EFFECT OF INTEGRATED FINANCIAL SYSTEM ON PUBLIC EXPENDITURE OF SELECTED FEDERAL MINISTRIES, DEPARTMENTS AND AGENCIES (MDAS) IN EKITI STATE (2014-2023)

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Citations: Olugbamiye, D. O., Dominic, T. O., Solanke, F. T., Efuntade, O. O., & Efuntade, A. O. (2025). Effect of integrated financial system on public expenditure of selected federal ministries, departments and agencies (MDAs) in Ekiti State (2014–2023). *Fuoye Journal of Accounting and Management*, *8*(2).207-221

Abstract
This study examined the effect of integrated financial system on public expenditure of selected Federal Ministries, Departments and Agencies (MDAs) in Ekiti State. Specifically, this study assessed the effect of TSA adoption, IPPIS adoption and GIFMIS adoption on public expenditure in selected MDAs in Ekiti state. This study made use of multistage sampling technique to sample a total number of 200 respondents the study made use of correlation analysis as well as ANOVA regression analysis. Result showed that treasury single account has significant negative effect on public expenditure of MDAs while integrated payroll and personnel information system and integrated financial management information system exert significant positive effect on public expenditure. This study concluded that integrated financial

system has significant effect on public expenditure of MDAs in Nigeria. Hence, this study recommended that government should encourage and enhance information system training in order to facilitate adequate functioning and effectiveness of GIFMIS; Improve on the implementation of GIFMIS in order to enhance accountability and transparency in order to increase the amount of public expenditure executed in a fiscal year and enhance efficiency and effectiveness of treasury single account, integrated payroll and personnel information system and integrated financial management information system in order to ensure decrease in level of corruption
Keywords: *Integrated Financial System, Public Expenditure, MDA(s), Ekiti State*

JEL Classification: O34, M43, E22

1. Introduction

Every country has an Integrated Financial Systems. The region where these systems are more prevalent today is Latin America. In 2011, 45 percent of World Bank projects in Latin America involved a high proportion of information and communications technology (ICT) for financial management purposes; that is, 25 out of 55 projects (Dener, Watkins & Dorotinsky, 2011). Integrated financial system became necessary for countries especially in the public sector with the need for quality financial management among the ministries, departments and agencies. Public sector is well attributed with the financial management structure since its revenue generation and spending define priorities, actions and policies that facilitate efficient and effective delivery of responsibility (Oyinlola, Folajin & Balogun, 2017; Ezeifekwuaba, 2018). However, in recent time the role of government in providing services and securing means of services for enhancing growth and development become increasingly leading to wider and diverse ministries, department and agencies as well as portfolios (World Bank, 2008). As a result, government of most nations provides means of consolidating financial operations of ministries, departments and agencies driving the public affairs of the state or nation (Mohammad & Mohammad, 2016).

With an integrated financial system promoting accumulation, interaction and interrelation of financial related activities of the several existing public offices, it is expected that leakages and fraudulent practices will be reduced, if not eliminated. According to Enofe, Afiangbe & Agha, 2017), integrated financial system focused on reducing the tendency of corruption among public officers by ensuring full disclosure of financial and accounting operations, items and numbers. This is because it is formulated and established mainly for the purpose of ensuring single guide and procedure for financial discipline, operational and allocation efficiency, which reduces diversion of public funds to private uses. An integrated financial system facilitates technical skills and capacity of financial units of MDAs to operate within a common structure which enhances government control of expenditure relative to the budget plan (Kinyua, 2003 cited in Mohammad & Mohammad, 2017). In the word of Winfred, Kareyo and Mbabazi (2018) integrated financial system provides avenue for compatibility and consistency in fiscal and financial information that reduce government spending on financial and accounting system for each ministries, department and agencies, strengthen government financial control, and decision making.

