EFFECT OF SINGLE TREASURY ACCOUNT ON CASH MANAGEMENT IN AHMADU BELLO UNIVERSITY, ZARIA

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Abstract

The Treasury Single Account (TSA) is a public financial management reform introduced to consolidate government cash resources, strengthen financial control, improve transparency and enhance the efficiency of public funds management. In Nigeria, the reform was introduced to address weaknesses associated with fragmented government banking arrangements, including idle cash balances, revenue leakages and inadequate visibility of government cash positions. This seminar paper examines the effect of Treasury Single Account on cash-management efficiency in Ahmadu Bello University, Zaria. The study adopted a descriptive survey design. Data were obtained from respondents drawn from the Bursary, Institutes, Centers and Faculties of the University. Descriptive statistics and simple linear regression were employed for data analysis. The descriptive findings show that 182 respondents, representing 25%, agreed that TSA has significantly improved the efficiency of cash-flow management in Ahmadu Bello University, Zaria. Thus, 82% of the respondents expressed a favorable opinion. The regression results further revealed a statistically significant positive effect of TSA on cash-management efficiency, with $R = .342$, $R^2 = .118$, $\beta = .342$, $T = 5.666$, and $p < .001$. The regression model was also statistically significant, $F91,302) = 32.098$, $P < .001$. The study therefore rejects the null hypothesis that TSA has no significant effect on cashmanagement efficiency in Ahmadu Bello University, Zaria. However, the R^2 value indicates that TSA explains only 11.8% of the variation in cashmanagement efficiency, suggesting that other institutional and administrative factors also contribute substantially to effective cash management. The paper concludes that TSA has contributed positively to cash management at ABU, but its effectiveness can be strengthened through improved cash-flow forecasting, electronic payment infrastructure, staff training, internal controls and regular reconciliation of accounts.

Keywords: Treasury Single Account, cash management, public financial management, financial control

Introduction

The management of public financial resources is an important component of effective public administration. Before the widespread implementation of the Treasury Single Account (TSA) in Nigeria, ministries, departments and agencies maintained numerous bank accounts with commercial banks. These fragmented arrangements made it difficult for government to determine its overall cash position because surplus balances could exist in some accounts while government simultaneously borrowed money to finance expenditure elsewhere. The central Bank of Nigeria (CBN0 reported that fragmented public sector banking arrangements weakened effective cash management and financial control. Consequently, the Federal Ministry of Finance, the Office of the Accountant General of the Federation and the CBN introduced the TSA pilot in 2012 as part of broader public financial management reforms.

The policy subsequently became an important component of Nigeria's public financial management reforms. Its underlying principle is that government resources should be consolidated so that the government can determine its aggregate cash position and make better decisions concerning expenditure and financing.Imandojemu (2016) argues that full implementation of TSA can contribute to more efficient utilization of public resources and strengthen the management of government finances. The policy has implications for federal universities because universities receive public funding while also generating revenue from sources such as fees, consultancy, training, accommodation, research activities and other services. TSA therefore provides a mechanism for ensuring that these funds are brought within a structured financial control system.

Cash management refers to the processes through which an organization plans, collects, safeguards, controls and utilize its cash resources. In a public university, cash management involves ensuring that sufficient funds are available when required while minimizing idle funds and unnecessary financing cost. It includes cash-flow forecasting, revenue collection, payment processing, disbursement, monitoring, reconciliation and internal control.

Effective cash management is an important component of public financial management because the availability and proper timing of cash determine an institution's capacity to meet its financial obligations. For a public university, cash management involves the planning, collection, custody,

control and disbursement of funds required to support teaching, research, staff remuneration, infrastructure, procurement and other institutional activities. Weak cash management can result in idle balances, revenue leakages, delayed payments and inefficient utilization of scarce public resources.

In Nigeria, the management of public cash underwent significant reform with the introduction of the Treasury Single Account (TSA). The Central Bank of Nigeria (CBN) explains that the TSA initiative was introduced to address the problems created by fragmented government banking arrangements and to improve government cash management and control. The pilot phase commenced in 2012, with the reform aimed at consolidating government cash balances and improving cash-flow management (Central Bank of Nigeria (CBN), 2012). The TSA can generally be understood as a unified structure of government bank accounts through which government receipts and payments are managed under the oversight of the treasury. Its major objectives include effective cash management, ensuring cash availability, improving transparency and accountability, minimizing the cost of domestic borrowing, optimizing idle cash and reducing the inefficiencies associated with multiple government bank accounts (CBN, 2016).

