

# Treasury Single Account (TSA) and cost of governance: Survey of MDAs in Anambra State

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## Abstract

**Purpose:** This study examines the effect of TSA on Nigeria's public sector governance cost.

**Research methodology:** This study employed a descriptive survey research design. Ten Federal Ministries, Departments & Agencies (MDAs) in Anambra State constituted the study population. The study chose Ten respondents from each MDA were selected using purposive sampling. This study employed primary data from a structured questionnaire for data collection.

**Results:** The results show that e-accounting and TSA have a substantial impact on national spending by curbing leakages, but with little effect on federally generated revenue. Thus, e-accounting and TSA significantly impact the cost of governance.

**Limitations:** The study relied only on questionnaire responses, which is the perception of public-sector employees in MDAs.

**Contributions:** This study contributes to governance and policy research by identifying the benefits of TSA in reducing the overall cost of governance.

**Novelty:** By integrating all government accounts, enabling the government to track and monitor its activities at any time, and giving the government a comprehensive view of its financial position, this study supports stakeholder theory, in addition to the Public Finance Management Perspective, which maintains that the government should effectively manage all financial resources (mobilization and expenditure) for the benefit of the population.

**Keywords:** *Treasury Single Account, Cost of Governance, Ministries, Departments & Agencies (MDAs)*

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## 1. Introduction

According to Reid and Scott (1994), public-sector reform is a plan for financial and management reforms designed to increase the long-term productivity of the public sector and provide the community with better services. It serves as a catalyst for the advancement of institutions and practices through innovations in professionalism, change, and modernization (Perante-Calina, 2015). In the Nigerian context, these reforms include the WAI and Corruption (WAI-C) initiative, Murtala/Obasanjo's Jaji Declaration with the confiscation of assets illegally acquired by Nigerians in the 1970s, Shagari's Ethical Revolution to fight corruption through the introduction of a code of conduct for public servants in 1981, the War Against Indiscipline (WAI) by the Buhari/Idiagbon administration in 1984, the ethical and social mobilization crusade by the Babangida regime in 1986, and WAI and Corruption (WAI-C) by Abacha's administration in 1994 (Ijewereme, 2013). These attempts were essentially ineffective, remained at the rhetorical level, and had no discernible impact (Ijewereme, 2015). The transition to civilian rule in 1999, under then President Olusegun Obasanjo, brought along significant improvements with the establishment of anti-graft agencies, like the EFCC,

among others. This has become necessary to improve the efficiency, fiscal accountability, and transparency of the public sector (Okoroafor, 2016).

Additionally, the Fiscal Responsibility Act and the Public Procurement Act of 2007 were passed to improve the legislative framework for public financial management. Nigeria has also committed to improved standards of transparency in the management of mining earnings by actively joining the Nigerian Extractive Industries Transparency Initiative (NEITI). This concerted effort was passed on to the next democratically elected President Musa Yar' Adua (2007-2010), which was further sustained by his successor, President Goodluck Ebele Jonathan (2010-2015).

Thus, policies aimed at strengthening economic management and dealing with weak governance and corruption in the public sector have existed for decades in both military and civilian regimes. The major policies introduced by Jonathan's administration are based mainly on e-accounting platforms. This included the implementation of the Government Integrated Financial Management Information System (GIFMIS) and a comprehensive and standardized National Chart of Accounts (NCOA). Moreover, the President unveiled e-payment and e-remittance as measures to ensure transparency and accountability during the presentation of the 2009 annual budget to the National Assembly in October 2008. On January 1, 2009, a directive was issued that required all Federal Government financial transactions to be made electronically. Another policy directive was the introduction of the Treasury Single Account (TSA). According to Udo and Esara (2016), Adeolu (2015), Yaker and Pattanayak (2010), TSA is a type of open accounting in which all government income and receipts are combined into a single account normally administered by the nation's Central Bank, through which all payments are made. According to Weerathunga and Seneviratne (2023), TSA is a form of management control system (MCS) that conventionally acknowledges formal feedback, which is used to track income and receipts. To effectively manage and regulate the government's cash resources, it intended to strengthen government banking arrangements (Yaker & Pattanayak, 2010).