The government had consistently experienced misappropriation of funds and lacks appropriate control mechanisms in Public Financial Management (PFM) of funds which leads to poor service delivery and overspending. Despite existence of manual based control systems, lack

of accountability in government expenditure has been a concern to the general public and international institutions such as World Bank and IMF (Kinyua, 2003). As noted by Onuorah & Appah (2012), multiple accounts were owned by various ministries, departments and agencies which opened opportunity for diverting public treasury into private use, thereby causing low actual public expenditure in one hand, and the evidence of this expenditure in the community on the other hand. Apart from this, public expenditure is often seen in written with little evidence in terms of utilization to prove the expenditure due to wrong practices such as presence of ghost workers on public payroll, falsification of financial document, embezzlement and other forms of financial malpractices. There are occasion whereby dead workers remain on payroll because the dead family failed to submit appropriate death certificate to reflect the death of their person, or administrative staff failed to do proper documentation to their own advantage, hence, causing government to spend on service not provided and increasing spending at the same time. There is also the case of non-public workers on public payroll.

As a move against wasteful and inappropriate spending in Nigeria public sector, the present administration led by President Buhari recommended the implementation of IPPIS, TSA and GIFIMS among others (Onukelobi & Okoye, 2019). For instance, the integrated financial information system enhances provision and communication of collective information and data on a computerized framework. This facilitates complete financial reporting that ensure increased capacity to track loopholes and leakages in government expenditure and resources efficiently (Effion, Oro, Ogar, Imong, Jacob & Iroushu, 2017). It also enhances timely, adequate and reliable information and data for decision making which can ensure efficiency and effectiveness in government expenditure (Dorotinsky & Watkins, 2013).

The broad objective of this study is to examine the effect of integrated financial system on public expenditure of selected Ministries, Departments and Agencies (MDAs) in Ekiti state. The specific objectives on the other hand include the following:

i. Assess the effect of TSA adoption on public expenditure in selected MDAs in Ekiti state
ii. Evaluate the effect of IPPIS adoption on public expenditure in selected MDAs in Ekiti state
iii. Investigate the effect of GIFMIS adoption on public expenditure in selected MDAS in Ekiti state

The study covered public officers of finance and account unit of federal government MDAs in Ekiti state. It will also assess TSA, IPPIS and GIFMIS adoption and the effect on public expenditure of MDAs. Primary data will be used in gathering information for this study. The study is relevant in that it provided better understanding on the importance of integrated financial system through the effect of various forms of integrated systems such as IPPIS, TSA and GIFMIS on public expenditure. The study is also expected to be a means of encouraging proper and adequate implementation of these systems among public officers to facilitate financial operations of government to meet fiscal requirement.

This study comprised five chapters. Chapter one contained the introductory aspect, background to the study, statement of the problem, objectives of the study, scope of the study. While subsequent session focused on review of relevant literature covering conceptual framework, theoretical framework and empirical studies relevant to the research work, gap identification, research questions, and research hypotheses followed by data and method, data analysis and discussion of findings and finally, conclusion and recommendations.

2 Literature Review and Hypotheses Development

2.1 Conceptual Review

2.1.1 Integrated Financial System

It is a system developed to increase the institutional capacity essential to monitor aggregate government expenditures and reconcile with revenue trends (International Budget Project, 2010). The integration of the information processing and management in a system is perceived as a useful technique of processing and maintaining data, controlling and communicating useful information in the manner that is needed (Goll, 2003).

It is a form of system in which all financial operations are automatically received and transmitted across different ministries, agencies and departments. Integrated financial system is information technology based budgeting and accounting system that manages spending, payment processing, budgeting and reporting for government. It can also be described as a computerized system that connect all accounting data of transactions related to cash collection and payment in one window and linked with budgeting estimation. This means that for each level of government, federal, state and local government there is a system that combines the financial operation of their ministries, department and agencies.

2.1.2 Treasury Single Account

Oti, Igheng and Obim (2016) described treasury single account as a system in which all government receipt and payment are collected in one single account oversee by the Central Bank. Onukelobi and Okoye (2019) also defined treasury single account as public accounting system in which multiple account are combined to one account. Nelson, Adeoye and Ogah, (2015) termed treasury single account as an account that collates the balances of all the ministries, departments and agencies of the government, by providing an intermediate account for every MDA that holds the total of the expenditures and receipts. The Central Bank of Nigeria (2016), defined treasury single account as the operation of a unified structure of government bank accounts in which a single account controls set of linked accounts for all government payment and receipts. This means that TSA is a policy in which government consolidates its accounts in such way and manner that all transaction of receipts and payments are transacted from the consolidated account to the set of linked accounts.