Several empirical studies have examined TSA and financial management in Nigeria. Benjamin, Adanma and Jane (2020) examined the effect of TSA implementation on the financial performance of commercial banks in Nigeria. The study used secondary data from selected commercial banks covering the period 2913-2017 and employed regression analysis. The findings showed that TSA related changes in customers' deposits significantly affected selected indicators of bank financial performance. The study, however, focused on commercial banks rather than university cash management. Nwaorgu and Ezenwaka (2017) examined TSA and accountability in the Nigerian public sector using a descriptive survey design. The study relied on content analysis and concluded that TSA strengthened centralized and accountable revenue management by improving aggregate control over government cash balance.

Oguntodu et al. (2016) investigated TSA and the Nigerian economy using secondary data and an OLS estimator. Their findings suggested a positive relationship between TSA and economic growth, although the authors noted limitations associated with the relatively recent

implementation of TSA. Yusuf (2016) examined the effect of TSA on public financial management in Nigeria using primary and secondary data. The study found that TSA could contribute to plugging financial loopholes and promoting transparency and accountability.

This indicates that previous studies generally associate TSA with improved financial control, accountability and transparency. However, there is a need for further evidence concerning the specific effect of TSA on cash-management efficiency within a federal university. This study therefore focuses on Ahmadu Bello University, Zaria.

Ahmadu Bello University (ABU), Zaria, as a federal university, operates within Nigeria's public financial management framework. The University's financial arrangements include TSA structures through which specified categories of revenue and funds are managed. The source document indicates, for example, that grants receivable by the University are paid into TSA subaccounts and that certain university services are paid for through the University's TSA arrangements. (ABU, 2025).

The relevance of TSA to ABU therefore goes beyond the mere location of funds in a particular account. It affects how revenue is collected, recorded, monitored, allocated and disbursed. It also has implications for financial accountability, cash-flow management, institutional efficiency and operational flexibility. This seminar paper therefore examines the effect of TSA on cashmanagement efficiency in ABU, Zaria.

Statement of the Problem

The introduction of TSA in Nigeria was intended to improve public financial management by consolidating government cash resources, strengthening financial control, improving transparency and reducing revenue leakages. However, the centralization of government funds may also create operational challenges for public institutions, particularly where access to funds, payment processing and administrative procedures are not sufficiently efficient.

In a university environment, effective cash management is necessary for the timely payment of salaries, procurement of goods and services, implementation of research activities, maintenance of facilities and execution of development projects. Delays in financial processing, inadequate electronic infrastructure, weak reconciliation mechanisms, inadequate

staff capacity and excessive administrative procedures may undermine the effectiveness of cash management even where TSA provides a centralized financial control framework.

The problem addressed by this study is therefore whether the implementation and operations of TSA have significantly affected cash management efficiency in ABU, Zaria.

Objective of the Study

The objective of the study sought to: examine the effect of Treasury Single Account on cash-management efficiency in Ahmadu Bello University, Zaria.

Research Question

The study sought to answer the following question:

What is the effect of Treasury Single Account on cash-management efficiency in Ahmadu Bello University, Zaria?

Hypothesis

The following null hypothesis was formulated and tested at 0.05 level of significance:

H_0: Treasury Single Account has no significant effect on cash-management efficiency in Ahmadu Bello University, Zaria.

Methodology

The study adopted a descriptive survey research design because the empirical data were obtained from respondents' views on the effect of Treasury Single Account (TSA) on cash-management efficiency in ABU, Zaria. The study was conducted at ABU, Zaria, a federal university operating within Nigeria_s public financial management framework. The respondents were drawn from the Bursary, Institutes, Centers and Faculties of the University. A total of 322 respondents were reported in the descriptive analysis, comprising 13 respondents from Bursary, 59 from institutes, 49 from Centers and 201 from faculties. Heterogeneous purposive sampling technique for the selection of the respondents in this study. The study used

