

EVALUATING TREASURY SINGLE ACCOUNT IN SELECTED FEDERAL MINISTRIES IN ENUGU STATE: A DRAFT INDICATORS AND BENCHMARK FOR PERFORMANCE ASSESSMENT

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ABSTRACT

The importance of the introduction of treasury single account cannot be overemphasized given that it is principally to ensure accountability of government revenue, enhance transparency and avoid expropriation of public funds. Therefore, the study investigated the effect of treasury single account on the performance of selected Federal Ministries in Enugu State. The study adopted survey research design. Questionnaire, face-to-face interview and focus group discussion guide were the major tools used to elicit data from respondents. Data elicited were analysed with the aid of parametric and descriptive statistics. The study revealed among other things; that treasury single account has not significantly ameliorated fund misappropriation in selected federal ministries in Enugu State and treasury single account has not significantly enhanced prompt release of funds for goods and services in selected federal ministries in Enugu State. It is therefore the recommendation of the study that the adoption of TSA alone may not be sufficient to curb corruption in the Nigerian public sector hence the need for the judiciary, police, anti-graft agencies and the media in the country be strengthened to tackle the issues of corruption and ensure transparency, probity and timeliness in handling corruption related cases.

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1. INTRODUCTION

The economic, political and social success of any economy is rooted on the concept of accountability which is an extension of the word 'account'. The government of any economy performs better and efficiently if the principle of accountability is practiced in the system. It is under this framework that the concept of treasury single account (TSA) was introduced in the banking system of Nigeria. Until the introduction of Treasury Single Account (TSA) in Nigeria in 2012, Government Ministries, Departments and Agencies (MDA) generate revenue but had multiple accounts in deposit money banks from which they (MDAs) use part of the revenue generated to fund their operations, and remit the surplus to the federation account. This model created a system of operation that made the federal government of Nigeria to lose much fund meant for development of the key sectors to payment of salaries and operational cost; as most ministries, departments and agencies that by their operations should generate huge fund, declare deficit after each financial year. Being a serious economic challenge, government came up with an accounting system known as the Treasury Single Account (TSA), that is principally to ensure accountability in collection of government revenue, enhance transparency of the same and thus, reduced expropriation of such fund by the agency of government (Anderson, 2016).

The importance of introducing the mechanism of treasury single account cannot be overemphasized. This is because the core importance or significance of treasury single account is primarily to ensure accountability of government revenue, enhance transparency and avoid misappropriation of public funds. The introduction of treasury single account is also believed to enhance performance in the public sector especially in the area of service delivery and productivity. However, despite the introduction of TSA in Nigeria, cases of corruption are still prevalent in the Nigerian public sector. In 2016, the then Secretary to the Federal Government of Nigeria, Babachir Lawal was indicted in a N200 million contract scandal for clearing intrusive plant species in internally displaced camps in Yobe State, a North Eastern state in Nigeria. Also, in

2018 the Director General of the National Emergency Management Agency (NEMA) in Nigeria, Mustapha Maihaja was indicted for mismanaging N5.8 Billion Intervention Fund earmarked for interventions in the North Eastern part of the country (Stober 2019). Although most of these cases were investigated and actions were taken respectively, the fact that they came up in the first place indicates that the Nigerian public sector is still faced with accountability, fund misappropriation and corruption problems, and this has continued to affect the public perception of the effectiveness of government strategies to fight corruption in Nigeria. TSA as one of the prominent strategies to curb mismanagement of funds and corruption in the Nigerian public sector would have effectively mitigated some of the issues of corruption that surfaced. Therefore, the fact that these cases surfaced has given rise to doubt as to the effectiveness of TSA in mitigating against corruption in Nigeria.

1.1 Objectives of the Study

- To ascertain the effect of treasury single account on the fund misappropriation of selected Federal Ministries in Enugu State.
- To examine the effect of TSA on prompt release of funds for sources of selected Federal Ministries in Enugu State.

1.2 Hypotheses

H₀₁: Treasury single account has not significantly reduced fund misappropriation of funds in selected federal ministries in Enugu State.

H₀₂: Treasury single account has not significantly enhanced prompt release of funds for sources in selected federal ministries in Enugu State.

