulations, 2019 requires a Principal Spending Officer of a covered entity to ensure the immediate stoppage of salary to Public Servants and notify the Controller and Accountant General on separation of staff and also take the necessary steps to retrieve any unearned compensation.

318. Our review of personal staff files disclosed that three officers who separated from the University in the year 2020, were validated and paid unearned salaries totalling GH¢15,834.65 as shown in the table below:

S/N	Name	Staff ID	Date Separated	Period of unearned pay	Amount GH¢	Remarks
1.	Mr. Thomas Adibo	754783	Feb 2020	3 months	2,963.94	Deceased
2.	Mr. Samuel Ampeh	858971	Nov 2020	1 month	1,118.93	Deceased
3.	Mr. Benjamin Teye Kojo Boison	897833	Jan 2020	2 months	11,751.78	Dismissal
Total					15,834.65	

319. We attributed the irregularities to the failure on the part of the validating officers to notify the Controller and Accountant-General’s for the prompt deletion of the names of the separated officers from the payroll.

320. This had resulted in the payment of unearned salaries totalling GH¢15,834.65.

321. We recommended that the amount should be recovered from the affected officers or their next of kin and same paid into the Consolidated Fund.

322. Management stated that the amount of GH¢15,834.65 will be deducted from the benefits of the affected persons.

No Service Level Agreement with IT service providers

323. The University signed a contract with IT Consortium for the provision of the Online Students Information System (OSIS).

324. We however noted that the contract was not supported with a Service Level Agreement (SLA). A service level agreement specifies:

- i. agreed service levels or targets,
- ii. performance and service availability requirements,

- iii. incidence reporting and resolution timelines,
- iv. penalties and sanctions for poor services,
- v. responsibilities of both parties for monitoring and managing service levels, and the
- vi. handling of sensitive and confidential personal data.

325. Consequently, incidents that are reported to IT Consortium either takes a long time to be resolved or are entirely ignored by the service provider. In effect, essential updates or patches that may be required to fix critical issues identified by KTU would not be made available, affecting the smooth running of the system.

326. We recommended that the IT and Review Committees as well as the Legal Unit should put in place an SLA and ensure service level reporting requirements, measurement indicators and the intervals at which SLAs should be reviewed.

327. Management promised to refer the matter to the University legal unit for advice.

KUMASI TECHNICAL UNIVERSITY

Introduction

328. This report relates to the audited accounts of the Kumasi Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

329. The operational results of the University during the period under review is shown in the tables below:

Income Statement

Income	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Government Subvention	52,234,821.30	36,320,846.29	15,913,975.01	43.81
Internally Generated Fund (IGF)	13,467,154.99	23,826,607.44	(10,359,452.45)	(43.48)
Total Income	65,701,976.29	60,147,453.73	5,554,522.56	9.23
Expenditure				

Compensation for Employees	60,198,288.73	39,225,941.04	20,972,347.69	53.47
Goods and Services	12,427,275.33	12,118,926.13	308,349.20	2.54
Depreciation Charge	2,495,686.62	1,566,927.68	928,758.94	
Total Expenditure	75,121,250.68	52,911,794.85	22,209,455.83	41.97
Surplus/(Deficit)	(9,419,274.39)	7,235,658.88	(16,654,933.27)	(230.18)

330. The overall financial performance of the University during the period under review showed that the University's financial performance decreased drastically by 230.18% from GH¢7,235,658.88 in 2019 to (GH¢9,419,274.39) in 2020. Total income for the period increased by 9.23% from GH¢60,147,453.73 in 2019 to GH¢65,701,976.29 in 2020. Total expenditure increased by 41.97% in 2020.

Financial position

	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Non-current Assets	18,920,660.48	17,200,846.21	1,719,814.27	10
Current Assets	5,362,724.13	15,279,563.51	(9,916,839.38)	(64.90)
Total Assets	24,283,384.61	32,480,409.72	8,197,025.11	(25.24)
Current Liability	1,899,656.89	677,407.61	1,222,249.28	180.43
Net Assets	22,383,727.72	31,803,002.11	(9,419,274.39)	(29.62)
Current Ratio	2.82:1	22.56:1		

331. Non-Current Assets increased by 10% from GH¢17,200,846.21 in 2019 to GH¢18,920,660.48 in 2020. The change was mainly due to acquisition of some non-current assets during the year.

332. Current Assets decreased by 64.90%, from GH¢15,279,563.51 in 2019 to GH¢5,362,724.13 in 2020. The decrease was largely due to reduction in deposits. Total deposits decreased from GH¢11,801,000.00 in 2019 to GH¢1,135,142.02 in 2020.

333. Current Liabilities also increased by 180.43% from GH¢677,407.61 in 2019 to GH¢1,899,656.89 in 2020.

334. The liquidity position as depicted by the current ratio of 2.82:1 indicates that the University's current liabilities are covered almost three times by its current assets. However, this indicates a sharp decline from the previous year's ratio of 22.56:1.

MANAGEMENT ISSUES

Grant of Scholarship with Defective Bond Forms

335. Regulation 78 of the Public Financial Management Regulations, 2019 states among others that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for the payment.

336. We noted during our review of sampled personal files of staff on scholarship that information provided by two lecturers, Owusu Forster and Thomas Korankye, who were on scholarships were incomplete. We further observed that the two officers had neither signed the bond forms nor the period of their scholarship stated therein.

337. This could put the University in a situation of being unable to enforce the terms of the bond.

338. We recommended to management to ensure that all bond forms are well completed as required.

339. Management responded that the Legal Unit of the University has designed a new form to include the relevant details as recommended and the concerned staff have been called to complete the forms properly.

Absence of Land title

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

341. We noted that out of the ten parcels of land acquired by the University for development, only four parcels had been registered with the Lands Commission to reflect true ownership. The details are as shown below:

No.	Description	Size (Acres)	Year of acquisition	Title Status
1	Kuntanase	300	2016	Acquired
2	Piase	200	2016	Acquired
3	Adako Jachie	28.56	2002	Applied for lease
4	Danyame	11.13	2011	Earmarked for redevelopment
5	Amakom/ Asem	10.94	-	In progress
6	Asokwa	1.51	2013	Acquired
7	Pine Avenue (Ridge)	1.08	2010	Preparation of cadastral plan in progress
8	Bomso	0.22	2013	Assignment acquired
9	Suame	0.22	2013	Awaiting the head lease
10	Ahinsan	0.13	-	Preparation of cadastral plan in progress

342. The University risks losing the land to encroachers in the event of any dispute and litigation.

343. We recommended to management to expedite action to acquire title deeds for the remaining six parcels of land to prevent any future litigations.

344. Management responded that the process to acquire title to all the lands had commenced and at various stages of registration. We urged management to expedite action.

Failure to collect outstanding debt – GH¢136,000.00

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

346. We noted that the University, then a Polytechnic, on 8 September 2011 advanced an amount of GH¢300,000.00 to Dr. Adu-Aninkorah, a former member of the Kumasi Polytechnic Council and also the owner of McKeown Hotel at Oduom, Kumasi. The advance was for anticipated practical training for

students of the Department of Hotel, Catering and Institutional Management and lodging for guests of the institution.

347. The University in the same month rescinded its decision on the arrangement and requested a refund of the advance from Dr. Adu-Aninkorah.

348. By August 2018, Dr. Adu-Aninkorah had refunded GH¢115,000.00 leaving a balance of GH¢185,000.00.

349. The University took a legal action against Dr. Aninkorah and obtained consent judgment dated 8th April, 2019, where Dr. Aninkorah was to pay by instalments of GH¢7,000.00 per month for 27 months beginning 30 April 2019.

350. Our further checks revealed that, as at 11 March 2020, Dr. Aninkorah had paid a total amount of GH¢49,000.00 leaving GH¢136,000.00 outstanding.

351. Management's failure to be diligent in arriving at the decision to advance the sum to Dr. Aninkorah had caused this anomaly.

352. We recommended that management should pursue the recovery of the outstanding amount of GH¢136,000.00 without further delay.

353. Management said that the matter was vigorously being pursued at court. That on 18th March 2021, an affidavit in opposition to motion on notice for payment in instalments and stay of execution was filed at the High Court, Commercial Division in Kumasi. The matter was heard by the court on 29th March 2021. Even though the defendant's motion was upheld by the court, an amount of GH¢14,000.00 was paid representing two months instalments.

Unsupported payments – GH¢13,768.62

354. Regulation 78 of the Public Financial Management Regulations 2019, requires that a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity that evidence of services received, certificates for work done and any other supporting documents exists.

355. Our examination disclosed that on 11 April 2020, management paid Gyem Georges Enterprise an amount of GH¢13,768.62 vide payment voucher number 015753 for servicing four photocopier machines without supporting the transactions with memos, receipts, invoices, reports and other relevant documents to authenticate transaction. We attributed this lapse to the absence of effective supervision from the Finance Director on the Accounting officers.

356. In the absence of these supporting documents, we could not substantiate the genuineness of the payments and whether in the interest of the University.

357. We therefore recommended that the Director of Finance should provide for our review the necessary supporting documents without further delay.

358. Management responded that the request for payment for services rendered was regarded as invoice from the service provider and also the minute three of the payment voucher in question and the certification from the user department constitute evidence of work done.

359. We reiterated our earlier recommendation.

Uncompetitive Procurement – GH¢140,726.00 & GH¢108,524.56

360. Section 43 of the Public Procurement Act, 2003 (Act 663) as amended states that the procurement entity shall request for quotations from as many suppliers or contractors as practicable, but shall compare quotations from at least three different sources that should not be related in terms of ownership, shareholding or directorship and the principles of conflict of interest shall apply between the procurement entities and their members and the different price quotation sources.

361. Section 18 of the Public Procurement Act, 2003, (Act 663) as amended requires among other things that, the head of entity shall ensure that at each stage of the procurement activity, procedures prescribed in this Act have been followed.

