

AN APPRAISAL OF THE LEVEL OF COMPLIANCE WITH E-PAYMENT CIRCULAR IN FEDERAL UNIVERSITIES IN NIGERIA: A CASE OF MODIBBO ADAMA UNIVERSITY OF TECHNOLOGY, YOLA

ADAMU SAIDU

*Department of Accountancy
Modibbo Adama University of Technology
Yola, Nigeria*

Abstract

The concept of electronic payment as a means of making payment via internet banking services has been a topic of discussion among several groups in Nigeria, especially with its introduction in Nigeria, via treasury circular Ref. No: TYR/A8 & B8/2008, dated 22nd October, 2008. The application of this strategy was aimed at enhancing financial control in the Nigerian public sector. The main objective of this paper therefore, is to appraise the level of compliance with the e-payment circular in Federal Universities in Nigeria, with particular reference to Modibbo Adama University of Technology, Yola. The methodology used was mainly contents analysis. The technique used in this work is qualitative grading using compliance index. The study found that the level of compliance with the e-payment circular in Modibbo Adama University of Technology, Yola is partial. Recommendations were made that an administrative framework should be provided to enhance full compliance with the requirements of the treasury circular and also the adoption of the Integrated Payroll and Personnel Information System (IPPIS) in Universities and all other government parastatals.

Keywords: E-payment, Compliance, Treasury circular, Financial control, Fraud Control, Tertiary institutions.

Introduction

The government of Nigeria like that of any other nation in the world has some obligations on its citizens. One of these obligations is to ensure the judicious management of its resources and also the conduct of financial transactions with all sense of accountability and transparency. In pursuant of these mandate of fiscal transparency and financial accountability, the Federal Government of Nigeria has over the years enacted several laws, formulated several policies and instituted too numerous reforms in order to achieve this golden mandate. One among many of these policies and reforms is the introduction of the electronic means of payment popularly referred to as: "evil-payment or e-payment."

The electronic payment is a financial

control strategy which pervades or restricts opportunities associated with cash transactions, thereby leading to fraud, misappropriation of funds and/or embezzlement. It is seen as an instrument of management control which was put in place in the Nigeria public sector, initiated by a policy statement of the office of the Accountant-General of the Federation, via Federal Government circular No: TRY/AB & B8/2008, dated 22nd October, 2008; to reduce or eliminate the occurrence of fraud and financial misappropriations associated with cash transactions in all Ministries, departments and agencies (MDAs).

In order to appreciate the background of the e-payment policy, it is important to review the concept of internal control system. The International Auditing Guideline (IAG) cited

in Dandago (2002), defined internal control system as “the whole system of control, financial and otherwise, established by management in order to carry on the business of the enterprise in an orderly and efficient manner, ensure adherence to management policies, safeguard the assets and secure as far as possible, the completeness and accuracy of records.

The definition above can further be buttressed that the responsibility of establishing a sound internal control system in any organization lies with management, be it a public or private sector establishment. Therefore, if government business must be conducted with all seriousness, putting in place the “e-payment” was a positive step toward the right direction, especially with menace of fraud and corruption bedeviling all aspect of national development.

In accounting and auditing literature, in addition to the concept of internal control system, there are also some components, types or elements of internal control system and several authors, especially; Thompson (2004), Dandago (2002), Mainoma (2004) and Tanko (2005), made different classifications of these components but they all concurred by having a common position, which is also in agreement with the elements of internal control outlined in the operational Auditing Guideline on internal control, issued by the International Federation of Accountants (IFAC), effective date; 1st April, 1980, as Personal control, Accounting and Arithmetical control, Physical control, Authorization and Approval control, Management control, organizational control, Supervision Control and segregation of duties control, this paper seek to re-phrase these components in a popular acronym, as; “PAPAMOSS” meaning: P-Personal control, A-Accounting and Arithmetical control, P-Physical control, A-Authorization and Approval control, M-Management control, O-organizational control, S-Supervision Control

and S-segregation of duties control.

