



## FINANCIAL MANAGEMENT PRACTICES OF THE NEUST – CMBT SAN ISIDRO CAMPUS' STUDENT ORGANIZATION

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### Abstract

*The revised student handbook of the University, which can be found on page 96 rules 1 to 5, explains that a strong financial transaction is an important factor in organizational triumph and sustainability. This study used a descriptive design with the help of a questionnaire, and data was collected from 57 student leaders and advisers from various NEUST student organizations through quota sampling. Most organizations had constitutions and bylaws, but they were only kept as files and renewal requirements, according to the findings. Some provisions were unknown to the officers, and most were in operation for more than five years; however, the results revealed that some functions were not performed by the officers who were supposed to do them, such as the auditors who also serve as treasurers, the Public Relations Officer or PRO as the record keeper, and the presidents who handled finances, collections, and disbursements of funds. Due to the implementation of the "no collection and no tuition fee policy," the organizations' financial activities were deemed to be "good," particularly budgeting and cash receipt. The researchers came to the conclusion that the lack of proper internal control systems and operating manuals, as well as the improper transfer of financial records from previous sets of officers, were serious issues that needed to be addressed. Furthermore, if proper training and supervision are provided in accounting operations, the internal control system of student organizations can be improved.*

### Keywords:

*transparency, accounting, internal control system, financial management, disbursement, a student organization..*

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## 1. INTRODUCTION

The Nueva Ecija University of Science and Technology (NEUST) is one of the region's state universities and colleges, offering a high-quality education. Aside from nationalism, excellence, unity, and spirituality, one of the University's core values is transparency, which is the last but most important aspect of being a public official. Transparency in terms of financial accountability is required at all levels of NEUST management, including student councils, in order to achieve the university's goals. The basic theoretical notion underlying the growing interest in openness or transparency in higher education, according to Jongbloed (2017), stems from a (economic) conception of higher education as a good experience. A good or service that can only be judged after consumption is called an experience good. The importance of transparency was demonstrated in a study by Rafindadi and Olanrewaj (2017), who discovered that the organization's financial information, governance structure activities, listing of officers, and partnership were open and accessible to public scrutiny; that the organization regularly sought feedback on its activities from project beneficiaries and stakeholders; and that there was promotion of a high level of compliance with the organizational fiduciary standards.

I. In the educational sector, there is a lack of integrity and unethical behavior.

II. is incompatible with one of education's main goals, namely, to produce "good citizens" who respect the law and human rights.

IV. and equity (it is also incompatible with any strategy that views V. education as one of the primary tools for combating corruption).

VI. In education, there is a lack of integrity and unethical behavior.

VII. is incompatible with one of the primary goals of education, namely, to produce 'good citizens' who are respectful

of the law, human rights, and fairness (it is also incompatible with any strategy that views X. education as one of the primary means of combating corruption).

As a faculty adviser, today's role in teaching core values is critical to ensuring the smooth operation of the day-to-day mechanism by making people aware of their responsibilities, spreading awareness, and motivating students to seek a solution. The teacher's role is crucial in helping students improve their academic performance (Hendrawijaya, 2017). In a similar vein, student organizations were formed to serve as a voice for the student body and as representatives of students to University officials. Khandpekar (2016) stated that "in today's world, when the world is increasingly becoming one island," education can address the need to teach Generation Z a broad and modern outlook.

They can directly tell and inform people about whatever issues, problems, or, most importantly, the University's activities, through simple conversation and letters for approval. The student association or organization also aims to train students to be future presidents, budget officers, accountants, and cash custodians, as well as to instill in them the desire to safeguard students' funds and interests and to ensure that student funds are used for their intended purpose. Financial management is defined as strategic planning, organizing, directing, and controlling financial undertakings in an organization or institute, according to the London School of Business and Finance. It also entails applying management principles to a company's financial assets, as well as playing a key role in fiscal management. In summary, the Harvard College Office of Student Life stated that a stable financial system is an important factor in the effectiveness and survival of student organizations. Strong financial management provides a framework for

organizations to work proactively to achieve their goals and support their communities through financially viable activities and programs. Tom York, on the other hand, argued that in most cases, simple financial controls would have revealed the wrongdoing much sooner and severely hampered or even prevented subsequent losses.