362. Contrary to the above provision, we noted that the University failed to obtain at least three quotations from different sources in respect of procurements totalling GH¢140,726.00 made during the audit period. The table below provides the details:

No.	Contract package	Supplier/Contractor	Contract sum (GH¢)	Remarks
1.	Supply of photocopier machine	A4 Technology Systems Enterprise	99,000.00	Failed to obtained alternative quotes from at least suppliers
2.	Fabrication of burglar proof at Adako Jackie residential	Goldstreet Real Estate consult	41,726.00	Failed to obtained alternative quotes from at least three contractors
Total			140,726.00	

363. We also noted that management used the alternative price quotation method instead of national competitive bidding for the procurement of Christmas hampers for staff valued at GH¢108,524.56 even though the contract sum exceeded the threshold for the former.

364. We attributed this situation to the failure of the procurement unit to comply with prescribed procurement procedures.

365. In our opinion, this practice does not afford the University the opportunity to evaluate and obtain value for money in its procurement.

366. We recommended to management to exercise strong oversight control on their procurement processes.

367. Management responded that, with regards to the Supply of Photocopier machine, four companies were invited but two responded. With the fabrication of Burglar proof at Adako Jachie residential, four companies were invited but two responded. It further indicated that the names of the companies are in the evaluation report.

368. Management further stated that a committee consisting of representatives from Finance, Procurement and Welfare procured the hampers. It further stated that, an initial amount of GH¢98,360.90 was used and therefore did not require advertisement (NCT) and Entity Tender Committee approval. Later, management agreed to buy additional items costing GH¢10,164.00 and that these were separate transactions. Management also stated that the committee did not select the lowest price because the brand offered by the others were of lower quality. However, we reiterated our earlier recommendation.

Unearned Salaries and allowances – GH¢56,541.02.

369. Regulation 92 of the Public Financial Management Regulations, requires among others that a Principal Spending Officer of a covered entity shall ensure the immediate stoppage of payment of salary to public servants and notify the Controller and Accountant-General in the circumstances such as: death, dismissal, vacation of post, conviction for an offence, resignation or retirement of an employee etc.

370. Regulation 89 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that a Principal Spending Officer and the head of the Management Unit of a covered entity shall, before the payroll run, ensure that personnel records are updated and validated.

371. We noted that between December 2019 and May 2020, management failed to stop the salaries of three staff who had separated from the University resulting in the payment of unearned salaries amounting to GH¢20,956.02. The details are shown in the table below;

Staff ID	Full Name	Date of Separation	Reason for Separation	Months Unearned	Total Earned GH¢
794142	Augustine Amoako	30 Dec 2019	Leave of Absence	2	14,210.76
794144	Frank Kwadwo Otoo	20 Jan 2020	Deceased	1	5,397.26
756542	Duah John	10 May 2020	Deceased	1	1,348.00
Total					20,956.02

372. We further noted that management failed to stop the payment of fuel, car maintenance and off campus allowances amounting to GH¢35,685.00 to five officers on scholarship abroad as detailed below:

Staff ID	Full Name	Name of University	Fuel (GH¢)	Off Campus (GH¢)	Maintenance (GH¢)	No. of Months	Amount (GH¢)
812209	Attefah Eric Kwaku	University of Aveiro	460.00	575.00	210.00	5	6,225.00
753165	Eric Yaw Agbevegu	Vellore Institute of Tech. India	-	575.00	210.00	15	11,775.00
894041	Evans Kotei	Vellore Institute of Tech. India	-	575.00	210.00	15	11,775.00
756487	Sylvester Adai Arhin	Prefectural University of Kumamoto, Japan	-	-	210.00	15	3,150.00
770888	Boadu Francis	University of electronic science & Tech. China	-	184.00	-	15	2,760.00
Total							35,585.00

373. The failure on the part of the validation officers to notify the Controller and Accountant General and the bankers to stop the salaries of the three separated staff and allowances of the five officers on study leave caused this lapse.

374. This resulted in the payment of unearned salaries and allowances totalling GH¢56,541.02.

375. We recommended to management to recover the unearned salaries from the officers or their next of kins and same paid to chest. We also recommended that the amount of GH¢35,685.00 should be recovered from the five officers on scholarship abroad.

376. Management responded as follows;

- **Dr. Augustine Amoako:** that he sought a three-week permission to undertake a face-to-face lecture/examination at the Open University of Tanzania. The leave ended on 11th December 2017 but he requested for an extension up to 31st January 2018 which was granted. At the end of the extension period which ended 31st January 2018, he failed to report. In view of the fact that he failed to report on the stipulated date, his name was accordingly suspended from the payroll.
- **John Duah:** that late Mr. Duah who was a Senior Security Guard, passed away on the 10th May 2020. As soon as the University was officially informed of his demise steps were taken to delete his name from the institution's payroll.
- **Frank Kwadwo Otoo:** The deceased name was deleted from the payroll as soon as the University was officially informed of the demise of the staff. In this instance, the notification of the passing of Frank Kwadwo Otoo was received in February, 2020 after the validation of salaries. Accordingly, his name was deleted in March, 2020. Management however, stated that it will take steps to recover the one-month salary that was inadvertently paid into his account from his provident fund account.

377. We however, reiterated our earlier recommendation.

Value for money not obtained in the deployment of University Support Systems

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

379. We observed lack of capacity in the procurement of an electronic tool for the collection of students' registration fees and academic records has resulted in waste of resources over the years. In 2020, management in 2010 contracted a vendor called XIT (now ADEPTS) to develop an application known as the ISP at a yearly contract sum of GH¢169,200.00. This contract was poorly executed.

380. We observed that the company in 2019, was contracted to develop a similar purpose application (XMS) as a result of challenges with the previous system at a yearly contract sum of GH¢303,059.40.

381. In 2020, a further contract was awarded to Intelligent Systems Ltd (I-APPLY) services that ADEPTS has been contracted to undertake at a contract sum of GH¢20.00 per voucher.

382. In view of the poor performance by the contractors, we advised the University to take the appropriate steps to abrogate the contracts. To attract the right calibre of supplier for the services, we advised management to comply with the procurement processes by advertising widely for the services. We further stated that any further waste in the resources would be charged against the management of the University.

DR. HILLA LIMANN TECHNICAL UNIVERSITY, WA

Introduction

383. This report relates to the audited accounts of the Dr. Hilla Limann Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

384. The year under review ended with a deficit of GH¢1,436,472.34 representing a 214% decrease from the surplus of GH¢1,251,476.12 in 2019. Details of Dr. Hilla Limann Technical University's operational results are shown below:

INCOME AND EXPENDITURE FOR THE YEAR 2020				
	2020	2019	Variance Change	% Change
Income	GH¢	GH¢	GH¢	%
Government Subvention	11,122,787.12	12,006,988.23	(884,201.11)	(7.36)
Other Income	772,735.02	1,926,534.99	(1,153,799.97)	(59.89)
Total	11,895,522.14	13,933,523.22	(2,038,001.08)	(14.63)
Expenditure				
Employee Compensation	10,653,898.27	9,915,757.62	738,140.65	7.44
Goods and Services	2,678,096.21	2,766,289.48	(88,193.27)	(3.19)
Total	13,331,994.48	12,682,047.10	649,947.38	5.12
Income Surplus	(1,436,472.34)	1,251,476.12	(2,687,948.46)	(214.78)

385. Total Income for the Technical University decreased by GH¢2,038,001.08 representing 14.63% drop, from GH¢13,933,523.22 in 2019 to GH¢11,895,522.14 in 2020. This decrease was primarily due to a reduction in Government subvention and Internally Generated Funds. Government Subvention decreased was mainly due to a more than 100% decrease in GETFund income to the School of GH¢1,950,948.15 in 2020. That is, in 2019 Government Subvention (GETFund) was GH¢2,373,974.15 as compared to GH¢423,026.00 in 2020. There was also a significant decrease in Internally Generated Fund (IGF) for the University. Total IGF decreased from GH¢1,926,534.99 in 2019 to GH¢772,735.02 mainly due to low collection of School fees as a result of the COVID-19 and the closure of all schools.

386. Total Expenditure for the period also increased by GH¢649,947.38 from GH¢12,682,047.10 in 2019 to GH¢13,331,994.48 in 2020 representing a marginal increase of 5.12%. Thus a 7.44% increase in Compensation of Employees accounted largely for the increase in expenditure.

Financial position

387. The Financial Position of the University as at 31 December 2020 is shown below:

	2020	2019	Change	Change
	GH¢	GH¢	GH¢	%
Non- Current Assets	16,347,514.40	16,757,701.28	(410,186.88)	(2.45)
Current Assets	855,749.78	1,305,175.79	(449,426.01)	(34.43)
Total Assets	17,203,264.18	18,062,877.07	(859,612.89)	(4.76)
Current Liabilities	1,063,337.04	486,477.61	576,859.43	118.58
Net Assets	16,139,927.14	17,576,399.46	(1,436,472.32)	(8.17)
Current ratio	0.8:1	2.7:1		

388. Non-Current Assets decreased by 2.45% from GH¢16,757,701.28 in 2019 to GH¢16,347,514.40 in 2020. This was primarily due to the reduction in additions to Property, Plant and Equipment. The additions to PPE in 2019 was GH¢584,365.72 as compared to GH¢1,035,406.66 in 2020.

389. Current Assets also decreased to GH¢855,749.76 in 2020 from GH¢1,305,175.79 recorded in 2019, this represented a decrease of 34.43%. This was mainly due to significant decreases in Student Debtors and Bank Balances.

390. Current Liabilities increased by 118.58% from GH¢486,477.61 in 2019 to GH¢1,063,337.04 in 2020. A significant increase in Trade Creditors from GH¢423,026.00 in 2019 to GH¢1,007,579.75 in 2020.

391. The liquidity position represented by current ratio decreased from 2.7:1 in 2019 to 0.8:1 in 2020 indicating that the University has decreased its ability to meet its short-term obligations as and when they fall due.

MANAGEMENT ISSUES

Failure to seek approval from Central Review Committee – GH¢1,485,382.00

392. The second schedule of the Public Procurement Act, 2003, (Act 663), and as amended in Act 914, 2016, requires that, in the event where the entity tender committee of an institution does not have the approving authority of a procurement threshold such contract should be referred to Central review board for authentication.