2. REVIEW OF RELATED LITERATURE

2.1 Treasury Single Account

Onyekpere (2019) asserts that treasury single account is a unified structure of government bank accounts enabling consolidation and optimal utilization of government cash resources. It is a bank account or a set of linked bank accounts through which the government transacts all its receipts and payments and gets a consolidated view of its cash position at any given time. The TSA is a process and tool for effective management of government's finances, banking and cash position. The Treasury Single Account is primarily designed to bring all Government funds in bank accounts within the effective control and operational purview of the Treasury, in order to: enthrone centralized, transparent and accountable revenue management; facilitate effective cash management; ensure cash availability; promote efficient management of domestic borrowing at minimal cost; allow optimal investment of idle cash; block loopholes in revenue management; establish an efficient disbursement and collection mechanism for Government funds; improve liquidity reserve; and eliminate operational inefficiency and costs associated with maintaining multiple accounts across multiple financial institutions (CBN, 2019). Treasury Single Account is a public accounting system under which all government revenue, receipts and income are collected into one single account, usually maintained by the country's Central Bank and all payments done through this account as well. The philosophical underpinning of TSA is primarily to ensure accountability of government revenue, enhance transparency and avoid misapplication and mismanagement of public funds. The proponents of Treasury Single Account argue that it would help to ensure proper cash management by eliminating idle funds usually left with different commercial banks and in a way enhance reconciliation of revenue collection and payment (Adeolu, 2018).

To Eze (2020), treasury single account is a process and tool for effective management of government's finances, banking and cash position. In accordance with the name, it pools and unifies all government accounts through a single treasury account. Eze argued that, the consolidation into a TSA paves way for the timely capture and payment of all due revenues into government coffers without the intermediation of multiple banking arrangements. This prevents revenue leakages in terms of revenue loss and mismanagement by operators of all revenue-generating agencies. Chukwu (2020) described treasury single account (TSA) as a network of subsidiary accounts all linked to a main account such that transactions are affected in the subsidiary accounts but closing balances on these subsidiary accounts are transferred to the main account at the end of each business day. With the implementation of the Treasury Single Account, Ministries, Agencies and Departments (MDAs) will maintain their individual accounts with the commercial banks, but daily funding of their disbursements are made from the central or main account, which is resident within the Central Bank, just as their closing balances at the end of the day are transferred to the main account.

2.2 TSA and the Nigerian Economy

Government sees Treasury Single Account as a useful tool to establish centralized control over its revenue through effective cash management. It enhances accountability and enables government to know how much is accruing to its accounts on a daily basis (Akande, 2015). In Nigeria, it is expected that the implementation of TSA will help tame the tide of corruption, financial leakages and embezzlement.

The implementation of Treasury Single Account (TSA) is expected to block revenue leakages within the MDAs as the Ministry of Finance will be able to monitor the inflows and outflows, hence, augment the reduction in oil revenue due to falling oil prices. CBN (2015) reasoned in the same direction and said that the implementation of TSA will enable the Ministry of Finance to monitor fund flow as no agency of government is allowed to maintain any operational bank account outside the oversight of the Ministry of Finance. The implementation of the TSA will have a positive effect on the National Economic Planning, swift and full budgetary implementation; reduce leakages and other irregularities in the MDAs, aid appropriate planning, data collection, analysis and timely aggregation of Federal Government Revenue. Realization of the government revenue on time causes its effective allocation. The primary benefit of a Treasury Single Account is to provide for proper monitoring of government receipts and expenditure. In the Nigerian case, it will help to block most, if not all, the leakages that have been the bane of the economy. We have a situation where some Ministries, Departments, and Agencies manage their finances like independent empires and remit limited revenue to government treasury. But, under a properly run Treasury Single Account, it can no longer be possible, as agencies of government are meant to spend in line with duly approved budget provisions (Yusuf and Chiejina, 2015). Oyedele (2015) said that “Government should make banking arrangements for efficient management and control of government's cash resources”. It should be designed to minimize the cost of government borrowing and maximize the opportunity cost of fund. TSA ensures that all money received is available for carrying out government's expenditure program and making payments on time. Many low-income countries have fragmented systems for handling government receipts and payments. In these countries, the ministry of finance/treasury lacks a unified view and centralized control over government's cash resources. As a result, this fund lies idle for extended periods in numerous bank accounts held by spending agencies while the government continues to borrow to execute its budget.

Udoma (2016) opines that maintenance of TSA will enhance funding government budget rather than depend on Federal allocation. In any economy where the budget is fully funded, the aim certainly will be accomplished. The consequence should be; improved economic system, political and social development. It is clear that a government that lacks effective control of its cash resources can pay for its institutional deficiencies in multiple ways. Some of which are as follows:

- Idle cash balances in bank accounts often fail to earn market-related remuneration.
- The government, being unaware of these resources, incurs unnecessary borrowing costs on raising funds to cover a perceived cash shortage.
- Idle government cash balances in the commercial banks are not idle for the banks themselves, and can be used to extend credit (Oyedele, 2015).
- These have been the case with Nigerian economy. Nigeria still owes a huge amount in both external and internal debts. Therefore, the implementation of TSA will promote a healthy economic system.