structured questionnaire with five response categories: Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. The questionnaire was used to obtain respondents' view regarding the extent to which TSA has influenced cash-flow management efficiency in the University. 322 questionnaires were distributed but only 304 were returned. The instrument was validated by an experts and its reliability index was established as .89 using Cronbach's formula. Data collected were analyzed using frequency counts and percentages to answer the research question, while simple linear regression was employed to test the hypothesis at the 0.05 level of significance. The regression model was specified as $CM = \alpha + \beta TSA + €$, where CM represents cash-management efficiency, TSA represents Treasury Single Account operations, α is the constant, β is the regression coefficient and € represents the error term. The regression analysis also considered the assumptions of normality, linearity and independence of residuals. The reported Durbin-Watson value of 1.531 indicated that the independence of residuals was not considered to be violated. The decision rule was to reject the null hypothesis where the probability value was less than
0.05.

Result

Table 1: Respondents' opinions on whether TSA has improved cash-flow management efficiency.

UNITS	Strongly Agree (%)	Agree (%)	Strongly Disagree (%)	Disagree (%)	Undecided (%)	Total
Bursary	7	4	2	-	-	13
Institutes	36	10	4	7	2	59
Centres	14	16	9	5	5	49
Faculties	125	51	12	8	5	201
Total	182 57%	80 25%	27 8%	20 6%	12 4%	322 100%

Source; Field survey, 2026

The results in table 1 indicates that 182 respondents, representing 57%, strongly agreed that TSA has significantly improved cash-flow management efficiency in Ahmadu Bello University, Zaria. Similarly, 80 respondents, representing 25%, agreed with the

statement. Therefore, 262 respondents, representing 82%, expressed a favorable opinion that TSA has improved cash-flow management efficiency. On the other hand, 27 respondents, representing 8% strongly disagreed, while 20 respondents, representing 6%, disagreed. 12 respondents, representing 4%, were undecided.

The result indicates a strong positive perception of the contribution of TSA to cash-flow management at ABU. The finding suggests that the centralization of financial resources and the increased monitoring of financial transactions may have improved visibility, control and coordination of cash resources. This finding is consistent with the conceptual argument that TSA can strengthen cash management by providing a consolidated view of public resources and reducing the difficulties associated with fragmented government banking arrangements.

H_0. Treasury Single Account (TSA) has no significant effect on cash management efficiency in Ahmadu Bello University, Zaria. Table 2: ANOVA for Simple Linear Regression

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	74.194	1	74.194	32.098	.000b
Residual	698.068	302	2.311		
Total	772.262	303			

Source: *SPSS Output, 2026*

From the table 2, the ANOVA result shows that the regression model produced an F-value of 32.098 with a significance value of p< .001. Since the significance value is less than the 0.05 level of significance., the regression model is statistically significant.

Table 3: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.342[a]	.118	.115	1.52036	1..531

Source: *SPSS Output, 2026*

The table 3 above revealed R-value of .342 which indicate a positive relationship between TSA operations and cash-management efficiency. The R^2 value of .118 indicates that TSA explains approximately 11.8% of the variation in cash-management efficiency at ABU. The remaining 88.2% is explained by other factors not included in the model. The finding therefore shows that although TSA has a statistically significant effect, it is not the only determinant of cash-flow management efficiency.

Table 4: Regression Coefficients

Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	2.784	.165		16.903	.000
	TSA	.620	.109	.342	5.666	.000

Source: *SPSS Output, 2026*

In the table 4 above, the coefficient of TSA is 0.620, indicating a positive relationship between TSA operations and cash-management efficiency. The standardized beta coefficient of .342 indicates the direction and magnitude of the relationship in standardized terms. The t-value of 5.666 with a significance level of $p< .001$ indicates that TSA has a statistically significant effect on cash-management efficiency.

Therefore, there is sufficient statistical evidence to conclude that Treasury Single Account has a significant positive effect on cash-management efficiency in ABU, Zaria.