This study is interested in one of these components, i.e: management control. By this concept, it refers to all aspect of management policies like financial policies, budget policies, monitoring and evaluation policies, etc. One might also posit that the e-payment as a tool of financial control falls within the purview of management control instrument, since it was put in place by the Office of the Accountant-General of the Federation (which is the cash management office of the Federal Government).

This paper specifically seeks to examine the level of compliance with the e-payment circular, as an instrument of fraud control in public financial management, particularly; in federal universities. A case of Modibbo Adama University of Technology, Yola.

Problem statement

Universities as institutes of higher learning which are apex educational establishments where teaching and learning takes place, knowledge and training is acquired and researches are conducted in all frontiers of human endeavours. Universities are independent bodies, attracting funds from a variety of public and private sources, as a result of the growth in sizes of Nigerian universities and their increased financial demands for recurrent and capital expenditure, it calls for a greater need to effectively manage and control funds available (Gibbons, 1999).

Like any other organizations, universities are expected to achieve certain objectives with the funds attracted to them from various sources, for example provision of educational services and counseling to the general public and also as in the opinion of Anyafo (2000); providing educational services to desirous and deserving members of the public. It is pertinent to mention here that this tasking responsibility of providing quality education and training cannot be effectively discharged

without appropriate financial management and control.

Employees of universities who are entrusted with resources are responsible, among other things for complying with laws and regulations, financial instruments and accounting circulars (ICTF, 2006; Scott, 1995; Akotia, 1996 and Ojo, 2007). One can rightfully posit that one of such treasury circular is the e-payment circular No: TRY/AB & B8/2008, dated 22nd October, 2008; which was adopted with effect from 1st January, 2009, i.e: four years ago. If the adoption of the e-payment system is effective, the following questions need to be answered: Has the menace of financial mis-appropriation in public service been reduced or eliminated? Has the incidence of fraud and other fraudulent tendencies in government been eliminated? Is the e-payment circular being complied with at all? If yes, what is the level of compliance with this instrument of financial control? Four years is a time adequate enough for inquiry to be conducted in order to seek answers to above questions. Similarly, the perceived view of the down trodden is that the impact and benefit of the new payment system is yet to be appreciated by mass population who are supposed to be direct beneficiaries of policy objective in Nigeria.

Objectives of the study

It is against the above background that this study is aimed at appraising the level of compliance with the e-payment circular, as a strategy for financial and fraud control in the public sector, especially in Nigerian universities. The choice of universities was premised on the fact that universities are seen to be highly organized set-ups where policies, decisions, rules and regulations functions effectively. The scope of the study covered the Modibbo Adama University of Technology, Yola. The choice of this organization was made purposively due to researcher's

convenience and accessibility to data. And the time-frame of the study is three (3) years (i.e; from 2009-2011).

Conceptual framework/literature review

This section presents the conceptual framework and review of relevant literatures consulted on electronic payment and financial control, including a review of empirical studies conducted on the subject matter. The framework and literature also covered the level of compliance with the e-payment circular as an instrument of fraud control. The concept of fraud, fraud control, financial control, e-payment, e-payment strategy, statutory laws on financial control and so on were reviewed which constituted the basic underpinnings of this study. Therefore, a review of these concepts were made as they relates to the e-payment system, to enable the researcher identify the salient features in the implementation of e-payment and also assist in providing qualitative answers to the hypothesis formulated and thereby addressing the problem which initiated this study.

The concept of e-payment

In prior literatures, conceptual issues and framework on e-payment were hardly available, especially in Nigerian context until the introduction of the system in Federal Civil service in January, 2009. Then, some literatures and institutional authorities began to make reference to the concept of e-payment. Few among which includes Dankwambo (2009), Lekwauwa (2009), (Mainoma, 2010), (Tijjani, 2005), Mohammed (2009), etc. But before looking at these conceptual issues, it is worthy to give general conception of e-payment, especially in the Nigerian context.

E-payment for short, means an electronic payment, is a system where the settlement of transactions are made to the payee through the payee's bank account without involving the issuance of cheques or

cash. The payment is effected through the provision of sort code, indicating details of account to debited and the respective beneficiary(ies) account/s to be credited.