2.3 TSA and Accountability

The concept of accountability in the public sector organizations is premised on the fact that public servants and office holders hold their positions and everything connected thereto as trusts for the people (the true and general public) who are expectedly their masters, and they must render proper, accurate and timely accounts of successes or failures to the public. Transparency is therefore very cardinal to accountability and it stands to good reasoning that all forms of secrecy and shady dealings detract from effective and proper practice of accountability. Accountability can be classified into: financial; administrative, political and social. But here, we are concerned with finance. Financial accountability translates to obligation on the part of an official handling resources, public office or other positions of trust to report on the intended and actual use of the resources. This calls for transparent processes and procedures to attain it (Ibietan, 2013). The old style was a financial management system that allows government agencies to operate more than 17,000 poorly monitored bank accounts. Such systems allow for financial recklessness to fester and permit a lack of accountability to go unchecked. But in a critical era like now when Nigeria clamour for transparency, probity and accountability in government financial dealings, TSA should be seen as a good instrument and an effective alternative (Braithwaite, 2016).

Transparency is the availability of information to the general public and clarity about government rules, regulations and decisions, but when the center has hands that are not clean, they don't have the moral authority to give instructions to other people. However, the full implementation of TSA is a strong political will from the presidency to curb the excesses of these unscrupulous individuals (Eme, Chukuwurah, & Emmanuel, 2015). Besides, TSA is a technological driven system and by that, technological advancement has played an important role in changing governments' banking practices over recent times. According to Larson & Corinne (2007) 'the banking industry has created new products that allow depositors' access to real-time account balance information and the ability to move funds electronically'. Check processing has been accelerated, and electronic payment systems expanded; the availability of electronic banking networks at commercial banks allows for very effective, virtually cost-free sweeping of balances on a daily basis. TSA engenders relative improvement on the budget performance monitoring and evaluation which on the other hand depends on the openness of government agencies. However, the budget performance monitoring and evaluation reporting in Nigeria is exclusively on

resource input and makes no attempt to assess the output and outcome of resource utilization, let alone the impact of the expenditures. But TSA has moved forward the process of Budget Performance Monitoring and Evaluation to include value for money assessment and specific outcomes with respect to progress being made for the achievement of common welfare.

TSA is principally a cash management tool for efficient management of the Government's cash position. Prior to the implementation of TSA, government was incurring finance cost on debit balances in some MDA's accounts while it was earning close to nothing on the credit balances of other MDAs. With the TSA, the net balances on all the MDA accounts will now reside with the Central Bank; hence, the government will avoid incurring interest costs when it has positive net position (Eme, Chukwurah, & Emmanuel, 2015).

2.4 TSA and Corruption

The FG ordered all agencies generating revenue to shut their accounts with commercial banks by February 28th 2015 and relocate the revenue into a CRF of the Federation and TSA (Eme, Chukwurah, and Emmanuel 2015). The Office of the AG of the Federation (OAGF) directed all MDAs of the FG yet to comply with the TSA domiciled at the CBN to embrace the policy not later than 28th February 2015. By implication, the MDAs ordered to close all accounts they maintain in different Banks. Obinna (2015) asserted that the fundamental goal of TSA is to ease implementation of the FG's Cash Management Policy (CMP) and to achieve accountability for government expenses. TSA control aggregate cash flow. Otonla added that the policy had instilled financial discipline and prudence Eme, Chukwurah, and Emmanuel (2015) noted that aside from the NNPC that directly sell crude oil on behalf of the FG, other MDAs are equally on the list of revenue generating agencies. These include the FIRS, Nigeria Ports Authority (NPA), Nigerian Maritime Administration and Safety Agency (NIMASA), National Communications Commission (NCC), the Nigeria Customs Service (NCS), and others. This singular absence had made it feasible for revenue generating agencies to have generated N3.06tr in 2009 but remitted N46.80b to the government account. Also, generated N3.07tr in 2010 but submitted N54.10b, and earned N3.17tr in 2011 and remitted N73.80b. The NNPC and its subsidiaries generated N6.132tr between 2009 and 2011 but remitted N00.0 to the government treasury (Okwe, et al., cited in 2015 Eme, Chukwurah, and Emmanuel 2015).

2.5 Reasons for the Adoption of Treasury Single Account in Public Sector

Until the introduction of the TSA, the country faced numerous challenges with management of Public Finances that affected government efficiency and effectiveness in service delivery, transparency and accountability. Major among the challenges are:

- A. Loss of Control on the Number of government Bank Accounts:** Prior to the introduction of TSA, MDAs are required under FR 701 to get the approval of the Accountant-General of the Federation (AGF) for all their banking relationship. In addition, each MDA is required by regulation to maintain four bank accounts, one each for revenue, personnel costs, overhead costs and capital. However, many MDAs failed to comply, hence the number of bank accounts became over bloated and monitoring the accounts became a herculean task for the OAGF. A survey of the number of such accounts with both the Central Bank of Nigeria (CBN) and Deposit Money Banks (DMBs) carried out by the Office of the Accountant General Office (OAGF) in 2010 puts the number of accounts at over 10,000. With such large number, government could not have a consolidated information of cash position necessary for efficient cash management in the country.
- B. Idle Cash in MDAs' Accounts While the Consolidate Revenue Fund (CRF) Account is perpetually overdrawn:** Prior to the reforms, government financed its personnel and overhead costs monthly in advance while capital projects were funded quarterly in advance but often the funds remained underutilized for the periods. This leaves the Consolidated Revenue Fund (CRF) Account from which MDAs Accounts were funded perpetually overdrawn as Ways and Means Advance were granted by CBN in line with S.38 (2) of their Act. Accordingly, government incurs cost of borrowing on the overdrawn balance while the DMBs that are keeping the MDAs' idle funds do not remunerate them but buy government treasury bills and bonds to earn interest income. The level of ways and means granted by CBN to meet cash flow shortfalls has grown over the years reaching N342 billion in 2014.
- C. Maintenance of Several Extra Budgetary Funds:** There exist a number of funds (dedicated accounts) outside the Consolidated Revenue Fund (CRF) with huge balances while government bears the charges on the CRF overdrawn balance with the CBN. If the extra budgetary funds were linked to the CRF, it would have eliminated the ways and means charges, as the net position would have been positive. Besides, the extra budgetary funds would have been an easy source for short-term borrowing instead of treasury bills/certificates.
- D. Non-Remittance of Independent Revenues by MDAs:** A number of MDAs fail to remit their revenues into the CRF in line with S.80 of the Constitution and spend the funds without appropriation.

3. REVIEW OF EMPIRICAL LITERATURE

Some of the past and related studies carried out on the concept of Treasury Single Account (TSA) were reviewed in this section. John, Amos, Alematu, and Patience (2021) examined the effect of treasury single account (TSA) on corruption in the Nigerian Public Sector. The extent to which TSA has affected the Corruption Perception Index (CPI) in Nigeria triggered this study. Data were obtained from Transparency International from 2012 to 2014 (before TSA adoption) and

2016-2018 (after TSA adoption), with 2015 as the base year. Data were analyzed using descriptive statistics and paired samples t-test statistics. The study findings revealed that there is no significant difference in the mean of corruption perception index (CPI) before and after TSA adoption in Nigeria. The study concludes that TSA has not significantly reduced corruption in the Nigerian public sector. The study recommends that the Federal government should strengthen the judiciary, police, anti-graft agencies and the media in the country to tackle the issues of corruption and ensure transparency, probity and timeliness in handling corruption related cases.

Benjamin, Adamna and Jane (2020) examined the effect of Treasury Single Account (TSA) implementation on the financial performance of commercial banks in Nigeria. The study employed expo-facto survey research design and seven big commercial banks in Nigeria. First Bank of Nigeria, Zenith Bank, Access Bank, UBA, Union Bank, Diamond Bank and Fidelity Bank were judgmentally sampled for this study. Secondary data were gathered through CBN statistical bulletin from 2013 to 2017 (that is two years before and two years after implementation of TSA). Customers' deposit was used as proxy for independent variable (Treasury Single Account), while profit after tax, return on equity and return on assets are proxies for dependent variable (financial performance). The data collected were analyzed using comparable mean, while research hypotheses were tested using Simple regression analysis. The findings obtained from the statistical testing of the hypotheses of this study show that customers' deposit has a significant effect on profit after tax, return on assets and return on equity of commercial banks in Nigeria.

Allison and Ndukwe (2021) assessed the extent to which the implementation of Treasury Single Account in Nigeria has contributed towards achieving public accountability in Nigeria Public sectors. The paper adopted the content analysis as means of gathering and analysis of data. The paper observed that as envisaged, the implementation of Treasury Single Account has enthroned centralized, transparent and accountable revenue management in Nigeria by instilling fiscal discipline and ensuring effective aggregate control over government cash balances. The paper concluded that the only way Nigeria can fight the intense pressure on their cash flows in the face of dwindling revenues and decreasing statutory and social responsibilities is to strengthen and sustain the Treasury Single Account (TSA) scheme. They therefore recommended among others that since establishing a TSA has given rise to tough decisions by the government such as closing the existing bank accounts of budget organizations (outside treasury control) and this provoked powerful opposition, for success a TSA reform must be explicitly and strongly supported by the highest officials of government. Thus, decisions of the regime in power to reinforce the TSA will be helpful.

Lodikero, Fagbayimu, and Olateru (2018) studied Treasury Single Account: A Tool for Accountability and Transparency in Ondo State, Nigeria. The study examined the implication of Treasury Single Account on the accountability and transparency of Nigeria Public Sector in order to ensure a responsible governance system. Survey research design was adopted for the study. The population of the study consisted of 150 Ministries, Department and Agencies (MDAs) operating in Ondo State as at 2017. Purposive sampling technique was used to select the respondents. The data obtained from the questionnaire administration were analyzed using the descriptive and inferential statistical tools. The finding revealed that Treasury Single Account is an effective tool in combating financial leakages in Nigerian public sector. The study recommended that government should engage in massive public enlightenment about the importance of the policy and the need for legislation to mandate all the States and local government to implement this policy.