2.1.3 Integrated Payroll and Personnel Information System

Integrated Payroll and Personnel Information System is a centralized computer based payroll and management system for human resources established to eliminate payroll fraud (Omolehinwa & Naiyeju, 2015; Onukelobi & Okoye, 2019). Enakirerhi and Temile (2017) also described Integrated Payroll and Personnel Information System as one of the government strategic implementation to digitalize the manual based and files system marred with corruption, inefficiency and inaccuracy of the number of personnel in the public service. As pointed out by IPPIS department (2015), implementation of IPPIS

had saved the Federal government of Nigeria billions of naira between 2007 and the time of the report, as a result of differences on the personal budget and the Actual amount paid by IPPIS for the MDAs. In 2013, the Federal Ministry of Finance took cognizance of the fact that IPPIS has efficiently improved personnel cost planning and budgeting since it is based on actual verifiable targets rather than estimated figures. Consequently, it has broadened employment opportunities, reduced corruption in publicly owned establishments and reduced personnel costs.

2.1.4 Government Integrated Financial Management Information System

Generally, financial information systems as information systems that are affected by the financial and track events and summarize the information that supports good management reports and politicized decisions in addition to the fiduciary responsibilities and the preparation of financial statements for reviewing (Aldlahmh, 2007). Dorotinsky (2003) defined financial information system as an information system which track financial event and summarize financial information. Financial information system facilitates adequate financial reporting, decision making, fiduciary responsibilities and preparation of financial statement. Financial information management can also be describe as an automated system of public financial processes from budgeting (preparation and execution) to accounting and reporting that enhance financial management decision (Lianzuala & Khawlhring, 2008; Hendriks, 2012).

Government Integrated Financial Management Information System is a tool that combines all financial management of government into one suite of application. It is an Information Technology (IT) based budgeting and accounting system designed to assist the government entities on how to plan budget requests, spend their budgets, manage and report on their financial activities, and deliver services to the public more efficiently, effectively and economically. Integrated Financial Information system was introduced in 1993 as a result of the survey study of public accounting carried out by the International Monetary Fund (Oyinlola, Folajin & Balogun, 2017). The IFMIS was designed in order to computerize accounting and auditing so as to facilitate accurate and reliable financial statements; to monitor fiscal deficit; to forecast flow of cash; to manage public debt and to achieve effective financial controls (Kinyua, 2003).

A well-Integrated Financial Management Information System will support government financial policy decisions. It will also integrate budget and budget execution data, allowing greater financial control and reducing opportunities for discretion in the use of public funds. This system will provide information for budget planning, analysis and government wide reporting. It also facilitates preparation of financial statements and provide a complete audit trail in order to facilitate audits (Research Journal of Finance and Accounting, 2014).

2.1.5 Public Expenditure

Public expenditure is the amount incurred by the government whether federal, state and local government through its associated ministries, department and agencies for the provision of goods and services as well as maintenance in the economy, society or community (Gutak & Ogboru, 2017). Taiwo, (2012) also described public expenditure as a fiscal instrument through which government carried out its fiscal responsibility of influencing economic variables through public consumption and investment in the economy. In this regard public expenditure refers to the purchase of goods and services, which includes public consumption and investment, and transfer payment (income transfer such as pension and social benefit as well as capital transfer).

Public expenditure can also be referred to as the amount that government spends towards the supply of goods and services that are not provided by the private sector but are important for the nation's welfare. In Nigeria, the federal government's expenditures are broadly divided into capital and recurrent expenditure. The recurrent expenditure consist of public expenditure on goods and services that is consumable within a fiscal year or on administration such as wages, salaries, pension, subsidies, interest on loans, maintenances etc. Capital expenditure on the other hand refers to expenditure of government on the payment on projects for development of roads, airport, health, education, electricity generation, telecommunication, water etc. it can also be referred to as amount incurred by government on acquisition of fixed asset such as land and investment in intangible asset among others.

2.2 Theoretical Review

2.2.1 Diffusion of Innovation Theory

Diffusion Innovation Theory was propounded by Everett M. Rogers in 1962. The theory originated in communication and explained how an idea or product gains momentum and spread through a specified system for which it is designed or produced. The theory recognized that the end of result diffusion is that people, as part of a social system, adopt a new idea, behavior, or product. Adoption means that a person does something differently than what they had previously (i.e., purchase or use a new product, acquire and perform a new behavior, etc.). The theory also noted that the key to adoption is that the person must perceive the idea, behavior, or product as new or innovative. It is through this that diffusion is possible. Hence, when promoting an innovation to a target population, it is important to understand the characteristics of the target population that will help or hinder adoption of the innovation.