Dankwambo (2009), posited that “e-payment is a form of direct payment and banking without physical interaction with cash or appearance at the ministries, departments or agencies making the payment to collect cash or cheques.” Dankwambo (2009), further describes e-payment as a new regime that does not involve the use of cheques or cash payments, no physical contact between account officers and beneficiaries but only involves the use of computers and computer software applications. Similarly, Lekwauwa (2009) defined e-payment simply as a system of settlement of financial transactions processed electronically. This definition of Lekwauwa (2009) is not significantly different from that of Dankwambo (2009), since both of them were referring to a system of settlement of financial transactions through electronic means.

Umar (2009), the e-payment system in Nigeria was an initiative of the federal government in Nigeria in pursuit of zero tolerance for corruption. The e-payment strategy tends to reduce the tendency of cash transaction or drawing of cheque in favour of individual payees which increases the tendencies of fraud and financial misappropriations.

It can be seen from the above review that through the e-payment strategy, all forms of payment due and payable to employees in form of wages, salaries, allowances, bonuses and commission, all form of payment due and payable to contractors and service providers in form fees, charges, commission and obligations due on execution of contract and all forms of payment due and all officers controlling votes within the federal civil service were made through the bank into the account of the designated payee.

Mainoma, (2010), on his own part

opined that e-payment is a sub-set of e-governance which deals with the application of electronic means in the interaction between government and its citizens and also government and businesses, especially in financial transactions. This definition of Mainoma, (2010) is seen to be a general conception of e-payment especially during the regime of President Olusegun Obasanjo (1999-2007), where several reforms were instituted including the e-governance platform which was conceived to be the use of information and communication technologies for improved service delivery and access to government services. This was achieved through the Servicom Pact in all ministries and government institutions.

Tijjani (2005), in another platform conceived e-payment refers to an aspect of e-commerce where settlements of transactions are done through internet banking services without physical interaction with money. Tijjani (2005) further identified some tools of e-payment as the use of plastic cards, personal computers, point of interaction terminals like the point of sales services (POS), telephones, internet, mobile phones, automated teller machines, etc. One might eventually agree that this work of Tijjani (2005) was carried out before the adoption of the e-payment in the Federal civil service in Nigeria, which took effect only in January, 2009. Therefore the study of Tijjani (2005) was only referring to general computer-aided applications in e-commerce, e-business, e-banking, etc.

Mohammed (2009), e-payment involves the settlement of transactions with the use of computers and banking software to replace the manual system of payment which is associated with myriad faults and defaults. This conception of Mohammed (2009) is more aligned the work of Tijjani (2005), all making reference to computer-aided applications in business transactions. But Mohammed (2009) carried out his study after the adoption of the e-payment policy.

One cannot end the conception of e-

payment without mentioning that the system has brought some accounting packages such as the Integrated Payroll and Personnel Information System (IPPIIS) used in payment of salaries and allowances of Federal civil servants and other such packages like Simple Computer Accounting (SIMCA) and Accounting Transactions Recording and Reporting System (ATRRS).

Background development of e-payment

According to Benjamin (2003), the idea of payment of electronic money was born in 1918, when the Federal Reserve Bank in the United States first made a lodgement and movement of currency via telegraph. In 1939, a serial inventor, named: Luther Simijian created the Bankmatic automated teller machine.

Later in 1973, the modern automated teller machine was made through the collaborative efforts of Sir Luther Simijian and patents were issued to protect his innovation. Severally, series of inventions were made across the globe, from Europe to America, Canada, Germany, France, Italy and so on the use the electronic means of transactions in different ramifications. Until almost all the highly industrialized nations of the world like UK, US, France, Germany, Japan, China, Italy, Canada, Netherlands, Spain, etc adopted the electronic means of payment in all public and private transactions.

The Federal Government of Nigeria in 2008, through the reforms and policy initiatives of the Late President Umaru Musa Yar-Adua, under the agenda of zero-tolerance for corruption gave directives that payment of funds of all Federal Government transactions were to be made electronically.