Sabo, Muhammada and Kjo"OJE (2019) researched on the Impact of Treasury Single Account (Tsa) on Bank Liquidity: Fresh Evidence from Nigeria. The main objective of the study was to examine the impact of the Treasury Single Account (TSA) on bank liquidity in Nigeria. Thus, time series data was used to determine the relationship between the variables over the period of 48 months, that is; from September 2013 to August 2017. The study employed a Robust Least Square (RLS) technique to estimate the variables under investigation. The findings revealed that the Treasury Single Account has a positive and statistically significant impact on bank liquidity. Equally, the interest rate has a positive and statistically significant impact on bank liquidity. Consequent upon the major findings, government, banks and members of the business community should be further educated on the positivity and efficacy of the Treasury Single Account in controlling public looting, fraud and other forms of corruption and alternatively boosting public fund which will automatically reduce public debt.

Ibrahim, Odinayo and Tijani (2019) investigated the treasury single account (TSA) as an antidote to corruption in Nigeria. A structured questionnaire was used to collect data from sample of one hundred and fifty four (154) accountants and auditors drawn from both federal and State government establishments. Data collected were analyzed using Descriptive Statistics, Pearson Product Moment Correlation (PPMC) and Ordinary Least Square Regression method with the aid of Statistical Package for Social Science (SPSS), window 23. The findings showed that there is a relationship between the antidote to corruption in Nigeria and treasury single account measured as financial accountability and transparency, cash management, elimination of monopoly and discretion, facilitates revenue collection and payments as well as frauds prevention were significantly positive with ($r = 0.657^{**}$; 0.714^{**} , 0.520^{**} , 0.672^{**} and 0.713^{**}), all at 0.01 significant level. The result also shows that the treasury single account is significantly influenced by corruption in Nigeria.

Solanke (2018) investigated opinion and perception of treasury single account implementation for revenue generation and utilization in Nigeria. Primary data was used in the study. A total sample size of 200 was purposively selected. Data were analyzed using frequency and percentages, as well as analytic weighted mean. The result showed variation in acceptability attitude towards TSA implementation in Nigeria. Kanu (2016) assessed the effect of implementation of treasury single account and the performance of banking sector in Nigeria. The study was done through questionnaire targeted to the management staff of ten banks and chi-square statistical tool was used to analyze the data. The findings revealed that the implementation of treasury single account in the public accounting system impacted negatively on the liquidity base and the performance of banking sector in Nigeria. Clementina (2016) conducted a study on the effect of treasury single account on the liquidity base and performance of the banking sector. The main objective of the study was to find out the influence of treasury single account on the liquidity base and performance of the banking sector in Nigeria. The study made use of mainly Primary data from ten (10) randomly selected banks. Questionnaire was administered to the Management staff of the ten (10) banks selected for the study. They employed Chi-square as a statistical tool for analysis of the data. The results obtained confirmed that the implementation of Treasury Single Account in the public accounting system impacted negatively on the liquidity base and the performance of banking sector in Nigeria.

Ndubuaku (2017) examined how the introduction of Treasury Single Account has affected banks credit to private sector; deposit mobilization, and loans and advances in their study. The study employed descriptive and *ex post facto* research design. The population of the study was made up of the 15 commercial banks in Nigeria. The Time Series data used for the study were obtained from Central Bank of Nigeria Statistical Bulletin for the period 2010 – 2015. OLS Regression and correlation analysis were used to analyze the data. The study concludes that the introduction of treasury single account significantly reduced Credit to private sector, deposit mobilization, and loans and advances. Olowokure and Adetoso (2019) through the application of correlation analysis examined the impact of the treasury single account on the liquidity of money deposit banks in Nigeria. Primary data were collected from five deposit money banks in Nigeria. The study found that there is a significant relationship between treasury single account and bank liquidity. Andornimye (2017) examined the impact of Treasury Single Account (TSA) implementation on Bank Liquidity in Nigeria, using data gathered from annual reports of ten (10) deposit money banks for the period 2010-2015. The study applied Regression Models of student t – test statistical technique. It was then concluded that TSA has a negative effect on the banks' current ratio in Nigeria. Igbosewe and Ofor (2017) examined the effects of Treasury Single Account (TSA) and Bank performance in Nigeria. A survey research design and Ordinary Least Square (OLS) were employed in the study. The finding then showed a negative and significant relationship between TSA and bank Liquidity.