2.2.2 Institutional Theory

The theory was propounded by Meyer and Rowan (1977) and Dimaggio and Powell (1983) who assumes that organizations adopt structures and management practices that are considered legitimate by other organizations in their field, regardless of their actual usefulness. Legitimated structures or practices can be transmitted to organization in a field through tradition (organization imprinting or founding), through imitation, by coercion and through normative pressure. Other scholars such as Palmer, Jennings and Zhou (1993), Scott (1987) and Covalski and Dirsmith (1988) viewed Institutional theory base on the premise that organizations respond to pressures from their institutional environments and adopt structures and procedures that are socially acceptable as being appropriate organizational choice. Meyer and Rowan (1977) argue that institutional techniques are not based on efficiency but used to establish as appropriate, rational, and modern. They are said to be used to display responsibility and avoid claims of negligence. According to Dimaggio and Powell (1983) governments often have ambitious goals and unreliable performance measures and as such resort to legitimacy rituals to demonstrate social and economic responsibilities.

2.3 Empirical Review

Ndzovu and Ng'ang'a (2019) investigated effect of integrated financial management information system on financial performance of county government of Kwale. The study specifically examined the influence of electronic budgeting, automated cash management, electronic procurement and automated financial reporting on financial performance of government. The study involved data collected from one hundred and thirty seven respondents which were analyzed using Chi square, spearman correlation and linear regression analysis. Result indicated that automated financial reporting, electronic budgeting, electronic procurement, and automated cash management had positive and significant effect on financial

performance of the county. The result also indicated that implementation of integrated financial management information system is substantial enough to enhance financial performance. Therefore, the study recommended that government should ensure adequate execution of integrated financial management information system in order to prevent financial management problems in the county.

Winfred, Kareyo and Mbabazi (2018) assessed integrated financial management information systems success factors in selected local government of Kanungu and Rutungi. The study used data collected through interview from eighty three respondents and analyzed data using descriptive statistics. Result of the study indicated that information quality, organizational, technology, user, system and service quality factors contribute significantly to the success of GIFMIS. Therefore, the study recommended among others that government encourage and enhance information system training in order to facilitate adequate functioning and effectiveness of GIFMIS.

Mohammad and Mohammad (2016) investigated role of government financial management information system on the effectiveness of government budgeting in Jordan. The study employed data collected through questionnaire from one hundred and forty eight respondents and analyzed data with descriptive statistics and one sample t-test. Result indicated that GIFMIS has significant effect on budget preparation, approval and execution. Therefore, the study concluded that GIFMIS significantly contribute to the effectiveness of government budgeting in Jordan. As such, the study recommended among others that government should improve on the implementation of GIFMIS in order to enhance accountability and transparency for a better budgeting.

Cheruiyot and Miroga (2021) examined the effect of integrated financial information system on public expenditure in Nakuru county. The study specifically assessed re-engineering reform of the system on government expenditure. The study used data collected from seventy three government employees and analyzed with ANOVA which indicated that the reform has direct significant impact on public expenditure. Result also showed that public financial management positively influences government expenditure. Hence, the study recommended among others that government should endeavor to enhance integrated financial management information system in order to facilitate accuracy and timeliness in financial reporting.

Muwema and Phiri (2020) investigated impact of integrated financial management system on procurement process in developing countries. The study specifically examined the effect of integrated financial management system on transparency, financial leakage and accountability using data collected from seventy five respondents in Ministry of finance, work and supply as well as anti-corruption agencies. Data were analyzed with ANOVA which indicated that integrated financial management system has negative relationship with transparency and accountability as well as positive relationship with financial leakages. Therefore, the study concluded that integrated financial management system has not promotes transparency and accountability neither had it help reduce financial leakage. Hence, the study recommended that there is need for restructuring integrated financial management system in order to enhance its effectiveness in attaining financial management objectives.