393. Our review of the procurement records of the University revealed that, the Entity Tender Committee (ETC) of the University in November 2020 awarded a contract sum of GH¢1,485,382.00 to Kingdom Books and Stationery Limited for the Supply and delivery of office and library equipment vide contract number UW/WTU/GETFund/GD/028028/2020. Our further review showed that the amount approved by the ETC was above its threshold of GH¢1,000,000.00. The approval of the contract per the Procurement Law should have been by the Central Tender Committee whose threshold is above GH¢1,000,000.00.

394. To ensure the regularity of the procurement, we urged management to seek retrospective approval from the Central Review Committee without any further delay.

395. Management accepted our recommendation for compliance and stated that it has written to the Central Review Board for consideration and approval.

Non-use of the Ghana Integrated Financial Management Information System (GIFMIS)-GH¢1,233,269.20

396. Regulation 61 of Public Financial Management Regulations, 2019 states that a commitment for the following expenditure and payment of a covered entity shall be made in the Ghana Integrated Financial Management Information System (GIFMIS) within a commitment ceiling issued according to the budget availability: recurrent and capital expenditure financed by the Consolidated Fund.

397. We noted from a sample of payment vouchers reviewed that, payments totalling GH¢1,233,269.20 were not processed through the GIFMIS system during the period under review.

398. Management explained that the University was not linked to the GIFMIS system to enable financial transactions to be processed therein.

399. In our view, the failure to process transactions through the GIFMIS system could adversely affect the objective of monitoring and improving efficiency in managing public funds.

400. We recommended to management to take the necessary steps to ensure that the University is linked to the GIFMIS system. Management agreed to implement our recommendation and stated that they have written to the GIFMIS Secretariat and is awaiting the setup from the GIFMIS Secretariat.

ACCRA TECHNICAL UNIVERSITY

Introduction

401. This report relates to the audited accounts of the Accra Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

402. The operational results of the University during the period under review is shown in the tables below:

Income Statement

Income	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Government Subvention	40,032,927	27,917,431	12,115,496	43.40
Internally Generated Fund (IGF)	30,287,950	31,478,946	(1,190,996)	(3.78)
Total Income	70,320,877	59,396,377	10,924,500	18.39
Expenditure				
Compensation for Employees	44,964,735	32,068,231	12,896,504	40.22
Goods and Services	17,768,419	21,182,143	(3,413,724)	(16.12)
Total Expenditure	62,733,154	53,250,374	9,482,780	17.81
Surplus/(Deficit)	7,587,723	6,146,003		

403. The overall financial performance of the University during the period under review showed that the University’s surplus position increased by 23.5% from GH¢6,146,003 in 2019 to GH¢7,587,723 in 2020. Total income for the period increased by 18.4% from GH¢59,396,377 in 2019 to GH¢70,320,877 in 2020. Total expenditure also increased by 17.8%

Financial position

	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Non-current Assets	36,487,558	36,688,078	(200,520)	(0.55)
Current Assets	37,317,198	45,079,605	(7,762,407)	(17.22)
Total Assets	73,804,756	81,767,683	(7,962,927)	(9.74)
Current Liability	638,849	16,926,821	(16,287,972)	(96.23)
Net Assets	73,165,907	64,840,862	8,325,045	12.84
Current Ratio	58.41:1	2.7:1		

404. Non-Current Assets have decreased by 0.55 % from GH¢36,688,078 in 2019 to GH¢36,487,558 in 2020. The change was mainly due to depreciation.

405. Current Assets decreased by 17.22%, from GH¢45,079,605 to GH¢37,317,198 in 2020. The decrease was largely due to decrease in receivables. The receivables decrease from GH¢2,506,868 in 2019 to GH¢2,350,510 in 2020.

406. Current Liabilities has decreased by 96.23% from GH¢16,926,821 in 2019 to GH¢638,849

407. The liquidity position as depicted by the current ratio of 58.4:1 suggest that the University will be able to meet its short-term obligations as they fall due.

MANAGEMENT ISSUES

Unjustified expenditure - GH¢238,288.68

408. Regulation 78 of the Public Financial Management Regulations, 2019 states that, a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity the validity, accuracy and legality of the claim for the payment; that evidence of service received, certificate for work done and any other supporting document exist;

409. Our examination of financial records disclosed that between January and February 2020, management paid Admaro Limited and Sawtel Ghana Limited a total amount GH¢238,288.68 as outstanding debt for services provided in 2019. However, the debt was not included in the creditors' ledger or the 2019 audited

financial statements of the university. The details are provided in the table below:

Unjustified expenditure - GH¢238,288.68

Date	PV No.	Details	Payee	Amount GH¢	Expenditure head
27/01/20	0122	Adverts 2019	Admaro Limited	22,271.42	Admission expenses
21/01/20	0120	Adverts on admission	Admaro Limited	14,490.21	Admission expenses
21/01/20	0123	Adverts on 2019/2020 admission	Admaro Limited	18,059.45	Admission expenses
21/01/20	0124	Adverts on 2019/2020 admission	Admaro Limited	22,410.32	Admission expenses
14/01/20	0062	Dedicated internet service	Sawtel Ghana Ltd	28,435.31	Internet services
26/02/2020	0386	Washing of gown	Bust Clean Dry Cleaners	27,729.14	Congregation expense
21/02/2020	0389	Printing of brochure	G-Pak	39,642.75	Congregation expense
27/01/2020	0121	Adverts in 2019	Admaro Ltd	14,598.08	Congregation expense
14/01/2020	0061	Hiring of academic gowns	Trenor Coats & Gowns	50,652.00	Congregation expense
Total				238,288.68	

410. We attributed the lapse to the failure of management to ensure full disclosure of payables in the financial statements which could affect the completeness, truth and fairness of the accounts.

411. We requested management to include the transactions in the creditors' ledger and financial statements as prior year adjustment to ensure the completeness, truth and fairness of the accounts.

412. Management responded that the university uses modified cash accounting and therefore could not disclose the liabilities in the 2019 financial statements. It further stated that, it is considering the adoption of IPSAS to avert recurrence.

413. However, modified cash accounting could not prevent recording of the liabilities even in the appropriate ledgers. We reiterated our earlier recommendation.

414. We attributed this infraction to the absence of effective oversight control within the procurement procedures in the University.

415. We recommended to management to recover the GH¢105,924.10 from the suppliers same paid to the Ghana Revenue Authority, failing which the Vice Chancellor and Director of Finance should refund the amount. We further advised management to exercise effective controls over the procurement procedures in the University.

416. Management responded that the affected suppliers have been contacted to provide the relevant information for authentication.

Overdue salary and rent advance - GH¢34,230.33

417. Section 6 of the Public Financial Management Act, 2016 (Act 921), states that the management shall coordinate the promotion and enforcement of a transparent, efficient and effective management of public revenue, public expenditure and the assets and liabilities of a covered entity.

418. Contrary to this, we noted that there was no efficient system for the recovery of rent and salary advances to staff. Our review of accounting records showed that 28 officers who were granted advances totalling GH¢34,230.33 2016 and 2019. The details are provided in the table below:

Staff ID	Name of Staff	Date Loan was taken	No. of months	Description	Loan Amount GH¢	Amount Refunded GH¢	Outstanding balance GH¢
761811	Michael Sarkodie Baffoe	1/11/2016	50	Salary Advance	2,364.30	702.00	1,662.30
892877	Ama Serwah	5/10/2017	39	Salary Advance	518.47	264.00	254.47
761826	Esther Dewane James	11/10/2018	25	Salary Advance	3,307.37	2,739.00	569.36
758485	E.Y.Apraku Awuah	14/5/2019	19	Salary Advance	14,201.70	8,817.00	5,384.70
761696	Vera Acheampong	30/7/2019	17	Salary Advance	2,096.10	1,315.00	781.10
789450	James Awuni	20/8/2019	16	Salary Advance	4,026.66	3,318.00	709.14
761798	Oberko Jonathan	20/8/2019	16	Salary Advance	2,096.10	1,750.00	346.58
758479	Jones Buabeng	13/9/2019	15	Salary Advance	2,320.06	1,524.86	795.20
751237	Kwesi Bondzie	13/9/2019	15	Salary Advance	1,378.60	1,270.00	108.60
761786	Ibrahim Zubairu	16/9/2019	15	Salary Advance	6,936.00	4,676.00	2,260.00
758298	Franklin K. Azor	17/9/2019	15	Salary Advance	7,498.94	6,803.00	695.94
775089	Divine Ningson	17/9/2019	15	Salary Advance	1,182.18	-	1,182.18
758409	Peace Kuma	18/9/2019	15	Salary Advance	1,240.13	587.00	653.13
758214	Abigail Addo Dankwa	25/9/2019	15	Salary Advance	3,545.58	3,162.00	383.58

852935	Bokor Maxwel Mawuli	25/9/2019	15	Salary Advance	2,079.81	1,317.00	763.71
789490	Bawa Adams Alhassan	25/9/2019	15	Salary Advance	2,934.56	2,106.00	828.56
892888	Regina Appiah-Gyimah	1/10/2019	15	Salary Advance	3,359.88	-	3,359.96
893280	Joyce Brako	3/10/2019	15	Salary Advance	4,992.03	4,213.00	779.82
761821	Samuel Owusu	3/10/2019	15	Salary Advance	2,255.97	1,750.00	505.97
758574	Felix Amoo-Tenkorang	8/10/2019	15	Salary Advance	4,720.49	1,997.09	2,723.40
892806	Richard Addo Sowah	14/10/2019	15	Salary Advance	9,118.59	5,759.00	3,359.59
758418	Emmanuel Kabu Oman	5/11/2019	14	Salary Advance	7,788.42	6,420.00	1,368.42
794465	Kennedy Newton Nutassey	12/11/2019	14	Salary Advance	11,536.79	10,854.00	682.79
758445	James K. Ahiabor	18/11/2019	13	Salary Advance	3,691.75	3,008.00	683.75
758509	Joycelyn Mensah	10/12/2019	12	Salary Advance	8,191.66	7,597.40	594.46
812409	Bright Kyereh	12/12/2019	12	Salary Advance	9,002.52	8,480.00	523.62
775171	George Fari Yamba	25/08/2016	52	Rent Advance	1,800.00	1,30.00	770

761854	Francis Allotey Mofart	30/10/2018	26	Rent Advance	2,000.00	500.00	1,500.00
Total					126,184.66	90,929.35	34,230.33

419. We attributed the lapse to management's failure to put in place effective mechanisms to ensure that all advances are promptly recovered from the staff.