Consequently, the Office of the Accountant-General of the Federation through circular number: TRY/AB & B8/2008 of 22nd October, 2008 were issued, which prescribed the broad guidelines for the implementation

of the e-payment.

The implementation of the e-payment therefore took effect from January, 2009 at the federal level; as a strategy to curb fraud and misappropriations of funds, which has since being adopted at other tiers of government and the private sector (Muhammad, 2010). Similarly, Thompson (2009) had earlier observed that the Federal Government initiated the e-payment strategy which was a policy statement to be adopted by States and Local government councils in Nigeria.

It can be seen that in consonance with the idea of Thompson (2009), almost all tiers of government today carry-out their financial transaction via e-payment. But the issue of concern of this study roused to seek answers to questions posed earlier in the scope of this study, consequently; four years is seen to be a time reasonable enough for researchers to begin to re-direct research attention to policy issues like this.

E-payment and fraud prevention/control

This section seeks to review the application of e-payment as a strategy of fraud control in Nigeria. It can be seen the economic and financial landscape of Nigeria in the twenty-first century experiences a remarkable change in dimension. The increasing advancement on information technology has transformed the landscape of public and private business across the world (Tijjani, 2005). The advent of electronic banking and automation of global financial system has impacted on the growth and development of the financial system. In Nigeria coupled with the various forms of public sector reforms, war against corruption, and zero-tolerance for corruption and so on lead to the adoption of electronic payment.

Causes of fraud

Relating e-payment with fraud

control, Thompson (2009), opined that fraud is necessitated especially by the access they a vote holder gain to interact with physical cash and as a result there is the need to subject all public office holders in Nigeria to psychiatric test. This statement aroused from remote causes of fraud referred to as ZOE. By "ZOE", it is an acronym meaning:

Z-Zeal-referring to the intent, the will, the drive or motive of committing fraud, i.e. "Psych" which is instilled in the mind of individuals. It has been observed that Nigerians have the mentality of being comfortable or self fulfilled to acquire wealth even if it mean through illicit or fraudulent means. This mentality is instilled in the minds of most people who see fraud, financial misappropriations and other forms of corruption as a means of taking their own share of the national cake.

O-Opportunity –referring to the access to cash, assets, funds and other resources which permit the committing of fraud. By access here it mean being in appropriate authority to initiate a transaction, to give approval, to authorize payment, keeping custody of money or being a cash officer who interacts with physical cash on daily basis.

E-Exit-referring to the escape from law after committing frauds. By exit, it means physical exit and legal exit. By physical exit, we mean the act of escaping; like running away of a thief and legal exit means going unpunished or buying your way out of judgment.

The above elements are the major causes of fraud and financial misappropriation in the Nigeria public sector. It can be construed that one can only perpetrate fraud if he has the zeal, the opportunity and the exit. It can be seen that most cases of fraud involves temptation arising from direct cash transaction and possession of record which is being manipulated, the adoption of e-payment can reduce to some extent, the direct access to cash, extortions, bargaining, retaining of

percentage on contract sum, kick-backs, kick forwards which arises as a result of being in control of all document concerning, approval authorization, retirement and payment

At least if payment are made through electronic means, banks statement, payment schedule, and bank tellers posted via internet can constituent part of records evidencing receipt. In fact, it is against this background that the "Evidence Act" In Nigeria is being reviewed to also include "Electronic Evidence". Similarly, the involvement of a corporate body like financial institution will also make the task of conspiracy and conieval a bit difficult, since Bank Executives can also be arrested and prosecuted for conspiracy.