The global involvement of non-governmental organizations has drawn attention to the diversity of foreign and domestic policies used to identify and oversee the role of non-governmental organizations (NGOs) in the aftermath of government actions (Taylor, 2017). The political and non-political student organizations in NEUST operate as a separate entity. The elected officers can carry out the events and programs of the students under the supervision of designated advisers and with the approval of University officials, particularly the president. However, in recent years, there has been a mutual understanding that certain student organizations have flaws because some projects were completed, but there were insufficient documents to support it and no specific forms to fill out that are important for project and property turn-over. Other students, unfortunately, can't help but speculate about what happened to their membership and other fees. Perlas et al. (2017) found that without records, there could be no rule of law or accountability. Records provide a trustworthy, legally verifiable source of information, decisions, and actions. Needless to say, this prompted the researchers to investigate whether these theories are correct, and if so, to offer solutions to solve and eliminate these problems, as well as to prevent similar events from occurring again; and, most importantly, to advise officers and advisers on how to improve the financial operations of the organization by utilizing the proposed training and operations manual

for the internal control system of the concerned officials of the political parties. In fact, developing an information system about students' organizations, activities, and development is one of the goals of the Office of Student Organization Activities and Development, as stated in the NEUST revised student handbook.

## 2. METHODOLOGY

The study evaluated 57 respondents, including 48 student leaders and nine advisers from political and non-political student organizations, using the descriptive research method. The information was gathered from two different sources. To begin, the data for the study was gathered using a modified questionnaire. The questionnaire is divided into three sections. Part I of the questionnaire asked about the students' profile, organization type, legality of operation and function, designation of officers and advisers, and years of operation; Part II asked about the organization's financial activities, specifically budgeting, cash receipts, cash disbursements, and record-keeping/bookkeeping; and Part III of the questionnaire asked about the financial management problems that student organizations face. Another source of information was an interview, which was used to gain a better understanding of the current situation. In this study, the quota sampling method was used. Officers of NEUST San Isidro Campus student organizations (24 current and 24 previous) and nine (9) advisers were chosen as respondents. They were able to provide firsthand knowledge of how the student organization's finances are handled. The researchers were able to retrieve 57 questionnaires using this method.

The instrument's collected data was tallied and analyzed. The typicality of responses was determined using the weighted mean. In this study, the quota sampling method was used. Respondents included current

and former student leaders and advisers from political and non-political organizations. They have firsthand knowledge of how the association/finances organization's are managed. The researchers used this method to collect 57 questionnaires from NEUST-San Isidro Campus's various political and non-political student organizations. The financial practices or activities of the

student organizations were classified using the Likert scale and was interpreted as follows:

For the Financial Management Practices as Internal Control System, Part II:

**Table 1: Financial Management Practices**

Degree	Verbal Interpretation		Scale	
5	Always	A	4.21	5.00
4	Often	O	3.41	4.20
3	Sometimes	S	2.61	3.40
2	Rarely	R	1.81	2.60
1	Never	N	1.00	1.80

For the problems encountered in terms of financial management, Part III:

**Table 2: Problems Encountered in terms of Financial Management**

Degree	Verbal Interpretation		Scale	
5	Every-time	ET	4.21	5.00
4	Almost every time	AET	3.41	4.20
3	Occasionally	O	2.61	3.40
2	Almost never	A	1.81	2.60
1	Never	N	1.00	1.80

### Statistical Treatment of Data.

Frequencies and percentages were used and applied to define the student organizations' profile in terms of type or form, the legality of operations, and the officers' and advisers' designations and functions.