420. The outstanding amount if not recovered, could deny other staff from benefiting from the facility.

421. We recommended to management to recover the outstanding advances totalling GH¢34,230.33 from the defaulting officers without further delay.

422. Management responded that all the relevant input data are always captured or uploaded on the Third-Party Reference System (TPRS) platform together with the person mandate/affordability form immediately after disbursement of these loans to staff. The delay in the deduction is caused by the Controller and Accountant General's Department (CAGD) inability to start loan deductions immediately.

423. We reiterated our earlier recommendation.

Failure to Apply appropriate Tax Rate - GH¢8,670.78

424. Section 116 of the Income Tax Act, 2015 (Act 896) stipulates that a resident, other than an individual, shall withhold tax on gross amount of the payment at the following rates;

- a) the supply or use of goods at 3%
- b) the supply of any work at 5% or
- c) the supply of service 7.5%, in respect of a contract between the payee and the resident person.

425. Also, Section 117 states among others that a withholding agent who fails to withhold tax shall pay the tax that should have been withheld in the same manner and at the same time as tax that is withheld.

426. Contrary to the above, we noted that the University made a total payment of GH¢346,831.00 to O.O. Fatonade & Others for consultancy services. Our audit further revealed that the University charged Fatonade & Others 5 % (GH¢17,341.55) instead of 7.5% (GH¢26,012.33) withholding tax 5% resulting in an underpayment of tax amounting to GH¢8,670.78.

427. The use of the wrong withholding tax rate by the accounting officers had led to the infraction.

428.This lapse had deprived the nation the immediate use of the tax revenue.

429. We advised management to recover the difference in tax the liability of GH¢8,670.78. from O.O. Fatonade & Others and same paid to the Ghana Revenue Authority (GRA), failing which the Vice Chancellor and Director of Finance should refund the amount.

430.Management agreed with our recommendation for compliance.

TAKORADI TECHNICAL UNIVERSITY

Introduction

431. This report relates to the audited accounts of the Takoradi Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

432. The operational results of the University during the period under review is shown in the tables below:

Income Statement

Income	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Government Subvention	64,920,167.19	47,401,690.79	17,518,476.40	36.96
Internally Generated Fund (IGF)	28,803,022.02	25,609,371.99	3,193,650.03	12.47
Total Income	93,723,189.21	73,011,062.78	20,712,126.43	28.37
Expenditure				
Compensation for Employees	67,596,870.88	49,360,558.97	18,236,311.91	36.95
Goods and Services	13,425,717.81	14,429,249.35	(1,003,531.54)	(6.95)
Total Expenditure	81,022,588.69	63,789,808.32	17,232,780.37	27.01
Surplus/(Deficit)	12,700,600.52	9,221,254.46	3,479,346.06	37.73

433. The overall financial performance of the University during the period under review showed that the University’s surplus position increased by 37.73% from GH¢9,221,254.46 in 2019 to GH¢12,700,600.52 in 2020. Total income for the period increased by 28.37% from GH¢73,011,062.78 in 2019 to GH¢93,723,189.21 in 2020. Total expenditure also increased by 27.01% in 2020.

Financial Position

	2020	2019	Difference	%
	GH¢	GH¢	GH¢	Change
Non-current Assets	23,642,423.90	25,144,481.42	(1,502,057.52)	(5.97)
Current Assets	21,622,914.46	8,804,633.30	12,818,281.16	145.59
Total Assets	45,265,338.36	33,949,114.72	11,316,223.64	33.33
Current Liability	891,509.73	5,064,414.65	(4,172,904.92)	(82.40)
Net Assets	44,373,828.63	28,884,700.07	15,489,128.56	53.62
Current Ratio	24.25:1	1.74:1		

434. Non-Current Assets decreased by 5.97 % from GH¢ 25,144,481.42 in 2019 to GH¢23,642,423.90 in 2020. The change was mainly due to disposal of some non-current assets and depreciation.

435. Current Assets increased by 145.59%, from GH¢8,804,633.30 in 2019 to GH¢21,622,914.46 in 2020. The increase was largely due to increment in receivables. The receivables figure increased from GH¢5,402,824.60 in 2019 to GH¢16,456,612.10 in 2020.

436. Current Liabilities also decreased by 82.40% from GH¢5,064,414.65 in 2019 to GH¢891,509.73 in 2020.

437. The liquidity position as depicted by the current ratio of 24.25:1 suggests that the University is in a comfortable position to meet its short-term obligations as they fall due.

MANAGEMENT ISSUES

Unrecovered overdue staff advances – GH¢79,528.16 & GH¢40,375.48

438. Regulation 32, of the Public Financial Management Regulations, 2019 (L.I. 2378) requires among others that, Principal Spending Officer of each covered entity shall take effective and appropriate steps to collect money due to the covered entity.

439. We noted from our examination of the staff debtors’ ledger that, 28 staff owed the University loans totalling GH¢79,528.16 granted between 2019 and 2020. The loans which were to be recovered within a year remained outstanding as at the time of audit. The details are provided below:

	Name of Staff	Bal. b/d	Advances	Total	Refund	Total
S/N		GH¢	in 2020	Amount		
		GH¢	GH¢	GH¢	GH¢	GH¢
1	David Assam	102.60		102.60		102.60
2	Emmanuel Asare	40.00		40.00		40.00
3	Kwame Amosah	1,356.00		1,356.00		1,356.00
4	George Biney	231.60		231.60		231.60
5	John Anderson	328.40		328.40		328.40
6	Masawudu Akaribo A.	280.00		280.00		280.00
7	Deborah Obeng	2,500.00		2,500.00		2,500.00
8	Dennis Korbla Borkloe	2,184.00		2,184.00		2,184.00
9	Eric Quansah	367.00		367.00		367.00

10	Bright Obeng	1,248.00		1,248.00		1,248.00
11	Ruth Appiah	1,000.00		1,000.00		1,000.00
12	Samuel Woode	1,400.00		1,400.00		1,400.00
13	Isabella Ayisi Larbi	2,500.00		2,500.00		2,500.00
14	Comfort Adokobire	7,300.00		7,300.00		7,300.00
15	Dadzie Emmanuel Ofori	200.00		200.00		200.00
16	Paul Amoah	1,975.00		1,975.00		1,975.00
17	Frank Arthur	1,000.00		1,000.00		1,000.00
18	Isabella Mansa Bentum	5,000.00		5,000.00		5,000.00
19	Yaw Aikins	200.00		200.00		200.00
20	Kwaku Twum	13,731.15		13,731.15		13,731.15
21	Florence D. Bansa	4,795.00		4,795.00		4,795.00
22	Juliana Afua Abrokwa	1,000.00		1,000.00		1,000.00
23	Millicent Amaning	71.40		71.40		71.40
24	Prof.Victor K. B. Micah		11,630.00	11,630.00		11,630.00
25	Obeng Elizabeth		11,056.00	11,056.00	1,000.00	10,056.00
26	Abnory Moses Maclean		2,232.00	2,232.00	1,200.00	1,032.00
27	Ophelia Cudjoe		3,000.00	3,000.00		3,000.00
28	Eghan Emmanuel		5,000.00	5,000.00		5,000.00
	Total	48,810.15	32,918.00	81,728.15	2,200.00	79,528.15

440. In a related development, 27 staff owed the University rent advances totalling GH¢40,375.48 granted to them between 2015 and 2020. The details are provided in the table below:

No.	Name	Date of Loan	Amount	Interest	Total Amount	Repay ment Period	Amount Repaid	Oust. Loan
			GH¢	GH¢	GH¢	MONT HS	GH¢	GH¢
1	Eric N. Acheampong	30/11/15	1,000.00	70.00	1,070.00	12	860.00	210.00
2	Denis Borkloe	30/11/15	3,000.00	150.00	3,150.00	24	1,185.00	1,965.00
3	Rose Freku	30/09/16	2,000.00	100.00	2,100.00	12	1,925.00	175.00
4	Sarah Mensah	30/09/16	2,000.00	100.00	2,100.00	24	1,312.50	787.50
5	Evelyn Acquah	30/09/16	2,000.00	100.00	2,100.00	24	1,942.00	158.00
6	Gladys Amoaku	30/09/16	2,000.00	100.00	2,100.00	24	874.00	1,226.00
7	Aikins Amankwah	30/09/16	2,000.00	100.00	2,100.00	24	875.00	1,225.00
8	Eric Davidson Ahiable	30/09/16	5,000.00	250.00	5,250.00	24	2,258.75	2,991.75
9	Francis Ampimah	31/01/18	2,000.00	100.00	2,100.00	24	700.00	1,400.00
10	Kwame George Nuhu	31/01/18	2,000.00	100.00	2,100.00	12	1,000.00	1,100.00
11	Justice Ampah- Kwofie	31/01/18	2,000.00	100.00	2,100.00	24	696.00	1,404.00
12	John Amissah	31/01/18	2,000.00	100.00	2,100.00	24	1,284.80	815.20
13	Rosemond Quaicoe	31/01/18	3,000.00	150.00	3,150.00	24	3,069.00	81.00
14	Evelyn Mensah	31/01/18	3,000.00	150.00	3,150.00	24	3,018.75	131.25
15	Sandra Ankomah Debrah	31/01/18	3,000.00	150.00	3,150.00	24	500.00	2,650.00
16	Akua A. Asante- Asare	31/01/18	3,000.00	150.00	3,150.00	12	1,492.10	1,657.90
17	Joseph Amoako	31/01/18	5,000.00	250.00	5,250.00	24	3,611.30	1,638.70

18	Robert Amankwaa	31/01/18	5,000.00	250.00	5,250.00	24	1,880.00	3,370.00
19	Felicia Koomson	31/01/18	5,000.00	250.00	5,250.00	24	4,141.00	1,109.00
20	Abdulai Seidu	28/02/19	2,000.00	100.00	2,100.00	24	700.00	1,400.00
21	Comfort Adokobire	28/02/19	3,000.00	150.00	3,150.00	24	525.00	2,625.00
22	Michael K. Asirifi	28/02/19	5,000.00	250.00	5,250.00	24	2,440.00	2,810.00
23	Richard O. Dwamena	28/02/19	5,000.00	250.00	5,250.00	24	4,236.34	1,013.66
24	Gifty Enam Ntiamoah	28/02/19	5,000.00	250.00	5,250.00	24	1,909.12	3,340.88
25	Cynthia Ama Mensah	28/02/19	5,000.00	250.00	5,250.00	24	3,469.36	1,780.64
26	Dr. Letsa Dzidefo	28/02/20	5,000.00	250.00	5,250.00	12	3,150.00	2,100.00
27	Johnson Yeboah	28/02/20	5,000.00	250.00	5,250.00	12	4,040.00	1,210.00
	TOTAL				93,470.00		53,095.02	40,375.48

441. In our view management's inability to put in place mechanisms that ensure the timely and effective recovery of the loans accounted for the lapse.