Factors affecting the implementation of E-payment

Regardless of the beauty of a system, it may either have its inherent factors that may affect its implementation or it may be abused by human factors. In the opinion of Lekwauwa (2009), (Thomson, 2009), Mohammed (2009) and Benjamin (2003), the following are some of the perceived factors affecting the successful implementation of e-payment: lack of technological infrastructure, ICT Equipment cost, regulatory and legal issues, resistance to change in technology among users, transport cost of moving ICT equipment, infrastructural funding, lack of public awareness and acceptability, etc.

i. Lack of technological infrastructure: the implementation of the e-payment is being impeded by unavailability of ICT infrastructure. Most rural areas where majority of the small and medium scale enterprises are concentrated have no access to internet facilities. It is proactive to also mention that Nigeria does not have enough ICT support equipment for internet operations.

ii. ICT Equipment cost, regulatory and legal issues: In Nigeria, the cost of ICT equipment is exorbitant, relative to the per-

capita income of individuals and corporate citizens. This make installation of facilities difficult if not impossible for institutions located in rural communities.

iii. Resistance to change in technology among users: Most employees of the public sector are allergic to change. Fear and the risk of becoming irrelevant or losing the illegitimate income made from the manual system by pay clerks, finance clerks, cash officers and even accounting officers may perhaps, be responsible for their intolerance to e-payment.

iv. Transport cost of moving ICT equipment: Nigeria has a vast land mass of over 356,000 square miles, this makes it logistically difficult to move ICT equipments across the country, This is the reason behind the introduction of some ICT-based like the point- of sales (POS) only in cities like Lagos and Abuja without coverage to other parts of the country.

v. Lack of public awareness and acceptability: some employees of the public sector may be deliberately resistant to the e-payment due to their level of knowledge and awareness.

vi. Monitoring of compliance: Nigeria's problem over the years has not been that of policy formulation but implementation. No matter the adequacy of a policy, it is mostly being abused during implementation in the Nigerian polity; therefore, the level of compliance should be assessed regularly, with a work plan developed specifically for that purpose.

Consequently, the arguments put forward by these prior researchers pointing out the perceived factors affecting the successful implementation of e-payment are agreed upon by this research and still in the

opinion of Lekwauwa (2009), (Thomson, 2009), Mohammed (2009) and Benjamin (2003), most of these hurdles or rather constraints arises in course implementation. These opinion is agreed upon because it was also glaring from observations that these factors seem to be responsible for the low level of compliance with the e-payment circular its initial periods of its implementation.

Policy implications of the e-payment

Specifically, Dankwambo (2009) and Lekwauwa (2009), concurred that e-payment will bring about the following implications:

- i. That with the new e-payment regime, the issue of cheques or cash payment to beneficiaries are discontinued and there is no physical contact are made between account officials and beneficiaries.
- ii. Effective use of information technology (IT) facilities like computers and computer software applications in payment of transactions but normal book-keeping and accounts are continually maintained.
- iii. There is easy tracking of payments to beneficiaries and this would assist in audit trail, thereby reducing the tendencies of frauds and corruption. It will also assist anti-graft agencies like the EFCC and ICPC in cases of investigations.
- iv. Adoption of the e-payment is truly a beginning of a cashless and paperless society, with an increased efficiency of operations and a reduced transaction cost.

The electronic payment and relevant statutory framework

Prior to the introduction of e-payment, the financial control system of the public sector in Nigeria was weak and the

internal control system was inadequate which gave room for corruption and other forms of financial mis-appropriation. The e-payment was introduced to address such anomalies, if this is true of e-payment, one might be wondering whether it was regularize by possibly enacting a new enabling law for its introduction or reviewing the existing laws to capture electronic payment? No, in Nigeria; a policy issue like the e-payment need not be enacted as a new legislation because it is already a legislated area. The statutory and regulatory provisions guiding government accounting and financial controls in Nigeria already covered the introduction of such policies. Examples of such statutory frameworks are the Constitution of the Federal Republic, 1999 as amended, the Finance (Control and Management Act) 1958, the Audit Ordinance 1956, Financial Regulations and the Treasury and Finance Circulars issued and reviewed from time to time.

For instance, Sections 80 - 89 of the 1999 constitution provides for the establishment of consolidated revenue fund, authorization of expenditures, remuneration of statutory officers, etc. Section 149 and Sections 153 - 164 of the 1999 constitution also provides for some form of financial controls. The Finance (Control and Management) Act 1958 provides for different forms of financial controls in form of departmental control, ministerial control and legislative control. All these were provided to safe-guard assets and reduce the fraudulent tendencies associated with cash and/or counter transactions.

