

**SPEECH DELIVERED BY MR. KOBBY YEBO OKRAH, REGISTRAR OF KNUST AS A SPECIAL GUEST TO THE 4<sup>TH</sup> BIENNIAL CONGRESS OF COMMITTEE OF INTERNAL AUDITORS, UNIVERSITIES OF GHANA ON 30<sup>TH</sup> JULY, 2009 AT THE SOUTH CAMPUS AUDITORIUM OF UNIVERSITY OF EDUCATION – WINNEBA AT 9.00AM ON THE THEME: “THE IMPACT OF GLOBAL FINANCIAL CRISIS ON PUBLIC UNIVERSITY FUNDING, THE ROLE OF INTERNAL AUDITORS**

Salutation (as appropriate)

Distinguished ladies and gentlemen

I commence my short address by first conveying the sincere apologies of the Registrar, Mr. Kobby Yebo Okrah, Registrar of KNUST for his inability to be personally present at this programme. Other official matters have taken him to Accra at the moment. Nevertheless, he sends his best wishes for a successful Congress.

As you are undoubtedly aware, the credit crunch and the subsequent down turn of the global economy has caused a major appraisal in all industrial sectors and most spectacularly, in financial institutions. The effect of this crisis is evidenced from falling stock markets, lack of job availability opportunities, massive cuts of donor and government funding and massive retrenchment in companies, following corporate strategies such as downsizing, realignment, repositioning and in some worse scenarios, complete fold up. In the globalised competitive market environment, the impact of the recession on one industry, undoubtedly affects the fortunes of other related industries.

Mr Chairman, distinguished ladies and gentlemen, the Universities the world over have also had their fair share of the negative impact of the world’s economic/financial crisis. Public Universities have already anticipated a deterioration in public funding and greater levels of uncertainty in terms of planning and programming of University activities. The massive reductions in GEFund

allocations in all the universities and the net freeze on employment are evidence of the hard times ahead of us. There is also a general concern over the degree of commitment of the business sector in their financial co-operation with universities, as well as a view that the economic downturn may decrease funding coming from the private sector. The problem is further compounded when measures to increase internally generated funds have not yielded the needed dividend and have in some cases, suffered serious bottlenecks.

In an attempt to surmount the problems of the crisis, several governments the world over have adopted measures in an attempt to stay afloat and minimise the impact of the crisis. We can easily talk of the popular stimulus package of the United States' government, massive subsidies to domestic companies, a reduction in public funding and other measures. In Ghana, government has responded by cutting costs and denouncing what it terms as "profligate spending". As Internal Auditors, it is incumbent on you to be as vigilant as never before in these austere times in order to avoid profligate spending in our universities. You are the conscience of the system and, therefore, should bring all errant behaviour in line. It is not for nothing that as Internal Auditors, you report directly to the Vice-Chancellors and I urge you to discharge your duties without fear or favour.

From the foregoing, it is only prudent that the little resources available to us is judiciously utilised to maximise their returns. Effective fund management and accountability must rightfully engage your attention as the internal watchmen of our public institutions so that, only prudent and justifiable expenses are entertained as well as the maintenance of appropriate internal audit, finance and procurement standards. It is my hope that this Congress will provide the needed platform to deliberate on important issues of controlling expenditure patterns and achieving value for money in our tertiary institutions.

I wish all participants, a fruitful Congress and thanks for your kind audience.