442. This could deny the University of the financial resources to meet similar needs of other officers.

443. We recommended that Management recover the GH¢79,528.16 and GH¢40,375.48 loan and rent advances respectively from the beneficiaries and put in place mechanisms including the timelines within which the loans should be refunded.

444. Management responded that GH¢30,718.00 of the staff advances are not overdue and are within the loan period. With the balance of GH¢48,810.16, GH¢2,367.00 has been collected leaving outstanding balance of GH¢46,443.16. Management also promised to recover the outstanding rent advances.

Payments without supporting documents – GH¢157,261.60

445. Regulation 78 of the Public Financial Management Regulations, 2019 (L.I. 2378) requires that, a Principal Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity that evidence of services received, certificates for work done and any other supporting documents exist.

446. We noted during our examination of financial documents that 15 payment vouchers amounting to GH¢157,261.60 were not supported with the relevant documents such as memos, invoices, receipts etc. to authenticate the transactions. The details are as shown below:

DATE	PV. NO.	DESCRIPTION	AMOUNT GH¢	PAYEE
17-04-20	TTU36422PV	Accountable imprest released for the COTVET face mask project.	5,400.00	Richard Acquaye
11-03-20	TTU35927PV	Funds released for the provision of refreshment for participants of EMODAL programme.	2,040.00	Safo Ankama Kweku
15-01-20	TTU28416PV	Cost of turbo charger unit and Exhaust Gas Regulator	5,000.00	Jameaddre Ventures
15-01-20	TTU27803PV	SMS to notify and call admitted students	2,270.00	Kojo Ennin Oppan
23-01-20	TTU17236PV	Cost of 48 Ports Switches	36,000.00	Oppan Kojo Ennin
28-01-20	TTU33812PV	Monthly recurring IP Access Connectivity Charge (Internet and leased circuit bill)	31,865.56	Main One Cable Company Ghana Limited
11-11-20	TTU36888PV	Monthly Recurring IP access Connectivity Charge	22,820.10	Main One Cable Company Ghana Limited

11-11-20	TTU36889PV	Monthly Recurring IP access Connectivity Charge	1,988.68	Main One Cable Company Ghana Limited
07-09-20	TTU40589PV	Cost of rewiring Residence	3,928.50	Nathaniel Prah
07-09-20	TTU40587PV	Cost of electrical material	3,005.06	Nathaniel Prah
19-11-20	TTU42943PV	Painting materials	4,552.60	Tawiah k. Boakye
30-11-20	TTU4261PV	Building material	4,054.00	Odoom Sampson
14-10-20	TTU/FBNE/ 10/01	Production of 4 file cabinets	4,066.00	Dr. Eric D Marfo
20-10-20	TTU41771PV	Internet service bill	14,635.55	Kojo Ennin Oppan
20-10-20	TTU41763PV	Internet service by GARNET	14,635.55	Kojo Ennin Oppan
Total			157,261.60	

447. We blamed this lapse on the failure of the accounting officers to ensure that the payment vouchers were supported with the relevant documents.

448. In the absence of the relevant documents, we were unable to ascertain the genuineness of the transactions and whether the expenditures were made in the interest of the University.

449. We recommended to management to produce the relevant supporting documents for our review, failing which the amounts should be refunded by the authorising and paying officers.

Failure to prepare and submit monthly procurement reports

450. Paragraph 1.4.5 of the Procurement Manual of the Public Procurement Act, 2003 (Act 663) states that, there shall be a monthly report that shall be submitted to the Public Procurement Authority by each Tender Committee (TC).

451. During our review of sampled procurements, we noted that the University procured various items totalling GH¢5,414,836.33. This notwithstanding, the Entity Tender Committee of the University failed to submit monthly, procurement reports for the attention of the Public Procurement Authority.

452. Compliance with this provision in the Procurement Act in our view would enhance transparency and accountability in the procurement of goods and services in the University.

453. We therefore urged management to ensure that the Entity Tender Committee comply with this provision.

454. Management agreed with our observation for compliance.

Unbonded staff on study leave with pay

455. Ghana Scholarship Regulation and the Takoradi Technical University staff development policy 11.0 prescribes that staff embarking on international and local studies on study leave with full sponsorship shall be bonded and the years of the bond would be made up of the duration of the program plus one year after completion.

456. Our review of the personal files of staff on study leave with pay disclosed that four staff were not covered by any bond as required in Regulation 11 of the University’s Policy. The table below provides the details.

S/N	NAME	DEPARTMENT	PROGRAMME OF STUDY	INSTITUTION OF STUDY	PERIOD
1	Ms. Ruth Appiah	Procurement & Supply	M.A. Mgt. Science & Engineering	Jiangsu University, China	Sept. 2019 to Jul. 2020
2	Mr. Victor Fannam Nunfam	Languages & Liberal Studies	Ph.D. in Social Science	Edith Cowan University, Australia	July 2016 to July 2019

3	Mr. George Adayi Miandi	Interior Design Technology	Ph. D. Environmental Sciences	University of Arkhangelsk, Russia	Jan. 2016 to Dec. 2020
4	Mr. Kingsley Anfom	Accounting & Finance	Ph.D. Mgt. Science & Engineering	Jiangsu University, China	Sept. 2019 to July 2023

457. This had resulted in eight other unbonded officers who failed return to the University after completion of their courses of study as detailed below:

S/N	NAME	DEPARTMENT	PROGEMME OF STUDY	INSTITUTION OF STUDY	PERIOD
1	Mr. Isaac Offei	Building Technology	M.A. Civil Engineering	Jiangsu University, China	Feb., 2017 to Jan., 2020
2	Ms. Ruth Appiah	Procurement & Supl.	M.A. Mgt. Science & Engineering	Jiangsu University, China	Sept., 2019 to Jul., 2020
3	Ms. Bertha Danso	Hospitality Mgt.	Ph.D. Mgt. Science & Engineering	Jiangsu University, China	July, 2019 to Jan., 2020
4	Mr. Gilbert Odoi Boateng	Marketing & Strategy	Ph.D. in Development Economics	Fredrich-Alexander University	2015/2016 to 2017/2018
5	Mr. Victor Fannam Nunfam	Languages & Liberal Studies	Ph.D. in Social Science	Edith Cowan University, Australia	July, 2016 to July, 2019
6	Mr. George Adayi Miandi	Interior Dsg. Tech.	Ph. D. Environmental Sciences	University of Arkhangelsk, Russia	Jan., 2016 to Dec., 2020
7	Mr. Matthew Kweku Gyan	Electrical/Elect. Eng.	M.Phil. Geological Engineering	UMaT, Tarkwa	Sept., 2019 to Aug., 2020
8	Mr. Timothy Simpson	Maths, Stat. & Act. Sc.	M.Phil. Information Technology	KNUST, Kumasi.	2018/2019 to 2019/2020

458. To minimise the risk of the beneficiaries of the scholarships not returning after their period of study, we urged management to immediately ensure that all the

affected persons complete their bond forms, failure of which their salaries should be stopped.

459. Also, we recommended the improvement in the process for granting such scholarships to ensure that the school's interest at all times is protected.

Failure to change ownership of two vehicles

460. Section 52 of the Public Financial Management Act, 2016 (Act 921) requires all principal spending officers to be responsible for the assets of the institution under his/her care and shall ensure that proper control system exist to eliminate theft, loss, wastage and misuse.

461. Our examination of vehicle documents of the University revealed that on 12 November 2020 the University procured of two vehicles with registration numbers GN 8142-20 and GN 8379-from Toyota Ghana Limited. However, the ownership had not been transferred but still remained in the name of supplier.

462. We recommended that management should take immediate steps to effect the change of ownership to the University.

463. Management responded that the vehicles were in the names of Toyota Ghana Limited because payment had then not been completed. The full payment had now been made and the Transport officer would follow up on the change of ownership.

Absence of documentation on ownership of the SRMS application

464. International best practice in ICT requires that the management of IT - enabled investment programs should work towards taking over their investment with appropriate documentation.

465. We noted that the University had since 2015 relied on an in-house Students Records Management System (SRMS) application to support student's information management to record student's results and to coordinate and organise graduation. Management was however unable to provide the audit team with documentation on the ownership of the SRMS application.

466. In absence of the ownership documentation, the University could be exposed to the risk of losing all the investments made on the application should the development staff leave the establishment.

467. We recommended to management to ensure that it take steps to formally take ownership of the application.

468. Management responded that it had started the preparation on the documentations of the ownership of the SRMS and would make it available for our inspection.

Failure of SRMS application to meet key security needs

469. The Takoradi Technical University's ICT Policy, Section 22.3.3 states that passwords issued for temporary IDs, password resets, and locked out IDs must all be reset to expire immediately. The recipients of temporary passwords shall then be forced to change their passwords at their first login opportunity. Section 22.1.2 of the same policy states: "Users must be able to change their own passwords periodically."