The constitution's requirement that all government revenues be transferred into a single account was ignored by successive administrations in Nigeria prior to the implementation of TSA, which resulted in the operation of multiple disjointed systems for revenue collection and disbursement (Adeolu, 2015); Udo and Esara (2016). This policy was adopted in accordance with Section 80 (1) of the 1999 Constitution, which states that all funds raised or received by the Federation must be deposited into and constitute a single Consolidated Revenue Fund (CRF) of the Federation. The federal government set up the Remita e-Collection platform to facilitate the collection and remittance of all government income into a consolidated account based on the CBN.

Since the introduction of TSA extant studies has been written on the subject, for instance, studies by Igbekoyi and Agbaje (2017); Bashir (2016); Udo and Esara (2016); Adebisi and Okike (2016); Adeolu (2015); Eme, Chukwurah, and Iheanacho (2015). These studies mainly focus on its role in stemming corruption, improving accountability, and public-sector financial management. Fatile and Adejuwon (2017) conducted a qualitative review of the implications of TSA on the cost of governance in a country based on secondary sources. Recently, the cost of governance in Nigeria has been a subject of debate among key stakeholders in the economy (Okeke & Eme, 2015) who have stressed the need for a reduction as a method to increase the amount of money available for development (Fatile & Adejuwon, 2017). This followed suit, as successive governments seemingly increased the cost of governance more than that inherited from their predecessors (Enwegbara, 2013). Nigeria's shaky economic situation makes it even more crucial for the country to make prudent financial judgements, because they are left with little to no money. Furthermore, as prices continue to grow relative to individual semi-fixed salaries, the inflationary environment reduces the purchasing power of money (Gumbo, Margaret, & Chagweshwa, 2022). Eton, Fabian, and Benard (2022) and Fernando and Surjandari (2021) noted that systems such as TSA encourage accountability and improve internal monitoring. This study examines the effect of TSA on the cost of governance in Nigeria's public sector. The specific objective is to ascertain the impact of e-accounting and TSA on the country's cost of governance.

## **2. Literature review**

### **2.1. Conceptual Review**

#### **2.1.1. Treasury Single Account (TSA)**

The public sector is a dynamic activity that promotes a culture of performance (Hassan Ouda, 2005). Governments engage in this intricate, cross-sectoral, and interdisciplinary process in response to either internal or external forces, or both (H Ouda, 2004). Public sector reforms emphasize performance in terms of effectiveness and efficiency; in other words, such reforms emphasize output rather than input and expect Public Servants to take full responsibility for managing their departments (Okoroafor, 2016). The following characteristics of the new public sector management system are listed by H Ouda (2004): It emphasises output rather than input, promotes managers' individual accountability, offers them leeway over how to use resources, and gauges performance in terms of output.

The goal is to reduce waste, inefficiency, improve service delivery, reduce excessive expenditure, maintain accountability and transparency, and raise the standard of public service delivery. The government-integrated financial management information system (GIFMIS), Treasury Single Account (TSA), National Chart of Accounts (NCOA), Integrated Personnel and Payroll Information System (IPPIS), International Public Sector Accounts Standards (IPSAS), and a number of other reforms are examples of these in Nigeria (Iyika, 2011). TSA is a type of public accounting system in which all government income, receipts, and revenue are accumulated into a single account, often controlled by the nation's Central Bank, through which all payments are made (Yaker & Pattanayak, 2010). According to Tari, Myatafadi, and Kibikiwa (2016), TSA is primarily a cash management tool for effective management of the government's cash position. In actuality, all funds collected must be fully remitted to the Treasury Single Account at the conclusion of each banking day to eliminate the accounts of MDAs with DMBs (Udo & Esara, 2016). According to Yusuf and Chiejina (2015), TSA is a framework for streamlining federal bank accounts and providing an integrated or amalgamated view of the government's cash resources. The federal government seeks to automate direct revenue collection from existing MDAs by adopting TSA as part of its autonomous revenue e-collection plan. Any other electronic payment system, including the Remita e-collection platform, will be deposited directly into the Consolidated Revenue Fund (CRF) account at the CBN through platforms or routes that the government may occasionally create. According to Onyekpere (2015), TSA is a centralized organization of government bank accounts that permits consolidation and the most effective use of the government's cash resources. TSA embodies monitoring to ascertain whether each control component is present and functioning.