All these laws were fundamentally designed to enhance financial control in the public sector; especially in establishments like universities, the beauty of these frameworks are captured for the reasons that with their existence, the e-payment was still introduced without reviewing the relevant laws to include the e-payment policy.

Methodology

The methodology used in this study was mainly content analysis. Data was however, generated from both primary and secondary sources and the techniques adopted for data analysis and interpretation was qualitative grading using compliance index. This technique is suitable in a compliance study of this nature and it utilizes a predetermined index of scores which are assigned to each level of compliance in percentage terms. The relevant implications of the treasury circular, Ref. No: TYR/A8 & B8/2008, dated 22nd October, 2008 were denoted as r with variables denoted as v. The compliance with each variable based on the level of implementation of the e-payment was scored accordingly. The index of 1 was assigned to each variable and the total index scored was compared with the expected index score of 8. If each of the variable scores the index of 1, this will produce a total score of $1+1+1+1+1+1+1+1= 8$, with a compliance percentage score of 100.

Decision rule:

The application of the decision rule is shown in the table below:

Table 1.1: Criteria for Grading Compliance Score in Percentage

| Compliance Index | Percentage Score (%) | Level of Compliance |
|------------------|----------------------|---------------------|
| If A/B × 100 is; | 0 ---25 | Weak Compliance |
| If A/B × 100 is; | 26 ---50 | Low Compliance |
| If A/B × 100 is; | 51 ---75 | Partial Compliance |
| If A/B × 100 is; | 76 --- 100 | Full Compliance |

Source: Adapted and modified from Kantudu (2005)

To determine the level of compliance with the e-payment circular in Modibbo Adama University of Technology, Yola, qualitative grading using Compliance index was applied. The payment sort and records of the selected institution issued to banks for 2009 — 2011 were used to determine the level of compliance of the provisions of the treasury circular Ref. No: TYR/A8 & B8/2008, dated 22nd October, 2008 was used to assess the level of compliance with the e-payment requirements in the selected institution. This method (qualitative grading) was adopted for its suitability in a research of this nature. Most compliance studies conducted in case-based research (CBR) especially in

accounting and finance are undertaken using qualitative grading as in the work of Zhang (2010), Shleifer and Vishny (1986), Ricardo (2011), Qian, (2010) and Maher and Anderson (2011).

An assessment of the level of compliance with the e-payment circular in Modibbo Adama University of Technology, Yola was made in terms of variables 1 to 8 and each variable was scored an index of 1. Such that $1+1+1+1+1+1+1+1 = 8$ is multiplied by 100% to determine the level of compliance. Table 1.2 below presents the analysis of the level of compliance with the e-payment circular in Modibbo Adama University of Technology, Yola.

Table 1.2: Analysis of level of compliance with e-payment circular for years 2009 — 2011.

| YEAR | Requirements of Treasury circular Ref. No: TYR/A8 & B8/2008, Dated 22 nd October, 2008 | | | | | | | | A (computed compliance index) | B (Expected compliance index) | A/B ×100 (%) |
|----------|------------------------------------------------------------------------------------------------------|----|----|----|-----|----|-----|----|----------------------------------------|----------------------------------------|--------------------|
| | V1 | V2 | V3 | V4 | V5 | V6 | V7 | V8 | | | |
| 2009 | 1 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 3 | 8 | 37.5 |
| 2010 | 1 | 1 | 0 | 1 | 1 | 1 | 1 | 0 | 6 | 8 | 75.0 |
| 2011 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 8 | 8 | 100 |
| Computed | 3 | 2 | 1 | 2 | 3 | 2 | 3 | 1 | | | |
| Expected | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | | | |
| A/B×100 | 100 | 67 | 33 | 67 | 100 | 67 | 100 | 33 | | | |

Source: Payment Sort Code and Records of Selected Institution (2009-2011)

Key to variables

V1: Making all Payments of Government funds through banks.

V2: Stopping the use of cheque in payments to contractors.

V3: All bank accounts should cease to be cheque accounts.

V4: Government contractors and payees should present bank accounts.

V5: Mandates containing details of payments issued to banks via sort codes.