470. The SRMS is an application developed in-house to support student's information management, record student's results and to coordinate and organise graduation as well as the provision of accounting services. During our review of the application, we noted that users were unable to change default passwords assigned to them for their initial logon to the system. This condition in our view exposes the system to abuse by unauthorized persons with knowledge of the default passwords.

471. We urged management to put in the necessary controls that allow users immediately after the use of the default password to be able to create their own passwords to maintain the system integrity.

472. Management agreed with our observation for compliance.

Unaccounted imprest – GH¢8,844.00

473. Regulation 102 of the Public Financial Management Regulation, 2019 stipulates that the Principal Spending Officer shall ensure that the standing imprest is fully retired by the end of the financial year. The unretired imprest shall be charged to the personal name of the Principal Spending Officer or the holder of the imprest or the ultimate recipient of the imprest, as appropriate. The regulation further states that where a person required to retire an imprest by the due date fails to do so, that person commits an offence, unless the contravention is occasioned by the death or incapacity of that person.

474. Our examination of the accounting records disclosed that during the period under review, the University disbursed GH¢8,844.00 on ten payment vouchers to ten officers to undertake various activities. However, the officers had failed to retire imprest granted them as detailed below:

PV No.	Date	Details	Payee	Amount GH¢
TTU41980PV	28/10/2020	Imprest to meet petty expenses at the sports office	Ackwonu-Mensah Ebenezer	300.00
TTU41982PV	28/10/2020	Imprest to meet petty expenses at the sports office	Kwegyiriba Adwoa	300.00
TTU33913PV	28/1/20	Refreshment	Otchey James Eric	244.00
TTU33605PV	23/1/2020	Imprest to head of security	Sekyi Thomas	300.00
TTU34590PV	07/2/2020	Imprest to head of CRID	Baah Emmanuel	400.00
TTU34590PV	07/2/2020	Imprest to head of transport	Kyei-Kankam Daniel	4,000.00
TTU33473PV	14/1/2020	Imprest at finance Directorate	Larbi Isabella Ayisi	400.00
TTU33514PV	16/1/2020	Imprest at Office of Vice Chancellor	Ankumah Francis Joe	500.00
TTU33518PV	16/1/20	Imprest at Registrar's office	Dr. Abnory Moses Maclen	2,000.00
TTU33523PV	16/1/20	Imprest at IPELO	Nkrumah Maame Efua	400.00
Total				8,844.00

475. We attributed the anomaly to the failure on the part of the accounting officers to compel the imprest holders to ensure the full retirement of accountable imprest within the stipulated time.

476. We were therefore unable to ascertain whether the expenditure was incurred for the intended purposes and in the interest of the University.

477. We recommended to the Director of Finance to ensure that the officers retire the imprest without further delay, failing which the amounts should be charged as personal advances against them.

SUNYANI TECHNICAL UNIVERSITY

Introduction

478. This report relates to the audited accounts of the Sunyani Technical University for the period 1 January 2020 to 31 December 2020.

Operational results

479. The operations of Sunyani Technical University for the financial year, 2020 ended with a deficit of GH¢2,222,817.00 as compared with a surplus of GH¢3,026,624.00 for the previous year 2019 representing 173.44% decrease. Details provided below:

Incomes	2020	2019	Difference	% Change
	GH¢	GH¢	GH¢	
GoG Subvention	41,971,739.00	27,672,036.00	14,299,703.00	51.68
GETFund	2,535,274.00	250,000.00	2,285,274.00	914.11
Internally Generated Fund	1,614,883.00	13,063,015.00	(11,448,132.00)	(87.64)
Total Incomes	46,121,896.00	40,985,050.00	5,136,846.00	12.53
Expenditure				
Employees Compensation	36,909,006.00	28,075,016.00	8,833,990.00	31.47
Use of Goods & Services	11,435,708.00	9,883,410.00	1,552,298.00	15.71
Total Expenditure	48,344,714.00	37,958,427.00	10,386,287.00	27.36
Income Surplus/(Deficit)	(2,222,817.00)	3,026,624.00	(5,249,441.00)	(173.44)

480. Total Income for the Technical University increased by GH¢5,136,846.00 representing 12.53% from GH¢40,985,050.00 in 2019 to GH¢46,121,896.00 in 2020. The above increase was due to increase in GoG Subvention and GETFund allocations by GH¢14,299,703.00 and GH¢2,285,274.00 respectively. However, income from IGF decreased by 87.64% over the period mainly due to the COVID 19 Pandemic.

481. Total Expenditure also increased by GH¢10,386,287.00 representing 27.36% from GH¢37,958,427.00 in 2019 to GH¢48,344,714.00 in 2020. This was due to increase in both Compensation and Goods and Services.

Financial position

482. The Financial Position of the Technical University as at 31 December 2020 is shown below:

Component	2020	2019	Difference	% Change
	GH¢	GH¢	GH¢	
Non-Current Assets	21,559,909.00	16,869,392.00	4,690,517.00	27.80
Current Assets	5,016,903.00	10,269,805.00	(5,252,902.00)	(51.1)
Total Assets	26,576,812.00	27,139,197.00	(562,385.00)	(2.07)
Non-Current Liabilities	3,357,430.00	3,930,378.00	(572,948.00)	(14.5)
Current Liabilities	10,116,848.00	7,883,468.00	2,233,380.00	(28.330)
Accumulated Fund	13,102,534.00	15,325,351.00	(2,222,817.00)	(14.50)
Current ratio	0.5:1	1.30:1		

483. Non-Current Assets increased by GH¢4,690,517.00 from GH¢16,869,392.00 in 2019 to GH¢21,559,909.00 in 2020 representing 27.80%.

484. Current Assets however decreased by GH¢5,252,902.00 representing 51.15% from GH¢10,269,805.00 in 2019 to GH¢5,016,903.00 in 2020. This was largely due to decrease in Accounts Receivables and cash and cash equivalents.

485. Non-Current Liabilities also decreased by GH¢572,948.00 representing 14.58% due to servicing of loans.

486. Current Liabilities increased by GH¢2,233,380.00 from GH¢7,883,468.00 in 2019 to GH¢10,116,848.00 in 2020 representing 28.33%.

487. The liquidity position as measured by a current ratio is 0.5:1 as compared with 1.30:1 in 2019 financial year. The University is not in position to meet its short-term obligations as and when they fall.

MANAGEMENT ISSUES

Printing of Receipt Books without Approval from CAGD

488. Regulation 147 Public Financial Management Regulations 2019, enjoins the Controller and Accountant-General to specify the conditions for the management and safety of value books used by a covered entity by approving the design, form and content of value books, ordering their supply and maintaining stock levels.

489. We noted that management of the University procured and used electronic receipts from Korporate Deamolus Ghana Ltd without seeking approval from the Controller and Accountant General's Department. We further noted inconsistencies in the serial numbering of some batches as well as 1,148 faulty electronic receipts which were unusable.

490. This infraction was as a result of management's disregard for the provisions of the above Regulation.

491. In our opinion, the inconsistencies could lead to discrepancies in the accounting for revenue.

492. We advised management to desist from the practice and seek approval from the CAGD on the design, form, content and ordering of all value books.

Under-Deduction and Non-Payment of Rent- GH¢73,746.15

493. Article 14.0 of the Condition of Service for Senior Members and Senior Staff of the Polytechnic Teachers Association of Ghana (POTAG) states "An employee shall be provided with accommodation if available and shall be required to pay rent at the prevailing government rate". the prevailing government rate of 10% of basic as rent as required by Senior Staff Condition of Service.

494. We noted discrepancies in the payment of rent for 23 officers occupying the University’s bungalows at the prevailing government rate of 10% of basic salary. Our checks revealed that between 1 January and 31 December, 2020, 11 officers were deducted amounts ranging between GH¢60.00 to GH¢150.00 which were determined by the University’s management. The remaining 12 officers did not pay rent at all. This resulted in a total unpaid rent of GH¢73,746.15 as detailed in the table:

No.	Occupant	Staff ID	Basic Salary	Monthly rent per school policy	No. of Months	Yearly rent payable @ Gov't Rate (A)	Yearly rent payable (Per school Policy)	Rent Deducted (B)	Rent Outstanding (A-B)
			GH¢	GH¢		GH¢	GH¢		GH¢
1	Edmond Oduro	75482 8	1,254.00	75.00	12	1,504.80	900.00	-	1,504.80
2	Kwesi Baba	61402 7	3,224.00	75.00	12	3,868.80	900.00	900.00	2,968.80
3	Joseph Amankwah	75348 4	3,224.00	75.00	12	3,868.80	900.00	900.00	2,968.80
4	Angela Boahemaa	75274 2	2,724.00	75.00	12	3,268.80	900.00	900.00	2,368.80
5	Constance Asana Saaka	29066 9	3,224.00	75.00	12	3,868.80	900.00	-	3,868.80
6	Joyce Dante Ameyaw	75251 5	3,507.00	75.00	12	4,208.40	900.00	900.00	3,308.40
7	Nana Adenuga	75195 8	4,536.28	75.00	12	5,443.54	900.00	900.00	4,543.54

8	Charles Barimah	75325 2	1,115.00	75.00	6	669.00	450.00	-	669.00
			1,254.00	75.00	6	752.40	450.00	-	752.40
9	Kweku Amofa	81533 4	3,448.00	75.00	12	4,137.60	900.00	900.00	3,237.60
10	Isaac Adjei Dwaase	71588 4	1,297.00	75.00	12	1,556.40	900.00	900.00	656.40
11	Eric Kweku Asare	75273 8	3,228.00	75.00	12	3,873.60	900.00	-	3,873.60
12	Isaac Kweku Adu	84076 4	1,116.60	60.00	4	446.64	240.00	-	446.64
			1,134.10	60.00	1	113.41	60.00	-	113.41
			1,291.95	60.00	7	904.37	420.00	-	904.37
13	Vida Prempeh	75203 1	4,221.00	75.00	8	3,376.80	600.00	600.00	2,776.80
			4,293.00	75.00	4	1,717.20	300.00	300.00	1,417.20
14	Augustine Yaw Manu	75126 6	3,224.00	75.00	12	3,868.80	900.00	-	3,868.80
15	Francis Kwabena Adjei	75355 5	3,689.00	60.00	12	4,426.80	720.00	720.00	3,706.80