## 3. RESULTS AND DISCUSSION

### Results and Discussion

**Table 3: Types of Organization**

Types of organization	Officers				Advisers			
	Present	Percentage	Past	Percentage	Adv	Percentage	Total	Percentage
<b>Political:</b>								
CSC	4	7%	4	7%	2	4%	10	18%
CMBT Confederation	6	11%	6	11%	2	4%	14	25%
<b>Non-political:</b>								
YMA	6	11%	6	11%	2	4%	14	25%
SYBEE	6	11%	6	11%	2	4%	14	25%
Other non-political	2	4%	2	4%	1	2%	5	9%
	<b>24</b>	<b>42%</b>	<b>24</b>	<b>42%</b>	<b>9</b>	<b>16%</b>	<b>57</b>	<b>100%</b>

Table 3 shows that most of the respondents are from Non-political student organizations, primarily academic-related student organizations. Out of 57

respondents, 24 or 42% were represented by two political student officers, 6 from previous and 6 from current CMBT Confederation and 4 from current and 4 from previous Campus Student Council

(CSC) officers and 4 advisers of the Campus Student Council, 24 or 42% were from the department based organizations, and 6 or 11% represents the Young Marketing Association (YMA) and another 6, or 11% from Society of the Young

Business Executives and Entrepreneurs (SYBEE) and 2 from other non-political organization.

**Table 4: The Legality of Operation (Present officers)**

	Yes	Percentage	No	Percentage
Existing constitution and by-laws	24	100%	0	0%
Approved plan/calendar of activities	19	79%	5	21%
Approval of members in by laws	0	0%	24	100%
Registration with a national confederation and organizations	6	25%	18	75%
Election of officers from members	6	25%	18	75%
Issuance of special order to advisers	24	100%	0	0%

Table 4 revealed that almost all organizations have existing constitutions and by-laws duly approved by the members. On the other hand, one of the organizations was still retrieving their filed constitution and by-laws since the previous file could no longer be found. Almost all of the organizations chose their officers by means of election, except the YMA and SYBEE, in which the advisors can appoint

officers due to lack of planning and time to hold a meeting. Furthermore, the majority of organizations were not registered with the national confederation and or association.

**Table 5: The Legality of Operation (Past officers)**

	Yes	Percentage	No	Percentage
Existing constitution and by-laws	24	100%	0	0%
Approved plan/calendar of activities	12	50%	12	50%
Approval of members in by laws	0	0%	24	100%
Registration with a national confederation and organization	6	25%	18	75%
Election of officers from members	6	25%	18	75%
Issuance of special order to advisers	24	100%	0	0%

Table 5 showed that the previous officers of most all of the organizations have almost results with the above present findings in the organization's officers.

**Table 6: The Legality of Operation (Advisers)**

	Yes	Percentage	No	Percentage
Existing constitution and by-laws	9	38%	0	0%
Approved plan/calendar of activities	6	25%	3	13%
Approval of members in by laws	0	0%	9	38%

Registration with a national confederation and organization	2	8%	7	29%
Election of officers from members	3	13%	6	25%
Issuance of special order to advisers	9	38%	0	0%

As can be gleaned, Table 6, however, the same with the present and previous officer's results, were the approval of by-laws was not considered important for advisers but will served as a requirement only for renewal.

### **Awareness of Designation and Function of Officers and Advisers in terms of Internal Financial Control System**

Based on the interview, the majority of the organizations required the signatures of two officers and the adviser. This mean that three signatures were required to complete a particular organization's transaction. According to Brown University Student Activities Office, this scheme will minimize the risk that funds would be used for personal reasons, thus, ensuring that the organization's costs are of a fair and essential nature to support the organization's mission.

However, the result also showed that the organizations have no bank accounts yet. This affirms the result of the latest Financial Inclusion Survey conducted by the Bangko Sentral ng Pilipinas. Only one-fourth of all Filipinos own bank accounts that facilitate their financial system and licensed (Lucas, 2017). In terms of budget proposal and approval, the respondents answered that their treasurer prepared the budget, organization adviser, and the President. According to Chen et al. (1998), as cited by Shahrabani (2012), strong evidence suggests that college students may not have a high financial literacy level. The budget is, therefore, an invaluable tool to help prioritize expenditures and allocate capital. Budget preparation and control will help the

organization recognize unnecessary spending, respond rapidly to changes in the financial situation, and achieve financial objectives. Through budgets, resources are allocated to projects or events necessary, and if the resources are not enough, organizations can devise income-generating projects to augment their expenditures. It should also be carefully prepared after determining the scheduled activities of the organization for the year. The financial plan may consider the financial goals and probabilities of success and may be revised to reflect changes in the financial goals and probabilities of success (Wiks et al., 2011). However, the treasurer should indeed be the organization's cash custodian; some respondents responded that their adviser had managed their funds. No proper accounting or internal control systems were applied in the organization. They used the collections to buy their organizational needs without proper source documents.