Discussion of Findings

The finding of the study revealed that Treasury Single Account (TSA) has a significant positive effect on cash-management efficiency in Ahmadu Bello University, Zaria. The descriptive result showed that 82% of the respondents either strongly agreed or agreed that TSA has significantly improved the efficiency of cash-flow management in the
University. More importantly, the simple linear regression result confirmed a statistically significant positive effect of TSA on cash-management efficiency, with $R = .342$, $R^2 = .118$, $\beta = .342$, $t = 5.666$ and $p < .001$. The regression model was also statistically significant, $F(1,302) = 32.098$, $p < .001$. Consequently, the null hypothesis that Treasury Single Account has no significant effect on cash-management efficiency in Ahmadu Bello University, Zaria was rejected. The finding therefore indicates that improvements in TSA operations are associated with improvements in cash-management efficiency, although TSA explains only 11.8% of the variation in cash-management efficiency.

The finding agrees with Okeke (2023), who examined Treasury Single Account and financial management in five federal universities in South-East Nigeria. Using a survey design and simple linear regression, Okeke found that TSA was statistically significant in relation to revenue leakage and had a significant positive effect on financial accountability in federal universities. The similarity between Okeke's finding and the present study is particularly important because both studies were conducted within federal university environments and used primary survey data with regression analysis. The agreement suggests that TSA's contribution to financial management is not limited to a particular geopolitical zone but may reflect a broader institutional effect of centralized treasury arrangements in Nigerian federal universities.

The present finding also agrees with Edoh (2023), who investigated TSA policy implementation and financial transparency and accountability in public universities in North-Eastern Nigeria. Edoh's study, which involved 231 Bursary staff from federal universities, found that TSA promoted transparency and financial accountability to a high extent. Specifically, the study reported that TSA constrained uncontrolled remittance of revenue and encouraged government agencies to operate within approved budgetary provisions, while also promoting an efficient mechanism for disbursement of public funds. The agreement between Edoh's findings and the present study is relevant because both studies focus on public universities and financial administration. While Edoh examined transparency and accountability, the present study focuses specifically on cashmanagement efficiency; together, the findings suggest that centralized treasury arrangements may improve several interconnected dimensions of university financial management.

Similarly, the finding is consistent with Ejike-Orji and Eneh (2023), who investigated the effect of TSA on accountability and transparency in tertiary institutions in Anambra State. Their study reported significant positive relationships between TSA adoption and accountability of public funds (rho = .558, $p < .001$), transparency in public fund management (rho = .433, $p < .001$), and control of fraudulent practices (rho = .191, $p = .006$). The present study's finding of a significant positive effect of TSA on cashmanagement efficiency therefore reinforces the argument that TSA contributes to stronger financial control and more responsible management of public resources in tertiary institutions.

The finding is further supported by Sadiq, Abdullahi and Sule (2024), who examined the impact of TSA policy on university revenues at the University of Jos. Their study reported that TSA had implications for financial management, transparency, accountability and reconciliation of funds between the university and government. The researchers recommended improved financial reporting, better communication between universities and government, and measures to address adverse effects associated with TSA implementation. This supports the present finding that TSA can improve university financial management, while also indicating that the effectiveness of the system depends on the quality of its implementation and the mechanisms used to manage operational challenges.

The finding also agrees with Nwadiani and Emokpae (2025), who examined the perceived influence of TSA on the funding of federal tertiary institutions in Delta and Edo States. Their descriptive survey of principal administrators from seven federal tertiary institutions found that TSA had substantially reduced cases of fund misappropriation. They recommended strengthening TSA accounting principles to promote transparency and efficiency in the utilization of funds. Although their dependent variable was institutional funding rather than cashmanagement efficiency, their finding supports the present study's conclusion that TSA can improve the financial management environment within federal tertiary institutions.

The present finding is also consistent with the recent study by Moses, Williams and Clinton (2025) on TSA implementation and financial discipline in Nigerian government ministries. The study examined centralization of government revenue, cash-management efficiency and reduction of idle balances as dimensions of TSA and related them to financial-discipline indicators such as budget compliance, reduction of financial leakages and expenditure control. The study's focus on cash-management efficiency as a central dimension of TSA is particularly relevant to the present research. Its findings provide broader public-sector support for the proposition that effective TSA implementation can contribute to improved financial discipline and resource management.

The finding is also compatible with the recent study by Atolagbe, Afolabi and Akinyede (2026), which evaluated the role of TSA in sustainable public-sector fund management in South-West Nigeria. The study used a descriptive survey design involving accountants and revenue officers and examined whether TSA could enhance accountability and financial transparency in publicsector fund management. The study's emphasis on TSA as a mechanism for

strengthening public-sector fund management provides additional contemporary support for the positive direction of the present finding.