In a regression analysis Effiong, Oro, Orga, Imong, Etop and Rim (2017) examined effect of the implementation of treasury single account, integration of personnel payroll and information system as well as integration of financial management information system on fraud management of public sector in Nigeria. The study engaged data derived from questionnaire distributed to one hundred staff respondents in Ministry of staff and evaluated data using ANOVA method. Result of the study then

revealed that the three explanatory variables had positive effect on fraud management. Hence, the study concluded that government should enhance technological training among staff in order to promote efficiency and effectiveness implementation of treasury single account, integration of personnel payroll and information system as well as integration of financial management information system.

Kanu, Obi and Akuwudike (2021) assessed impact of public sector financial management on the economic growth of Nigeria. The study used data of the year 2015-2019 and analyzed data using Johansen co-integration approach. The study engaged real gross domestic product as dependent variable with capital and recurrent expenditure from admin, economic, social and community sectors and transfer as explanatory variable. Result showed that government spending is more of salaries and personnel emolument (recurrent expenditure) than on provision of infrastructure (capital expenditure) which can enhance growth. Result also indicated that recurrent expenditure on economic activities and real gross domestic product has positive connection and that capital expenditure on administrative sector and transfer has positive association with economic growth. Hence, the study recommended among others that government should focus spending on sectors that are substantial enough to enhance economic growth in the country.

Ndubuaka, Ohaegbu and Nina (2017) investigated the impact of treasury single account on the performance of the banking sector in Nigeria. The study specifically analyzed the impact of federal government deposit on Credit to the Private Sector, Deposit mobilization and Loans and Advances. The study employed secondary data over the period 2010-2015. The study analyzed data using correlation and regression analysis. The study discovered that Federal Government Deposit has a positive relationship with Credit to the Private Sector, Deposit Mobilization and Loans and Advances. Therefore, the study concluded that treasury single account will reduce the performance of banks in Nigeria. Thus, the study recommended that banks should avoid over-reliance of government funds and source for funds from other sectors of the economy.

Ofurum, Oyibo and Ahuche (2018) evaluated the impact of treasury single account on government revenue and economic growth in Nigeria. Basically, the study examined the impact of TSA on federally collected revenue and gross domestic product of the economy. The study employed data over the period Q3-2013 to Q2-2017. The study analyzed data using paired sample t-test. The study discovered that Treasury Single Account has a Negative and significant impact on Federally Collected Revenue while TSA has a positive and significant impact on the country's economic growth. Therefore, the study concluded that implementation of Treasury Single Account has improved economic growth but revenue generation has not been improved in Nigeria. thus, the study recommended that appraisal of each revenue generating sector should be made periodically so that some sectors that are not performing as they ought to will not feel covered by those that are doing better.

Enofe, Afiange and Agha (2017) explore effect of financial management reform on corruption in Nigeria. The study specifically examined the influence of international public sector accounting standard, treasury single account, integrated payroll and personnel information system, and government integrated information management system on corruption using data collected through questionnaire from ninety staff of Federal, state and local MDAs in Edo state. Data were analyzed with ANOVA which indicated that international public sector accounting standard, and personnel information system, and government integrated information management system had positive relationship with corruption. Result on the other

hand showed that treasury single account, integrated payroll has negative relationship with corruption. Therefore, the study recommended that government should enhance efficiency and effectiveness of treasury single account, integrated payroll in order to ensure decrease in level of corruption.

Effiong and Obun (2020) investigated connection between treasury single account and economic growth in Nigeria. The study notably analyzed impact of non-oil revenue, ministries-based revenue generation, employment generation and standard of living using data of the period 2013-2018. Data were thereafter analyzed with ordinary least square which indicated that treasury single account had negative effect on revenue generation and per capita income. Result also indicated that treasury single account had negative effect on gross domestic product. Hence, the study concluded that treasury single account has mixed effect on economic growth in Nigeria. As such, the study recommended that there is need to enhance revenue generating capacity to meet the ever increasing government expenditure.

However, this study discovered that some of these previous empirical research works were done outside Nigeria and most focused on one forms of integrated financial system and did not cover ministries, departments and agencies in Ekiti state. Hence, this study examines the effect of integrated financial system on public expenditure of selected federal ministries, departments and agencies in Ekiti state.