Conversely, one of the key roles of accounting is adjudicating, which means that accounting plays a vital role in the success of entries and organizations and in recognizing errors and failures (Miller and Power, 2017). In addition to the idea of the division of duties, the preparation of vouchers should also be segregated from the officer who approves it. In this report, the preparation of cash vouchers rests with the treasurers, and the approval is normally with the president and/or the adviser. However, some and most answered that their organizations were not using cash vouchers and receipts, which should not be the case since these were important documents to assess the validity of the transaction. According to Siddiqui (2011), cash vouchers are prepared as

documentary evidence of cash payments and cash receipts. According to the interview, there are some cases that the elected class president/s and other non-political organization's president collected money but declared it stolen, and some were considered as dropped on the campus.

### Practices by the Officers and Advisers in terms of Financial Internal Control System

**Table 7: Budget Proposal Preparation**

BUDGET PROPOSAL PREPARATION	PRESENT OFFICERS			PREVIOUS OFFICERS			ADVISERS		
	TFS	WM	VI	TFS	WM	VI	TFS	WM	VI
1. Budgets are prepared for the events of the organization every semester	64	2.67	S	68	2.83	S	38	4.22	S
2. Budgets are prepared in accordance with the action plan of the organization.	84	3.50	O	84	3.50	O	34	3.78	O
3. Budget preparation is participated by all officers of the organization including advisers.	92	3.83	O	92	3.83	O	34	3.78	O
4. Budgets are approved by authorities, i.e officers, advisers, Dean of OSA, etc.	78	3.25	S	78	3.25	S	32	3.56	S
5. Meeting with your members to create a list of events, activities, or trips to different locations.	96	4.00	O	101	4.21	O	31	3.44	O
6. Conduct fund raising activities to support your activity budget needs.	75	3.13	S	75	3.13	S	27	3.00	S
7. Set a contingency budget plan for every activities.	84	3.50	O	81	3.38	O	27	3.00	O
8. Keep track of plan for spending	84	3.50	O	84	3.50	O	28	3.11	O
9. Plan all operational expenses versus budgetd collections.	95	3.96	O	95	3.96	O	31	3.44	O
10. Allows donations/sponsorship as part of budget plan.	106	4.42	A	106	4.42	A	38	4.22	A
	<b>3.58</b>	<b>O</b>		<b>3.60</b>	<b>O</b>		<b>3.56</b>	<b>O</b>	

Table 7 shows that the budget proposal preparation was "Often" done by student organizations. A budget is an invaluable tool that helps to plan to spend and allocate resources. Budget preparation and control will help the company recognize unnecessary spending, respond rapidly to changes in the financial situation, and achieve financial objectives. Budget plans should be planned and accepted and serve

as a method for comparing budgeted and real disbursements and assessing variance. According to Dropkin et al. (2011), a well-managed nonprofit organization's key economic goal should be to remain solvent, and budgeting is the optimum method for promoting this objective.