16	Sgt Rtd Badiwe Mohammed	85297 3	4,221.00	75.00	12	5,065.20	900.00	900.00	4,165.20
17	Joseph Abebrese	75151 8	3,224.00	75.00	12	3,868.80	900.00	-	3,868.80
18	Alex Peprah	75188 2	3,391.00	75.00	8	2,712.80	600.00	600.00	2,112.80
			3,448.00	75.00	4	1,379.20	300.00	300.00	1,079.20
19	Goerge Abisah Blankson	90226 8	2,546.00	75.00	12	3,055.20	900.00	-	3,055.20
20	Samuel Akyeramfo - Sam	75397 5	3,391.00	75.00	8	2,712.80	600.00	-	2,712.80
			3,448.00	75.00	4	1,379.20	300.00	-	1,379.20
21	Joyce Andorful	75244 5	2,546.00	120.00	12	3,055.20	1,440.00	-	3,055.20
22	Kwabena Adjei	80310 6	4,221.00	150.00	8	3,376.80	1,200.00	-	3,376.80
			4,293.00	150.00	4	1,717.20	600.00	-	1,717.20
23	Yaw Boateng - Duah	75396 5	2,724.00	120.00	12	3,268.80	1,440.00	-	3,268.80
									73,746.15

495. We blamed this situation on management’s failure to:

- ensure that the appropriate rates were applied in deducting rents from the 11 officers.
- effect the rent deductions on the 12 officers.

496. The state had therefore been deprived of the immediate use of rent income amounting to GH¢73,746.15.

497. We recommended management to recover the outstanding rent of GH¢73,746.15 from the 23 officers without further delay.

498. We also advised management to apply the required rent deduction of 10% of the basic salary of all occupants.

499. Management accepted our recommendation for compliance.

Failure to Produce Evidence of Accredited Programmes

500. Section 8(3) of the National Accreditation Board Act, 2007 (Act 744) states “an institution shall not operate or run a programme without accreditation”. Also, Section 33 (1a) of the Audit Service Act, 2000 (Act 663) states “Any person who fails to produce for inspection by the Auditor-General or otherwise fails to give the Auditor-General access to any book, record, return or other document relating or relevant to any account to be audited by the Auditor General, when so requested by the Auditor-General commits an offence and is liable on summary conviction to a fine not less than 500 penalty units or to imprisonment for a term not exceeding 2 years or to both.”

501. Our review showed that out of the 34 HND and B-Tech Programmes run by the University, 2 had active certificates, 32 Programmes had no accreditation. The details are as shown below;

SN	Program	Date Expired	Remarks
1.	B-Tech Agriculture (4-Year)		No Cert
2.	Bachelor of Technology (B-Tech) In Civil Engineering (4-Year)		No Cert
3.	Bachelor of Technology (B-Tech) In Construction Technology (4-Year)		No Cert

4.	Bachelor of Technology (B-Tech) In Electrical and Electronics Engineering (Computer) (4-Year)		No Cert
5.	Bachelor of Technology (B-Tech) In Electrical and Electronics Engineering (Medical Equipment Technology) (4-Year)		No Cert
6.	Bachelor of Technology (B-Tech) In Electrical and Electronics Engineering (Power System) (4-Year)		No Cert
7.	Bachelor of Technology (B-Tech) In Electrical and Electronics Engineering (Telecommunication) (4-Year)		No Cert
8.	Bachelor Of Technology (B-Tech) In Hospitality and Tourism Management (4-Yrar)		No Cert
9.	Bachelor Of Technology (B-Tech) In Mechanical Engineering (Auto)(4-Year)		No Cert
10.	Bachelor Of Technology (B-Tech) In Mechanical Engineering (Plant)(4-Year)		No Cert
11.	Bachelor Of Technology (B-Tech) In Mechanical Engineering (Production)(4-Year)		No Cert
12.	HND Building Technology		No Cert
13.	HND Civil Engineering		No Cert
14.	HND Computer Science		No Cert
15.	HND Hotel, Catering and Institutional Management		No Cert
16.	HND Marketing		No Cert
17.	HND Mechanical Engineering (Automobile)		No Cert
18.	HND Mechanical Engineering (Plant)		No Cert
19.	HND Mechanical Engineering (Production)		No Cert
20.	HND Secretaryship and Management Studies (New)		No Cert
21	B-Tech in Fashion Design (4-Year)	26/08/2022	Active

22.	HND Accountancy	31/08/2021	Active
23.	HND Ceramic Art	14/08/2019	Expired
24.	HND Computerised Accounting (New)	31/08/2020	Expired
25.	HND Dispensing Technology	15/10/2020	Expired
26.	HND Electrical/Electronic Engineering	31/12/2015	Expired
27.	HND General Agriculture (New)	31/12/2014	Expired
28.	HND Industrial Art Technology (Fashion Design Technology)	30/09/2019	Expired
29.	HND Industrial Art Technology (Textiles Technology)	30/09/2019	Expired
30.	HND Information and Communication Technology	31/08/2020	Expired
31.	HND Interior Design and Technology (Wood)	14/08/2019	Expired
32.	HND Materials Engineering	31/08/2020	Expired
33.	HND Purchasing and Supply Chain Management	31/08/2020	Expired
34.	HND Secretaryship and Management Studies	31/08/2015	Expired

502. We advised management to ensure that all its programmes were accredited status in accordance with the National Accreditation Board Act, 2007 (Act 744).

Unretired Imprest – GH¢21,399.27

503. Regulation 102 of the Public Financial Management Regulations, 2019 (L.I. 2378) states that a special imprest issued for making a particular payment, or group of payments shall be fully retired within ten days after completion of the activity. It further indicates that the unretired imprest shall be charged to the personal name of the Principal Spending Officer or the holder of the imprest or the ultimate recipient of the imprest, as appropriate.

504. Our examination of the accounting records disclosed that between March and December 2020, the University disbursed GH¢21,749.75 on 5 payment vouchers to four officers undertake various activities. However, the officers had failed to retire imprest granted them as detailed below:

S/N	ID No.	Credit Account	Amount	Payee	Transaction Details	Trans. Date	Unretired Amount GH¢
1	106294	Fidelity Main 5044	5,249.52	Dr. Alexander Eduful	Imprest for cost of chippings for science park and transportation cost	11-11-2020	5,249.52
2	106296	Fidelity Main 5044	1,941.75	Gabriel Awuah	imprest to replace faulty electrical cables at the general office	11-11-2020	1,941.75
3	106362	Fidelity Main 5044	2,898.00	Christiana Ansu	payment for ingredients for the preparation of lunch and snacks for finance and council members meetings	02-12-2020	2,898.00
4	65467	Stanbic Bank (GETFund Hostel)	2,680.00	Robertson Amoah	Payment of special imprest for construction of twenty wardrobes for cocoa hall	09-3-2020	2,680.00
5	75564	Stanbic Bank (GETFund Hostel)	8,630.00	Robertson Amoah	request for special imprest for the payment of labour cost	30-4-2020	8,630.00
Total			21,399.27				21,399.27

505. We attributed the anomaly to the failure on the part of the accounting officers to compel the imprest holders to ensure the full retirement of accountable imprest within the stipulated time.

506. We were, therefore, unable to ascertain whether the expenditure was incurred for the intended purposes and in the interest of the University.

507. We recommended to the Director of Finance to ensure that the officers retire the imprest without further delay, failing which the amounts should be charged as personal advances against them.

Unacquitted Payments – GH¢46,318.86

508. Regulation 78 of the Public Financial Management Regulations, 2019 states “a Spending Officer of a covered entity is personally responsible for ensuring in respect of each payment of that covered entity, the validity, accuracy and legality of the claim for the payment and that evidence of service received, certificates for work done and any other supporting documents exists.”

509. We noted that between January 2020 and October 2020 management made payments totalling GH¢86,038.91 vide 11 payment vouchers. Out of the total disbursement, only GH¢39,720.05 was acquitted while the difference of GH¢46,318.86 was not supported with the requisite documents to authenticate the transactions. The details are as shown below.

S/N	Trans. Date	PV No.	Transaction Details	Amount	Payee	Transaction Details	Unacquitted Amount (GH¢)	Remarks
1	20/02/2020	64341	Payment of special imprest for 12th congregation	2,778.00	Safroadu Amankwatia	Payment of special imprest for 12th congregation	838.00	
2	25/08/2020	98995	Payment of registration fees for students who are to sit for examinations conducted by NABPTEX and the technical exams unit	24,940.00	NABPTEX and Technical Exam Unit	payment of registration fees for students who are to sit for examinations conducted by NABPTEX and the technical exams unit	17,020.00	No receipt from the Technical Exams Unit
3	09/12/2020	106387	Special imprest	3,410.00	Safroadu Amankwatia	Special imprest	1,810.00	No invoices and receipts
4	25/02/2020	65402	Imprest for electrical materials and labour for Busia hall, block d and block e	2,783.00	Robertson Amoah	Imprest for electrical materials and labour for Busia hall, block d and block e	2,783.00	No Invoices and Receipts
5	18/02/2020	64345	Payment for Prepaid meter	14,370.00	Dr. Robertson Amoah	Payment for Prepaid meter	1,745.00	No Invoices and Receipts
6	24/01/2020	59172	Procurement of VRA forms, Energy Commission inspectors fee, CEWP fees	2,010.00	Isaac Abbam	Procurement of VRA forms, Energy Commission inspectors fee, CEWP fees	2,010.00	No Receipt
7	02/10/2020	104098	verification of results used for 2018/2019 academic year admissions	17,562.00	Gideon Hackman (WAEC & NABPTEX)	verification of results used for 2018/2019 academic year admissions	4,416.00	No Receipt
8	26/10/2020	106211	payment of allowance to vetting team	7,160.40	Aning Justice & 21 others	payment of allowance to vetting team	324.00	Pay-sheet not signed
9	09/03/2020	65468	Payment for prepaid meter processing fee for GETFUND hall	6,300.00	Robertson Amoah	Payment for prepaid meter processing fee for GETFUND hall	6,300.00	No Receipt