Ajetunmobi (2017) investigated the impact of treasury single account on the liquidity of Banks in Nigeria using secondary data drawn from the annual reports of Fifteen (15) listed banks. The study employed descriptive statistics and Paired sample t-test as a technique of data analysis. The findings showed that the implementation of treasury single account has negative impact on the liquidity base of banks in Nigeria. Zayol (2017) assessed the effect of implementation of the treasury single account on the liquidity of deposit money banks in Nigeria. After surveying the theoretical and empirical literature on the subject matter, it was concluded that the implementation of treasury single account would have negative effect on the liquidity of deposit money banks in Nigeria. Onuorah (2017) examined the effect of implementation of Federal Government Treasury Single Account (TSA) Deposits and commercial banks performance in Nigeria from the period 2012 to 2016 using time series data. Trend analysis (bar charts) and SPSS 7.0 software descriptive statistics and least square test were used as tools of data analysis. The study then found and concluded that the implementation of TSA in the public sector deposits (Demand, Time and Savings) deposit accounting system did not impact significantly on the performance of the commercial banks.

Saheed (2018) investigated effect of Federal Government of Nigeria (FGN) Deposit Withdrawals into the Treasury Single Account (TSA) on Deposit Money Banks' liquidity performance in Nigeria. Secondary data were obtained from [7] Central Bank of Nigeria (CBN) Statistical Bulletin covering pre and post implementation years (2012 to 2017). The dependent variable was represented by Deposit Money banks' liquidity ratio while the independent variable was represented by Federal Government Deposits at the Deposit Money Banks. The study used correlation research design to determine the effect of TSA on Deposit Money Banks' liquidity in the country. Also, the study employed Feasible Generalized Least Square (FGLS) technique of data analysis. It was then found that Federal Government Deposit (FGD) had a positive and significant effect on the Deposit Money Banks' liquidity position in the Pre-TSA Era whereas Federal Government Deposit (FGD) had a negative and significant effect on the Deposit Money Banks' liquidity performance in the Post-TSA Era.

Oru and Odumusor (2019) assessed the effects of treasury single account on the liquidity of deposit money banks and effective control of government cash resources in Nigeria. A survey research design was employed in the study and data was obtained from primary source. The study used both descriptive and inferential statistics as the person's moment coefficient of correlation as a statistical tool for its data analysis. The study revealed that the policy implementation and its model has significant impact on the liquidity of Deposit Money banks and the policy implementation has not afforded government effective control of its cash resources as accountability and transparency are not yet at their peak.

4. METHODOLOGY

The study adopted survey research design which was deemed most appropriate design for the study. Data were elicited through questionnaire, face-to-face interview, focus group discussion guide, internet resources, and relevant publications. Data collected were presented in frequency tables and analysed using descriptive and parametric statistics. The population of the study constitutes all the staff of two selected federal ministries in Enugu state namely; Federal Ministry of Agriculture and Federal Ministry of Education. The population of the two selected ministries is totaled two hundred and eighty-seven (287) persons as at January, 2022. The population distribution is shown in table 1 below. The total population was studied because the number is manageable.

Table 1. Population of the Study

Industry	Number of Staff
Federal Ministry of Agriculture	89
Federal Ministry of Education	198
Grand Total	287

Source: Human Resource Department, Federal Ministry of Agriculture and Educati

5. DATA ANALYSIS

5.1 Questionnaire Return Rate

In the course of the study, questionnaires were distributed to the various sampled federal ministries in Enugu state; and given the uncertainties beclouding survey studies, not all questionnaires distributed were returned and properly filled. This section of the study displays the statistics of distributed and returned questionnaire and their corresponding percentages. This is shown in table 2 below.

Table 2. Questionnaire Return Rate

Ministry	Questionnaire Distributed	Questionnaire Returned	Questionnaire Return Percentage (%)
Federal Ministry of Agriculture	89	81	91
Federal Ministry of Education	198	187	94
Total	164	268	Average: 92.5%

Table 2 above reveals the number of questionnaires distributed to the sampled federal ministries and their corresponding return rate. It is crystal clear that the return rates are high and hence acceptable, having the highest return rate as 94% and the lowest at 91% and the average return rate as 92.5%.

Note: The return rate was calculated with the formular given as:

$$QRR = \frac{QR}{QD} \times \frac{100}{1}$$

Where:

QRR = Questionnaire Return Rate

QR = Questionnaire Returned

QD = Questionnaire Distributed

5.2 Analysis of the Returned Questionnaires

The demographic characteristics of the respondents were carried out in this section with the application of tabled frequencies and percentages.

Table 3. Gender Distribution of the Respondents

Gender	Frequency	Percentage
Male	171	64
Female	97	36
Total	268	100

Source: Field Survey, 2022.

Table 3 reveals that 64% of the respondents are male while 36% of the respondents are female. This implies that there are more male employees among the respondents than female in the selected ministries.

Research Question One: To what extent has treasury single account affected fund misappropriation of selected Federal Ministries in Enugu State?

Table 4. The implementation of treasury single account has significantly improved fund appropriation of selected Federal Ministries in Enugu State.