**Table 8: Cash Receipt Preparation**

	Present Total Frequency Score	Weighted Mean	Verbal Interpretation	Past Total Frequency Score	Weighted Mean	Verbal Interpretation	Advisers Total Frequency Score	Weighted Mean	Verbal Interpretation
1. Remittances by the collectors to the treasurers are done every day (during the collection period)	56	2.33	R	68	2.83	S	38	4.22	S
2. The organization has pre-numbered official receipts.	30	1.25	N	84	3.50	O	34	3.78	O

*Diaz, R.A, 2017*

3. Cash collections are issued with official receipts.	32	1.33	N	92	3.83	O	34	3.78	O
4. Collectors are authorized through resolutions and other pertinent documents.	47	1.96	R	78	3.25	S	32	3.56	S
5. Remittances are supported by a control sheet or cash count sheet.	57	2.38	S	101	4.21	O	31	3.44	O
6. Collections for the day are deposited intact within the next banking day.	33	1.38	N	75	3.13	S	27	3.00	S
7. Funds are kept in a bank or other financial institution.	52	2.17	R	81	3.38	O	27	3.00	O
8. Petty cash fund is maintained by the organization.	26	1.08	N	84	3.50	O	28	3.11	O
9. Petty cash fund is kept in a safe place by the custodian.	26	1.08	N	95	3.96	O	31	3.44	O
10. Comparison of actual and budgetary expenses is done.	89	3.71	O	106	4.42	A	38	4.22	A
		<b>1.87</b>	<b>Rarely</b>		<b>3.60</b>	<b>Often</b>		<b>3.56</b>	<b>Often</b>

As can be seen from Table 8, remittances by the collection represented by the class to the treasurer were done every day but not in practice. This practice will keep the records updated as well as prevent the risk of loss or theft. In the case of other sections, their collection was not remitted to the Confederation treasurer/s. However, some organizations did not maintain a small cash fund intended to cover expenditures to prevent regular withdrawals from the account. The custodian of the petty cash fund has the authority to make payments from the fund that conforms to prescribed management policies (Kimmel, 2017). Further, organizations did not relate to actual and budgetary expenses. This instrument would guide the next student leaders regarding setting a budget for the next academic year. This would also assess the effectiveness of the budget set forth by the organization. The table also show that organizations spent the amount stated in

the budget, evidenced by a cash voucher of the organization duly approved by the president and the adviser in cash disbursements.

**Table 9: Cash Disbursementt Preparation**

Present			Past			Adviser		
Total	Weight	Verbal	Total	Weight	Verbal	Total	Weight	Verbal



	Frequen cy Score	ed Mean	Interpretat ion	Frequen cy Score	ed Mean	Interpretat ion	Frequen cy Score	ed Mean	Interpretat ion
1. Disbursements are by the approved budget.	63	2.63	S	71	2.96	S	27	3.00	S
2. CDV's are duly approved by the President of the organization and adviser.	24	1.00	N	24	1.00	N	10	1.11	N
3. Disbursements are supported by official receipts and acknowledged by the payee.	96	4.00	O	93	3.88	O	33	3.67	O
4. Disbursements are supported by resolutions and cash disbursement vouchers.	26	1.08	N	26	1.08	N	29	3.22	S
5. Purchases of tangible assets are supported by canvass from suppliers.	47	1.96	R	60	2.50	R	32	3.56	O
6. The approving authorities approve 6. Disbursements on petty cash funds.	24	1.00	N	28	1.17	N	9	1.00	N
7. The organization has a policy on cash advances and liquidation.	31	1.29	N	31	1.29	N	9	1.00	N
8. Withdrawal slips are prepared once the CDV and resolution were approved.	43	1.79	N	43	1.79	N	9	1.00	N
9. The organization has a policy on cash shortage/overage.	26	1.08	N	30	1.25	N	9	1.00	N
10. CDV's are pre-numbered.	24	1.00	N	24	1.00	N	9	1.00	N
		<b>1.68</b>	<b>N</b>		<b>1.79</b>	<b>N</b>		<b>1.96</b>	<b>R</b>

Sometimes disbursement is not supported by the student leaders' resolutions showing that it was agreed among the organization's officers. The canvass of supplies and other tangible assets is not common among the organizations and policy on cash advances and liquidation. Besides, CDVs are not pre-numbered, and the policy on cash shortages or overage is not defined. Pre-numbering helps avoid transactions from being recorded more than once or, conversely, from not being recorded at all (Kimmel, 2017). It is noted that the primary goal of internal controls on cash disbursements is to ensure that cash is properly disbursed only after proper management authorization, for legitimate business reasons, and that all disbursements are properly registered. If management routinely reviews

transactions then the potential for fraudulent activities to be uncovered serves as a deterrent for fraudulent behavior (Brown, 2011). Moreover, as far as record-keeping is concerned (Table 10), financial statements were always complied with by organizations at least once a semester based on their cash register and other related reporting documents. The financial statement aims to convey an understanding and content of an organization's financial data (Rao, 2011). On the other hand, the inventory of unused accounting forms has sometimes been carried out by the officers, which means that the organization's materials and other assets have not been closely monitored.