V6: Forwarding of copies of mandates issued to banks to the OAGF.

V7: Payment of all employee entitlements through commercial banks.

V8: No collection of cash for disbursements to any Government Official.

It can be seen at the table above that the level of compliance differs from one year to another. In 2009, it shows that the selected institution had low compliance with 37.5% level as shown on the compliance index table 1.2 above for years 2009- 2011. In 2010, it had partial compliance with 75% level as shown on the compliance index table 1.2 above. However, in 2011, it shows a full compliance with 100% level as shown on the compliance index table 1.2.

Discussion of results and findings

In this section, analysis and interpretation of the data manipulated in section 3.0 above. In achieving the objective of the study, which seeks to examine the level of compliance with the e-payment in the Federal University of Technology, Yola (Modibbo-Adama University of Technology, Yola). On the overall, it can be seen in table 1.3 the institution moved through a progression of low to full compliance although with different percentage level between 2009 and 2011. In aggregate, the average results for the relevant years are presented in table 1.3 below in order to show the overall level of compliance.

Table 1.3: Summary and average level of compliance in the selected institution

| | |
|-----------------------------|---------------|
| Selected Institution | MAUTECH, Yola |
| Year 2009 | 37.5 |
| Year 2010 | 75.0 |
| Year 2011 | 100.0 |
| Total | 212.5 |
| Average | 70.8 |
| Overall level of compliance | Partial |

Source: Researcher's Design (2012)

Table 1.3 shows that the Modibbo Adama University of Technology, Yola had partial compliance with an average score of 70.8%. On the basis of the foregoing, this study points that the level of compliance varies from year to year, with a geometric progression sharply from low to partial and from partial to full compliance. This is evident in the result on table 1.3 which shows that on the average, the selected institution had partial compliance with a score of 70.8%.

Conclusion and policy implications

In conclusion of this paper, the research posits that the e-payment system is an effective instrument for fraud and financial control only if its provisions are fully complied with. Similarly, Nigerian public were skeptical and doubted the system for fear of the unknown and the remarkable history of insincerity of purpose on the part of government in policy implementation in Nigeria. In specific terms and also based on the analysis of responses generated from the questionnaires administered, personal interviews and secondary data generated from the study area, the researcher made the following specific findings:

That the level of compliance with the e-payment circular in Modibbo Adama University of Technology, Yola is partial with an aggregate score of 70.8% and the level of compliance varies from year to year, with a geometric progression sharply from low to partial and from partial to full compliance.

Recommendations were made that an administrative framework should be provided to enhance full compliance with the requirements of the treasury circular Ref. No: TYR/A8 & B8/2008, dated 22nd October, 2008 and also the adoption of the Integrated Payroll and Personnel Information System (IPPIS) in Universities and all other government parastatals. This can be done by assessing the level of compliance regularly,

with a work plan developed specifically for that purpose, through the services of independent consultants who are not in the employment of such organizations. In a similar vein, a complimentary unit can be re-enforced by establishing an e-payment compliance unit in the Bursary Department of all universities to enhance effective monitoring and supervision of the implementation of the circular and sanction should be applied to erring or defaulting institutions.

References:

- Akotia, A.Y. (1996). Collection and Accountability of Internal Revenue at State Government Level.
- B. Sc Accounting Project, Department Accounting, Bayero University, Kano Nigeria (Unpublished).
- Benjamin, G. (2003): The evolution of Electronic Payment, being a Master's Degree dissertation submitted to the Department of Electrical Engineering, University of Queens Land, Australia
- Charles, O and Aka-Udu, U.S (2005), financial impropriety in Nigerian governments: audit role in restoring public confidence, proceedings on third national conference on ethical issues in Accounting Department of Accounting, BUK, volume 3 (2004).
- Civil service department of London (1999), Internal Audit in Civil Service, Britchton Publishers, London constitution of the Federal Republic of Nigeria (1999) as amended, LFN, Federal Government printer, Lagos.
- Dandogo, K.I (2002), Auditing in Nigeria: A comprehensive text, Adamu Joji publishers, Kano.
- Dankwambo, I.H. (2009), Operational Guidelines for electronic payment of transactions in government, in: Tell Magazine, Abuja, January, 2009.
- Ekumankama D.U, (2002), Law, corruption and other Economic crimes in Nigeria today: problems and solutions, Aba, star paper mill limited.