Item	Frequency	Percentage
Strongly Disagree	111	41
Disagree	91	34
Undecided	5	2
Agree	36	13
Strongly Agree	25	9
Total	268	100

Source: Field Survey, 2021.

From table 4, 111(41%) of the respondents strongly disagree that the implementation of treasury single account has significantly improved adequate fund appropriation of selected federal ministries in Enugu state, 91(34%) disagree, 5(2%) are undecided, 36(13%) agree and 25(9%) strongly agree. This entails on the average that majority of the respondents do not agree that the implementation of treasury single account has significantly improved adequate fund appropriation of selected Federal Ministries in Enugu State.

Table 5. The implementation of Treasury Single Account (TSA) has improved optimal fund disbursement

Item	Frequency	Percentage
Strongly Disagree	109	41
Disagree	70	26
Undecided	21	8
Agree	49	18
Strongly Agree	19	7
Total	268	100

Source: Field Survey, 2022.

Table 5 reveals that 109(41%) of the respondents strongly disagree that the implementation of treasury single account has improved optimal fund disbursement. 70(26%) disagree, 21(8%) are undecided, 49(18%) agree and 19(7%) strongly agree. This clearly shows that on the average, majority of the respondents do not agree that the implementation of treasury single account has improved optimal fund disbursement.

Table 6. The implementation of Treasury Single Account (TSA) has increased fund generation and proper utilization.

Item	Frequency	Percentage
Strongly Disagree	100	37
Disagree	78	29
Undecided	10	4
Agree	50	19
Strongly Agree	30	11
Total	268	100

Source: Field Survey, 2022.

From table 6, 100(37%) of the respondents strongly disagree that the implementation of treasury single account has increased fund generation and proper utilization, 78(29%) disagree, 10(4%) are undecided, 50(19%) agree and 30(11%) strongly agree. This entails on the average that majority of the respondents do not agree that the implementation of treasury single account has increased fund generation and proper utilization.

Research Question Two: To what extent has treasury single account affected prompt release of funds for sources of selected Federal Ministries in Enugu State?

Table 7. The implementation of treasury single account has significantly reduced the bureaucracy involved in release of funds to sources.

Item	Frequency	Percentage
Strongly Disagree	101	38
Disagree	74	28
Undecided	5	2
Agree	49	18
Strongly Agree	39	15
Total	268	100

Source: Field Survey, 2022.

It can be clearly seen from table 7, 101(38%) of the respondents strongly disagree that the implementation of treasury single account has significantly reduced the bureaucracy involved in release of funds to sources, 74(28%) disagree, 59(25%) are undecided, 49(18%) agree and 39(15%) strongly agree. This entails on the average that majority of the respondents are not agreement that the implementation of treasury single account has significantly reduced the bureaucracy involved in release of funds to sources.

Table 8. The implementation of Treasury Single Account (TSA) has improved the speed of efficiency of fund release for adequate implementation of prescribed functions

Item	Frequency	Percentage
Strongly Disagree	121	45
Disagree	99	37
Undecided	12	4
Agree	18	7
Strongly Agree	18	7
Total	268	100

Source: Field Survey, 2022.

Table 8 reveals that 121(45%) of the respondents strongly disagree that the implementation of treasury single account has improved speed of efficiency of fund release for adequate implementation of prescribed functions, 99(37%) disagree, 12(4%) are undecided, 18(7%) agree and 18(7%) strongly agree. This clearly shows that on the average, majority of the respondents agree that the implementation of treasury single account has improved speed of efficiency of fund release for adequate implementation of prescribed functions.

Table 9. The implementation of Treasury Single Account (TSA) has strengthened the relationship between fund generation and fund release for sources.

Item	Frequency	Percentage
Strongly Disagree	119	44
Disagree	82	31
Undecided	9	3
Agree	22	8
Strongly Agree	36	13
Total	268	100

Source: Field Survey, 2022.

From table 9, 119(44%) of the respondents strongly disagree that the implementation of treasury single account has strengthened the relationship between fund generation and fund release for sources, 82(31%) disagree, 9(3%) are undecided, 22(8%) agree and 36(13%) strongly agree. This entails on the average that majority of the respondents agree that the implementation of TSA has strengthened the relationship between fund generation and fund release for sources.

5.3 Test of Hypotheses

In this section, the hypotheses stated earlier in this research were tested using probability value anchored on the regression method. Three steps were used to test the hypotheses. In step one; the hypotheses were restated in null and alternate forms. In step two, the results were analyzed while in step three, decisions were made. The decision rule involved the rejection or acceptance of the null or alternate hypotheses based on criterion of the techniques of analysis.

5.3.1 Test of Hypothesis One

H₀₁: Treasury single account has not significantly reduced fund misappropriation in selected federal ministries in Enugu State.

H_{A1}: Treasury single account has significantly reduced fund misappropriation in selected federal ministries in Enugu State.