**Table 10: Record Keeping / Bookkeeping**

	Present			Past			Advisers		
	Total Frequen cy Score	Weight ed Mean	Verbal Interpretat ion	Total Frequen cy Score	Weight ed Mean	Verbal Interpretat ion	Total Frequen cy Score	Weight ed Mean	Verbal Interpretat ion
1. Financial statements are prepared once every semester.	71	2.96	S	70	2.92	S	29	3.22	S
2. The organization maintains a cash receipt book or similar cash monitoring record	49	2.04	R	49	2.04	R	26	2.89	S
3. Physical inventory of unused accountable forms is regularly conducted.	58	2.42	R	58	2.42	R	15	1.67	N
4. Recording is done by an officer other than the treasurer / cash custodian and the approving authorities.	55	2.29	R	55	2.29	R	20	2.22	R
5. Unused official receipts and other accountable forms are properly kept by a custodian other the enducer.	38	1.58	N	38	1.58	N	9	1.00	N
6. Audited and approved financial statements are reported to the members of the organization.	47	1.96	R	49	2.04	R	9	1.00	R
7. Cash collections and disbursements are regularly recorded in the cash receipt book.	59	2.46	S	59	2.46	S	11	1.22	N
8. Bank reconciliations are made by the treasurer and audited by the auditor.	24	1.00	N	24	1.00	N	9	1.00	N
9. Physiscal counting of assets, inventories, cash and others accounts.	50	2.08	R	53	2.21	R	20	2.22	R
10. Reconciliation of Recievables, Payables, Investories and other assets. Prepared schedules.	34	1.42	N	40	1.67	N	15	1.67	N
		<b>2.02</b>	<b>R</b>		<b>2.06</b>	<b>R</b>		<b>1.81</b>	<b>R</b>

Recording day-to-day transactions and operations of student organization is important in achieving proper internal

control system. In pursuit of organizational goals in terms of accurate financial statements, successful and productive activities, administrators and board of directors of companies have recourse to the establishment of internal control

mechanisms to ensure effective performance Crawford (2011). It is assumed that properly structured and implemented internal control mechanisms would usually lead to improved financial reporting practices and credible report that enhances the transparency management role of an organization (Doyle, et al. 2007).

### Problems Encountered by the Officers and Advisers in terms of Financial Internal Control System

**Table 11: Problems Encountered in terms of Internal Control System**

	Present Total Frequen cy Score	Weight ed Mean	Verbal Interpretati on	Past Total Frequen cy Score	Weight ed Mean	Verbal Interpretati on	Adviser Total Frequen cy Score	Weight ed Mean	Verbal Interpretati on
1. Absence of internal control policy manual.	105	4.38	ET	100	4.17	ET	43	4.78	ET
2. Lack of proper turn-over of financial documents from the previous set to the current set of officers.	106	4.42	ET	104	4.33	ET	42	4.67	ET
3. Non-functioning officers.	98	4.08	AET	98	4.08	AET	34	3.78	AET
4. Not adhering to proper accounting procedures due to the exigency of the transaction.	104	4.33	ET	104	4.33	ET	37	4.11	AET
5. Lack of training and orientation on financial management.	114	4.75	ET	108	4.50	ET	40	4.44	AET
6. Lack of financial management skills of officers.	80	3.33	O	80	3.33	O	34	3.78	AET
7. Organizational structures limit the implementation of segregation of duties (cash custodian, recording, and approval)	99	4.13	AET	99	4.13	AET	34	3.78	AET
8. Lack of orientation on the duties and responsibilities of the officers.	70	2.92	O	81	3.38	O	32	3.56	AET
9. The fund is controlled by an individual other than the officers.	74	3.08	O	74	3.08	O	22	2.44	A