- Gibbons, A.A (1999): Internal Audit and Value Creation in the Official Journal of the Institute of Chartered Accountants of Nigeria July September, 2000. Vol. 33 No. 3. Joanee Educational publishers Ltd, Onitsha.
- Kantudu, A. S. (2005): The impact of Auditors Reputation on compliance with statement of Accounting standards (SAS 8) on Employee Retirement benefits by listed firms in Nigeria, journal of social and management sciences, FSMS, Kano, Bayero University, Kano Volume 10, December, 2005.
- Lekwauwa, T.S.(2009): Promotion Made Simple (Questions and Answers), Lekwauwa Publishers, Umuahia, Abia state
- Maher, M. and Anderson, T., (2011), Corporate governance: Effects on firm performance and economic growth, Oxford University Press.
- Mainoma, M.A.M (2004), An Assessment of internal Audit as a tool for accountability of firms in Nigeria, proceedings on third national conference on Ethical Issues in Accounting, Department of Accounting, BUK, Volume 3 (2004).
- Mainoma, M.A.M (2010): Strategic implications of the New pension reform act and its benefits to The stakeholders. An unpublished paper presented at a public lecture, organized by NLC, Nasarawa state.
- Mohammad, A.M. (2009), Financial Management and Control: Joycee and Joycee Graphic printers, Kaduna.
- Mohammad, K.A. (2010), Structure of the Nigerian Economy (2002-2008), Muhammad, M.L (2004), Impact of internal audit on Accountability of Nigerian Organizations: Proceedings of Third National Conference on Ethical Issues in Accounting, Volume 2, Dept. of Accounting, BUK, Volume 3(2004), Gidan Dabino Publishers.
- Ojo, M. L. B. (2007):Forensic Auditing: A Tool In Local Government Financial Control, in the Journal of National Association of National accountant of Nigeria Vol. 10, No:3
- Qian, Y., (2010), Government control in corporate governance as a transitional institution: Lessons from Collapse Enron & Worldcom, Working Paper, University of Maryland.
- Ricardo, E.C. (2011) Report on Corporate Governance Issues in South Brazil. Carey cia. Ltda. Sao Paulo April
- Scott, N.D. (1995), Effective of revenue generation in public sector; A paper presented at the seminar on revenue mobilization, allocation and fiscal commission, February 1995.
- Shleifer, A. and R. Vishny (1986): Large Shareholders and Corporate Control. Journal of Political Economy No 94 pp461 - 488
- Tanko,M. (2004), An Assessment of Internal Audit Functions in Local Government Councils: A case of study of Kaduna State, Proceedings of Second National Conference on Ethical Issues in Accounting, Volume 2, Department

of Accounting, BUK, Gidan Dabino Publishers.

Tanko, M. (2005), Enhancing the Effectiveness of Journal Audit at Local Government level in Kano State in Bayero International Journal of Accounting Research vol.1, No.1 November, 2005.

Tijjani, B. (2005) an empirical assessment of the operational efficiency of electronic Banking in Nigeria, BIJAR, Dept. of accounting, BUK, Volume 1, number 2, May, 2005.

Thompson, S.S. (2004), impact of internal control on fraud/forgeries in Nigerian banks; proceedings Of the second national conference on ethical issues in accounting, Volume 2, Dept. of Accounting, BUK, Gidan Dabino Publishers.

Thompson, S.S. (2009), The benefits of flexible funding implications or pension reform in an Uncertain world" (ABCDE) pp: 373-391.

Umar, A.B., (2009), Strategies of converting fraud and thief as varieties of corruption in Nigeria, BIJAR, Dept. of accounting, BUK, Volume 1, number 2, May, 2009.

Zhang, W., (2010), China's SOEs reform: A corporate governance perspective, Working Paper, Institute of Business Research, Beijing University.