10	27/05/2020	84640	refund of the cost of materials used for additional plumbing works, construction of wardrobes and fixing of washrooms at the cocoa hall	4,347.35	Robertson Amoah	refund of the cost of materials used for additional plumbing works, construction of wardrobes and fixing of washrooms at the cocoa hall	4,347.35	No Receipt
11	03/03/2020	65442	payment for public address system, plastic chairs and canopies	4,725.51	Danitrade Ventures	payment for public address system, plastic chairs and canopies	4,725.51	No Receipt
Total				86,038.91			46,318.86	

8.	Kofi Antwi	3,250.00			3,250.00	750.00	2,500.00
9	Richard Kofi Boahen	500.00	NIL	-	500.00	-	500.00
10.	Stephen Yeboah	5,000.00	NIL	-	5,000.00	-	5,000.00
11.	Yaw Antwi Boasiako	1,000.00	6/10/2020	3,000.00	4,000.00	-	4,000.00
12..	Isaac Addo Lartey	1,500.00	NIL	-	1,500.00	-	1,500.00
13	Emmaculate Bilson Mensah	1,500.00	NIL	-	1,500.00	1,500.00	-
14	Asamoah Roberta	1,500.00	NIL	-	1,500.00	1,500.00	-
15.	Thomas Nsiah Baafi	5,000.00	NIL	-	5,000.00	5,000.00	-
16.	Kofi Abrefa	300.00	NIL	-	300.00	-	300.00
17.	Anonymous	241.57	NIL	-	241.57	-	241.57
18.	Evelyn Ama Richardson	5,000.00	NIL	-	5,000.00	-	5,000.00
19.	Samuel Adu Gyamfi	- 4,000.00	NIL	-	- 4,000.00	-	- 4,000.00
20.	Julius Caesar Puoza	- 4,000.00			- 4,000.00		- 4,000.00
21.	Baffoe Moses	2,000.00	NIL	-	2,000.00	-	2,000.00
22.	Adade Foster	3,000.00	NIL	-	3,000.00	-	3,000.00
23.	Stephen Lombetey	400.00	NIL	-	400.00	-	400.00
24.	Tachie-Djang Joseph	3,000.00	NIL	-	3,000.00	-	3,000.00
31.	Eric Tetteh Mensah	4,000.00	NIL	-	4,000.00	-	4,000.00
Total							50,633.57

520. The inability of the Director of Finance to strictly enforce the provisions on the timely recovery of salary advances accounted for the anomaly.

521. This situation could deprive other staff from benefitting from the facility and also lead to loss of funds.

522. We urged and the Director of Finance agreed to recover the advances totalling GH¢50,633.57 from the officers without further delay. We also advised

				Gbene Ventures)	
6	27-Mar-2020	67598	imprest for construction of Biodigester for Registrar Residence	Dickson Kyere-Duah	4,526.21
7	09-Jun-2020	85708	purchase of mega phones for academic departments	Danesh Legacy	3,200.00
8	10-Jun-2020	85713	cost of materials for servicing of air-condition of veh reg no 1566-14	Autochill Engineering Ltd.	3,252.43
9	14-Jul-2020	90842	payment of special imprest for the procurement of paper towels	Cynthia Gyamfi Adu-Gyamfi (Obross Ent.)	2,000.00
10	18-Mar-2020	67529	fixing of burglar proof at Block E and HCIM block for Sunyani Technical University	Lexpong Construction Ltd.	13,977.96
11	17-Jun-2020	89713	payment of special imprest to procure items to implement safety protocols to combat covid-19 on campus	Gabriel Awuah/Lisel Platinum Ent.	8,738.00
Total					97,571.72

515. We attributed the irregularity to absence of effective controls in the procurement processes, which could lead to the University not obtaining value for money.

516. We urged management to exercise effective oversight control in the procurement processes of the University.

517. Management responded that the Entity always ensures that alternatives are obtained for such procurements. It is unfortunate some of these invoices might have been misfiled. They promised to make the documents available for audit inspection.

Unrecovered staff advances - GH¢50,633.57

518. Section 7 of the Public Financial Management Act, 2016 demands that a Principal Spending Officer of a covered entity shall ensure the regularity and proper use of money appropriated in that covered entity. Also, Article 13 (13.3) of the Unified Conditions of Service for the Unionised Staff of Polytechnics in Ghana states that two months gross salary advance may be granted to employees on application recoverable within a period of 12 months, subject to availability of funds.

519. We noted that salary advances amounting to GH¢50,633.57 granted to 31 officers between 2018 and 2020 had not been recovered. The details are provided in the table below:

S/N	Name	Bal B/F (1/1/19)	Date of Addition	Amount Added	Total	Amount Paid as at 31/12/20	Balance Due
				GH¢	GH¢	GH¢	GH¢
1.	Dr. S. Rajalingam	8,000.00	1/31/2020	3,000.00	11,000.00	3,000.00	8,000.00
2.	Joan Nsoah	1,000.00	NIL	-	1,000.00		1,000.00
3.	Andoh Kwaku Conduah	2,000.00	NIL	-	2,000.00		2,000.00
4.	Juliana Bonua	2,000.00	NIL	-	2,000.00		2,000.00
5.	Safroadu Amankwatia	2,900.00	NIL	-	2,900.00	200.00	2,700.00
6.	Frederick Kwasi Darteh	1,500.00	NIL	-	1,500.00	-	1,500.00
7.	Kyeremeh Anane Ameyaw	10,830.00	6/17/2020	5,000.00	15,830.00	5,838.00	9,992.00

510. The accountant’s failure to ensure that all the requisite supporting documents were attached to the vouchers before payments were affected caused this anomaly.

511. We were unable to ascertain the genuineness of the transactions and whether the payments were in the interest of the University.

512. We recommended to management to ensure that the payment vouchers are properly acquitted failing which the total amount of GH¢46,318.86 should be refunded by the recipients.

Purchases without Alternative Quotations – GH¢97,571.72

513. Section 43 of the Public Procurement Act, 2003 (Act 663) as amended requires that the procurement entity shall request quotations from as many suppliers or contractors as practicable but shall compare quotations from at least three (3) different sources that should not be related in terms of ownership, shareholding or directorship and the principles of conflict of interest shall apply between the procurement entity and their members and the different price quotation sources.

514. Our audit disclosed that the University procured goods and services amounting to GH¢97,571.72 on 11 payment vouchers without sourcing for at least three alternative quotations. Details are as shown below:

S/N	Trans. Date	PV No.	Transaction Details	Payee	Amount
1	18-Feb-2020	64349	Payment for survey of 163.1 acres of land at STU	Geodecon Ltd	25,993.19
2	06-Feb-2020	60295	payment for investiture ceremony photographs and video coverage	Classic Pictures	5,272.50
3	02-Jul-2020	90728	payment for radio advert	Dulcet Broadcasting Ltd and 3 others	18,141.43
4	13-Aug-2020	96960	special imprest for the procurement of paper towels	Mrs Cynthis Gyamfi	2,000.00
5	18-Feb-2020	64345	Payment for Prepaid meter	Dr. Robertson Amoah (John	10,470.00

management to enforce the provisions on the timely recovery of salary advances from officers.

Absence of Tenancy Agreement with Banks

523. Regulation 32 of the Public Financial Management Regulations, 2019 states that, for the purpose of paragraph (c) of subsection (1) of Section 7 of the Act, the Principal Spending Officer of each covered entity shall take effective and appropriate steps to collect money due to the covered entity;

524. We observed that five financial institutions namely, Ghana Commercial Bank Ltd, Ecobank Ghana Limited, Zenith Bank, ABSA and E-ZWICH had been operating Automated Teller Machines (ATMs) on the University's premises.

525. Our further checks revealed that:

- the University had no tenancy agreements with GCB Bank, Zenith Bank and E-ZWICH.
- the University's agreement with Ecobank had expired since 2019
- for the period under review the four institutions had not paid any rent to the University.

526. In our view, the Director of Works failure to ensure the existence of valid agreements between the University and four Institutions accounted for this anomaly.

527. The University had lost rent income for the entire period of the existence of the Institutions on the premises without any agreements. There is the also risk of dispute and litigation as the University may not be able to hold any claim or compel the institutions to honour any obligations.

528. We advised management to enter into tenancy agreements with four institutions to prevent any future disputes and litigation. We also urged management to recover any rent income due the University.

Weak IT Governance

529. Our review of documentation and IT systems revealed that the university had an IT directorate responsible for the management of IT assets, TOPNIK Accounting software (for preparation of its Financial Statements), BKapps School Management

system (for school fees, admissions and student records) and a campus-wide network infrastructure with a data centre and other fixed assets.

530. We however observed that there was no IT Steering committee in place to direct, review, and approve IT strategic plans and allocate resources to ensure that all IT investments are in line with the overall strategic goals of the University.

531. In our view, management's lack of interest in IT issues largely accounted for this anomaly.

532. We recommended to management to ensure that an IT Strategy is put in place to achieve the overall objectives of the University.

Absence of Service Level Agreement (SLA)

533. Our audit of IT documentations disclosed that management of the Sunyani Technical University did not have a Service Level Agreement (SLA) with the developer of the BKapps software. A service level agreement specifies:

- i. agreed service levels or targets,
- ii. performance and service availability requirements,
- iii. incidence reporting and resolution timelines,
- iv. penalties and sanctions for poor services,
- v. responsibilities of both parties for monitoring and managing service levels, and the
- vi. handling of sensitive and confidential personal data.

534. In the absence of the SLA, the University may not be able to enforce any claim or obligation against the developer in case of a breach, which could result in legal dispute

535. We recommended to management to put in place an SLA and ensure service level reporting requirements, measurement indicators and the intervals at which SLAs should be reviewed.

Mission Statement

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to recognized international standards and reporting
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