Based on this, the following hypotheses will be tested: ***H_{01}:*** TSA adoption has no significant effect on public expenditure in selected MDAs in Ekiti state; ***H_{02}:*** IPPIS adoption has no significant effect on public expenditure in selected MDAs in Ekiti state; ***H_{03}:*** GIFMIS adoption has no significant effect on public expenditure in selected MDAs in Ekiti state

3. Data and Methods

The population of this study covered all the federal ministries, department and agencies (MDAs) across the sixteen local government areas of Ekiti state. This study made use of multistage sampling technique in which at the first stage a total 10 MDAs was purposively sampled across the state, while at the second stage 20 respondents was randomly sampled from finance, accounting and audit departments of the MDAs selected in stage 1. Thus, this study administered a total number of 200 questionnaires.

3.1 Model Specification

This study modified the model in the work of Oyinlola, Folajin and Balogun (2017) which was originally stated as:

$\hat{Y} = \mathbf{a + b1X1 + b2X2 + b3X3 + b4X4 + \varepsilon}$;

Where; $\hat{Y}$ = change in GIFMIS performance, a = Public finance, X_1=Financial reporting
X_2= Budgeting, X_3= Internal control, X_4= Government projects
b1,2,3,4= Slopes associated with X1, X2, X3 and X4 respectively
ε = standard error

However, the model adopted in this study is presented both in functional and linear forms below:

PE= f(TSA, IPPIS, GIFMIS)

$$PE = \alpha_0 + \alpha_1 TSA + \alpha_2 IPPIS + \alpha_3 GIFMIS + U$$

Where:

PE=Public expenditure
TSA= Treasury Single Account
IPPIS= Integrated Payroll and Personnel Information System
GIFMIS= Integrated Financial Management Information System

U=Stochastic Error Term

***A-priori* Expectation**

The *a-prior* expectation is that all explanatory variables are expected to exert positive impact on the dependent variable

S/N	VARIABLES	EXPECTED SIGN
1	Treasury single account	Positive (+ve)
2	Integrated payroll and personnel information system	Positive (+ve)
3	Integrated Financial management information system	Positive (+ve)

Method of Data Analysis

This study used both descriptive and inferential methods of analyses. Descriptive analysis will be used to describe the bio data of respondents that will sampled in the study as well as answer the research question. On the other hand inferential methods of analysis will be used to analyze research hypotheses raised in the study. Specifically this study will make use of percentage and frequency count analysis, correlation analysis as well as ANOVA regression analysis.

4.0 Data analysis and Discussion of Findings

4.1 Correlation Analysis

Table 1: Correlation Matrix

	PE	TSA	IPPIS	GIFMIS
PE	1.000000			
TSA	0.185896	1.000000		
IPPIS	0.749289	0.115343	1.000000	
GIFMIS	0.396944	0.844033	0.117309	1.000000

Source: *Researcher's Computation, (2021)*

Table 1 presents correlation matrix of the coefficients of relationship between the pairs of variables employed in the study. Result shows coefficient of 0.185896 for PE and TSA which indicates that there exist positive relationship between treasury single account and public expenditure. This implies that public expenditure and treasury single account moves in same direction. Result also reveals coefficient of 0.749289 for PE and IPPIS depicts strong positive connection between public expenditure and integrated payroll and personnel information system. This implies that public expenditure and integrated payroll and personnel information system moves in same direction. Result in addition shows coefficient of 0.396944 for PE and GIFMIS which indicates that positive connection between public expenditure and integrated financial management information system. This implies that public expenditure and integrated payroll and personnel information system moves in same direction. Result further reveals coefficients of 0.115343 for TSA and IPPIS as well as 0.844033 for TSA and GIFMIS which indicate that treasury single account has positive relationship with integrated payroll and personnel information system and integrated financial management information system. This indicates that treasury single account moves in same direction with public expenditure and integrated financial management information system. Furthermore, result shows coefficient of 0.39644 for PE and GIFMIS which reveals

that which indicates positive relationship between integrated payroll and personnel information system and integrated financial management information system. This implies that integrated payroll and personnel information system and integrated financial management information system moves in same direction.