However, the finding of the present study disagrees with Iloeje and Okwo (2022), who conducted a pre- and post-implementation analysis of TSA and public financial management in Nigeria. Using secondary data covering 2010–2014 as the pre-TSA period and 2015–2019 as the post-TSA period, the researchers found that TSA had a negative and statistically insignificant effect on public cash management, government revenue, federation account allocation and corruption control. They consequently recommended that government should strengthen TSA implementation and avoid relying exclusively on TSA as a cash-management mechanism.

The disagreement between the present study and Iloeje and Okwo (2022) may be explained partly by methodological and contextual differences. The present study is based on primary data obtained from university respondents and examines perceived cashmanagement efficiency within a specific federal university, whereas Iloeje and Okwo used national-level secondary data in a pre- and post-TSA comparison. The two approaches measure different dimensions of TSA effectiveness. The present study captures the experiences and perceptions of personnel directly involved in institutional financial administration, while the pre-post study evaluates changes in broader national financial indicators. Therefore, the divergent findings do not necessarily invalidate either study; rather, they suggest that the effect of TSA may vary according to institutional context, implementation quality, measurement approach and the particular dimension of financial management being examined.

A further important implication of the present finding is provided by the R^2 value of .118. Although the effect of TSA is statistically significant, TSA explains only 11.8% of the variation in cash-management efficiency. This finding suggests that TSA should not be regarded as the sole determinant of effective cash management at ABU. Other factors, such as budgetary planning, procurement procedures, internal control mechanisms, electronic payment infrastructure, staff competence, revenue collection, approval procedures and administrative efficiency, may account for a substantial proportion of the remaining variation. This interpretation is consistent with recent university-focused evidence. For example, Nwadiani and Emokpae (2025) identified the need to strengthen TSA accounting principles to improve efficiency, while the University of Benin research repository reports evidence that TSA can improve financial discipline while simultaneously creating challenges relating to delays in fund disbursement and reduced financial autonomy.

The positive but modest explanatory power of TSA also provides a useful qualification to the findings of studies that present TSA as a comprehensive solution to public financialmanagement problems. The evidence from ABU suggests that TSA is an important financial-management mechanism, but its effectiveness depends on complementary institutional arrangements. This interpretation is supported by Okeke (2023), who, despite

finding a significant positive effect of TSA on financial accountability in federal universities, recommended creating conditions for smooth TSA implementation and developing arrangements that would ensure university funds are available when needed.

The implication is that TSA should be viewed as an important component rather than a complete solution to university cash-management problems. Its benefits are likely to be maximized when centralized treasury control is supported by effective internal controls, accurate cash-flow forecasting, efficient electronic payment systems, timely reconciliation, competent financial personnel and streamlined administrative procedures.

Conclusion

Based on the findings of the study, the paper concludes that the Treasury Single Account has a significant positive effect on cash management efficiency in ABU, Zaria. The descriptive findings demonstrate strong positive perceptions among respondents that TSA has improved cash-flow management efficiency. The inferential result further confirms that TSA is statistically significant in predicting cash management efficiency. The positive regression coefficient indicates that improvement in TSA operations is associated with improvement in cash management efficiency. This supports the broader objective of TSA as a public financial management reform designed to improve cash visibility, financial control, accountability and efficient management of public resources. Therefore, TSA is an important contributor to cashmanagement efficiency at ABU, but its benefits can only be maximized when supported by effective internal systems, staff competence, proper financial planning and regular reconciliation.

Recommendations

Based on the findings and conclusion of the study, the following recommendations are made:

i. Ahmadu Bello University management should strengthen cash-flow forecasting and financial planning. Accurate forecasting will enable the university to anticipate receipts and expenditure requirements and improve the timing of financial commitments. ii. The university should continuously improve the electronic payment and financial management infrastructure. Reliable electronic systems can facilitate faster transactions, improve transaction tracking support effective monitoring of financial activities. iii. The University should maintain strong internal control mechanisms alongside TSA. Clear financial procedures, proper authorization, segregation of duties, regular internal audits and effective supervision should be strengthened.

TSA should not be regarded as a replacement for internal control; rather, it should complement the University's existing financial control framework.

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