Presentation and Analysis of Result

Dependent Variable: Fund Misappropriation

Method: Least Squares

Date: 01/10/22 Time: 19:26

Sample: 268

Included observations: 268

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	3.350808	3.400219	0.985468	0.3254

TSA	0.621192	0.032170	19.30944	0.5567
R-squared	0.609384	Mean dependent var		20.72614
Adjusted R-squared	0.607750	S.D. dependent var		81.27694
S.E. of regression	50.90364	Akaike info criterion		10.70601
Sum squared resid	619292.2	Schwarz criterion		10.73493
Log likelihood	-1288.074	Hannan-Quinn criter.		10.71766
F-statistic	372.8547	Durbin-Watson stat		1.825809
Prob(F-statistic)	0.445874			

Source: Author's Computation Using E-views

Model Line: $FMISAP = b_0 + b_1TSA + U$

Regression Line: $FMISAP = 3.350808 + 0.621192TSA$

Where; $FMISAP$ = Fund Misappropriation, TSA = Treasury Single Account and U = stochastic error term.

Decision Rule

The decision rule is to reject the null hypothesis (H_0) if the probability is less than 0.05 and to accept the null hypothesis (H_0) if the probability is greater than 0.05.

Decision

From the above analysis, it is clearly seen that the probability value = 0.5567 is greater than 0.05. This compels the acceptance of the null hypothesis (H_0) and the rejection of the alternative (H_a). Hence; treasury single account has no significant effect on fund misappropriation in selected federal ministries in Enugu State.

5.3.2 Test of Hypothesis Two

H_{02} : Treasury single account has not significantly enhanced prompt release of funds for sources in selected federal ministries in Enugu State.

H_{A1} : Treasury single account has significantly enhanced prompt release of funds for sources in selected federal ministries in Enugu State.

Step Two: Presentation and Analysis of Result

Dependent Variable: PRF

Method: Least Squares

Date: 01/10/22 Time: 19:55

Sample: 268

Included observations: 268

Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	4.165906	3.381851	1.231842	0.2192
TSA	0.622225	0.032069	19.40296	0.8740
R-squared	0.611682	Mean dependent var		21.01245
Adjusted R-squared	0.610057	S.D. dependent var		81.25610
S.E. of regression	50.74070	Akaike info criterion		10.69960
Sum squared resid	615333.7	Schwarz criterion		10.72852
Log likelihood	-1287.302	Hannan-Quinn criter.		10.71125
F-statistic	376.4749	Durbin-Watson stat		1.836720
Prob(F-statistic)	0.990231			

Source: Author's Computation Using E-views

Model Line: $EP = b_0 + b_1TSA + U$

Regression Line: $PRF = 4.165906 + 0.622225TSA$

Where; PRF = Prompt Release of Funds, TSA = Treasury Single Account and U = Stochastic Error Term.

Decision Rule

The decision rule is to reject the null hypothesis (H_0) if the probability is less than 0.05 and to accept the null hypothesis (H_0) if the probability is greater than 0.05.

Decision

From the above analysis, it is clearly seen that the probability value = 0.8740 is greater than 0.05. This compels the acceptance of the null hypothesis (H_0) and the rejection of the alternative (H_a). Hence; treasury single account has not significantly enhanced prompt release of funds for sources in selected federal ministries in Enugu State

6. FINDINGS AND CONCLUSION

This study has been able to estimate the impact of Treasury Single Account (TSA) on the performance of federal ministries in Enugu state. In the course of the study, data for the study was collected through questionnaires. The frequency tables and regression method were adopted to analyze the data. The major findings of the study were that:

1. Treasury single account has not significantly reduced fund misappropriation in selected federal ministries in Enugu State.
2. Treasury single account has not significantly enhanced prompt release of funds for sources in selected federal ministries in Enugu State.

6.1 Conclusion

In 2015 the treasury single account was introduced to minimize corruption and enhance performance in government ministries, parastatals and agencies. Prior to the introduction of treasury single account, there was massive corruption reflected in fund misappropriation, unnecessary bureaucratic systems in fund release for uses in agencies and other bottlenecks. However, based on the findings of this study, it was seen that the introduction of treasury single reduced fund misappropriation minimally and also did not significantly improve prompt release of funds for sources. Hence, in conclusion, TSA implementation policy improved performance of public service but not significantly and impressively. Therefore, the following recommendations have proffered: The ability of the Federal Ministry of Finance and the CBN should be overhauled by the government to cope with challenges associated with the enforcement of the provisions of the TSA. Overall the implementation of TSA should be progressive for the economy in general. The suitable authorities will have to now clinch transparency, limpidity and accountability more than ever before. In order ensure the success of the TSA policy, the federal government must demonstrate the political will to ensure the sustainability of the TSA policy and also tenaciously pursue the implementation of TSA by state and local governments in the country.

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