10. Lack of support from the adviser/s of the organization.	67	2.79	O	73	3.04	O	25	2.78	O
		<b>3.82</b>	<b>AET</b>		<b>3.84</b>	<b>AET</b>		<b>3.81</b>	<b>AET</b>

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Table 11 revealed that most "Almost Every Time" political and non-political student organizations do not have an internal control management system framework and a manual as a basis for handling their funds using that financial system. Cambridge Dictionary (n.d) described the policy as a collection of ideas or strategies of what to do in specific circumstances that have been formally decided upon by a group of people, a business association, a government, or a political party. Officers hold an elected position; therefore, they were subject to certain errands. Those who do not comply with the minimum standards of conduct will be individually responsible for restoring the scheme's damages, because errors and fraud can and do occur, it is vital to have protections to ensure that officers in the student organization can appropriately carry out their fiduciary duties. One way to do this is to introduce appropriate internal control over financial statements, as set out in the Internal Control Policy Manual. According to Zamzani et al., 2017, as mentioned by Ardhiani et al. (2017), the cash out process's internal security can avoid mistakes or theft such that cash outlays can be deemed to be successful. Accounting information on cash spending will be easier if it has appropriate and structured monitoring procedures. Internal controls are a framework, of policies, procedures, analysis and strategies put in place by the organization to prevent fraud, ensure the veracity and reliability of financial and accounting information and to protect the organization's financial assets, including but not limited to its cash flow (Schaeffer, 2014) Segregation of duties is a form of internal control. The influence of accounting information on the decisions of different stakeholders gives a clear idea of the importance of this accounting information and its reporting (Abdullah, 2017).

The lack of turn-over of financial records from the previous group of officers was another issue the organizations faced. Too often, the organization leaders commit themselves to effectively leading their groups for the academic school year and, at the end of their term, leave. When this occurs, not all information on the lessons learned in the previous year is passed on to new officers, thereby slowing down their progress. Without taking the time to successfully transition new officers, organizations are missing the ability to maintain the momentum they built in the

previous year. A time that could be used to drive the organization forward and reach new goals is focused on catching up. Non-functioning officers were among the challenges the organization had faced, thereby requiring officers to step into another's shoes. This may conflict with the concept of division of duties when example, the President on the approval authority prepares a cash voucher or a financial statement. Few officers have found that their funds were managed by persons other than officers, which should not be the case because their capacity to act as officers is limited, not to mention that the funds should be in possession of students, not with someone else.

### **Conclusion & Recommendation**

Because there was no specific manual or expertise in the accounting and internal control system, the organization had no clear direction of duties and responsibilities. As a result, one officer took on responsibilities that should have been handled by other officers in the organization. The majority of the organizations whose funds have not yet been deposited in a bank or other financial institution, as well as others, are in the hands of individuals and officials who delineate the freedom of student organizations in carrying out their functions, while also partially overcoming the goal of providing student organizations at the NEUST in general and San Isidro Campus in particular. In terms of accounting activities, the company typically performs them on a daily basis. However, some variations, such as creating a revolving fund and comparing real and budgetary expenditure, should be emphasized for a stronger financial management system. Disbursement procedures for the organization have yet to be established. They need to be changed, especially the pre-counting of Cash Disbursement Vouchers (CDV) and the cash advance, shortage, and overage policies.

In order to manage the program's finances, the researchers recommended holding annual training for the program's leaders. In a similar vein, a group of experts in this field may implement a manual of operation in financial and internal control systems for NEUST-San Isidro Campus political and non-political organizations. The officers and advisers of various organizations, as well as the Office of Students Organizations, Activities and Development (OSOAD) and the Office of Student Affairs (OSA), must be responsible for

submitting the organization's well-prepared and audited financial statements. After the event is conducted and facilitated by the organization, the audited financial statements should be posted on the transparency board.

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