4.2 Regression Analysis

Table 2: Regression Estimation Result
Dependent Variable: PE

Variable	Coefficient	Std Error	t-statistics	Prob.
C	1.921366	3.614686		0.6006
TSA	-0.506096	0.184757	-2.739250	0.0123
IPPIS	0.701130	0.107149	6.543509	0.0000
GIFMIS	0.697024	0.181522	3.839688	0.0010

Researcher's Compilation 2021
R-Squared=0.74823
Adjusted R-Square=0.712267
F-statistics=20.80358
Prob (F-statistics)= 0.000002

This section presents the analysis in an attempt to evaluate the effect of integrated financial management on public expenditure of MDAs in Ekiti state. The result of the estimated regression analysis presented in the table reveals statistics including the coefficient estimate, standard error, t-statistics as well as probability values corresponding to each of the parameter estimates. Evaluation of the result was done at 5 percent level of significance.

Table 2 presents coefficients of -0.506096, 0.701130 and 0.697024 for treasury single account, integrated payroll and personnel information system and government integrated financial management information system. This shows that treasury single account has negative effect on public expenditure of MDAs while integrated payroll and personnel information system and integrated financial management information system exert positive effect on public expenditure.

Also, probability values of 0.0123 ($p < 0.05$), 0.0000 ($p < 0.05$) and 0.0010 ($p < 0.05$) for treasury single account, integrated payroll and personnel information system and integrated financial management information system indicates that treasury single account, integrated payroll and personnel information system and integrated financial management information system have significant effect on public expenditure.

R-square value reported in table 4.2 stood at 0.748234 which connotes that about 74.82% of the systematic variation in public expenditure can be explained by variation in treasury single account, integrated payroll and personnel information system and integrated financial management information system while the remaining 5.18% can be explained by the stochastic error term.

Discussion

Result showed that adoption of treasury single account can reduce the public expenditure of MDAs. This is in line with the finding of Amaefuele and Barigbon (2019) which showed that treasury single account

has negative influence on capital expenditure of government in Nigeria. This refutes the findings of Ofurum, Oyibo and Ahuche (2018) which stated that treasury single account has positive effect on economic growth as well as that of Adebayo, Akinleye and Ogunmakin (2020) which showed that treasury single account has positive effect on government expenditure in Nigeria. The implication of this study however, is that treasury single account adoption among ministries, departments and agencies reduces the tendency for diversion of public fund for private use by ensuring that daily payments and receipts are well recorded and reported. This is because it does not give room for any opportunity to include unnecessary spending in the projected expenditure of the government, hence reducing expenditure responsibility of the government.

Result also revealed that adoption of integrated payroll and personnel information system increases public expenditure of MDAs. This is in consonance with the finding of Effiong, Oro, Orga, Etop and Rim (2017) that integrated payroll and personnel information system exerted positive influence on fraud management. The result is also in line with the finding of Iheduru and Amafule (2014) which indicated that installation and activation of integrated payroll and personnel information system in the structure of public sector operation contribute significantly to corruption control in Nigeria. Result in addition supports the findings of Enofe, Afiange and Agha (2017) which showed that integrated payroll and personnel information system have positive effect on corruption control in Nigeria.

Result in addition showed that adoption of integrated financial information system has positive effect on public expenditure. This is in line with the findings of Cheruiyot and Miroga (2021) which stated that integrated financial information system influences directly government expenditure. Ndzovu and Ng'ang'a (2019) which stated that integrated financial management information system has positive significant effect on financial performance of county government of Kwale. The result also supported the finding of Mohammad and Mohammad (2016) which reflected that integrated financial management information system enhances budget execution in Jordan.

5. Conclusion and Recommendations

In line with the findings aforementioned, this study concluded that integrated financial system has significant effect on public expenditure of MDAs in Ekiti state. This implies that integrated financial system is a substantial means of explaining the behavior of public expenditure of ministries, departments and agencies. This means that integrated financial system can be an effective instrument for addressing public expenditure related problems such as lack of accountability and transparency, corruption and fraudulent practices as well as low budget implementation among MDAs. This is in line with Enofe, Afiange and Agha (2017) which concluded that financial management reform has significant relationship with corruption in Nigeria. This study recommended that government should encourage and enhance information system training in order to facilitate adequate functioning and effectiveness of GIFMIS; Improve on the implementation of GIFMIS to enhance accountability and transparency in order to increase the amount of public expenditure executed in a fiscal year and enhance efficiency and effectiveness of treasury single account, integrated payroll and personnel information system and integrated financial management information system in order to ensure decrease in level of corruption. In addition, government should organize enlightenment programme among the public officials in order to enhance the benefit of treasury single account.

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