It is a bank account or collection of linked bank accounts, which allows for different types of account arrangements, and these may include the TSA main account, subsidiary or sub-accounts, transaction accounts, and zero balance accounts. Other types of accounts that could operate include imprest, transit, and correspondence accounts. According to Yaker and Pattanayak (2010), a fully fledged TSA shares three essential features:

1. First, the government banking arrangement needs to be unified by the Ministry of Finance (Mof) (or Treasury) to track government cash flows into and out of different bank accounts. Under a unified system of government bank accounts, all cash resources are entirely fungible, including in real time if electronic banking exists. The TSA structure allows ledger sub-accounts in a single financial institution (which need not be a Central Bank) as well as external zero-balance accounts (ZBAs) in some commercial banks.
2. Second, no other government agency operates bank accounts outside treasury oversight.
3. Third, all government cash resources, including budgeted and extra-budgetary resources, should be included in the consolidation of government cash resources. This means that all public money should be placed under TSA's jurisdiction, regardless of whether the relevant financial flows are subject to budgetary control.

#### **2.1.2. Cost of Governance**

Any expenditure made to maintain government administrative systems in place is referred to as the cost of governance (Fluvian, 2006). Adewole and Osabuohien (2007) claim that these are expenses

related to running the government or expenses incurred by the government when managing governmental matters. It is the price of carrying out political obligations and providing governmental social services (Afolugbe, 2004). Recurrent administrative expenses and capital administrative expenses comprise two segments of the cost of governance (Adewole & Osabuohien, 2007). The increasing expenses of the government in Nigeria are the result of several distinct reasons. First, there is the issue of inflation, as dishonest politicians artificially inflate the costs of the majority of public projects. Second, there is the question of Nigeria's bureaucracy size in relation to the benefits accrued and maintenance costs (Fatile & Adejuwon, 2017). The issue of corruption is the third.

### *2.1.3. TSA and Cost of Governance*

In Nigeria, the pace of development appears to be modest despite the high expense of governance (Adamu, 2016; Fatile & Adejuwon, 2017). An optimized TSA offers thorough and timely information on the government's financial resources and enhances operational and appropriation control throughout the budget execution (Tari et al., 2016; Udo & Esara, 2016). It also encourages efficient payment procedures, makes it possible to manage cash effectively, eliminates bank fees, reduces transaction costs, improves bank reconciliation, and improves the quality of financial data (Eme et al., 2015; Udo & Esara, 2016).

Additionally, an optimized TSA minimizes the requirement for liquidity reserves and lowers the treasury's cash flow volatility, which permits the maintenance of a lower cash reserve and buffer to deal with unanticipated fiscal volatility. For instance, Edoh, Ochai, Agbe, and A. (2023) showed that TSA's implementation made it harder to inflate contracts and fabricate accounts, thus revealing fake and fraudulent positions in public sector contracts, which had an impact on how MDAs and public universities were run. In addition, Oranefo (2022) reported that the Federal Government of Nigeria must improve the security of the TSA to reduce money leakage across the nation's public sector.

## **2.2. Theoretical Framework**

The theoretical framework of this study is stakeholder theory. Initial criticism of the unidirectional financial effectiveness criterion led to the inclusion of stakeholder perspective in management theory (Gomes, 2006). 'Strategic Management: A Stakeholder Approach' by Richard E. Freeman is where it all began. The key tenet of stakeholder theory, in his opinion (Freeman, 1984), is that an organization's effectiveness is determined by its capacity to satisfy both shareholders and agents who have a stake in the organization. The phrase "stakeholder" first "appeared in the management literature in an internal memorandum at the Stanford Research Institute in 1963" (Freeman, 1984). He claims that the phrase describes "any group or person who can affect or is affected by the achievement of the organization's objectives" (Freeman, 1984). It asserts that organizations, including governments, have stakeholders. Stakeholders are characterized as people and organizations who gain from or suffer from corporate or institutional acts, as well as those whose rights are violated or upheld. Although there are many competing definitions of what a stakeholder is (Miles, 2012), the theory contends that stakeholders have interests that are reciprocal, non-univocal, and unique to the organization. According to Freeman (1984), this is because each might have an impact on the other in terms of benefits and drawbacks.

According to the "New Public Management" movement (David & Ted, 1992), stakeholder theory has been applied to the public sector literature. This body of thinking attempts to give the public sector access to ideas from the private sector. Stakeholder theory can be viewed as a strategy used by public decision makers to monitor their environments for possibilities and dangers (Gomes, 2006).

The introduction of e-accounting and TSA has affected several stakeholders in the country. Relevant stakeholders in Nigeria have argued that the implementation would promote accountability and responsible operations.

## **2.3. Empirical Review**

Edoh et al. (2023) examined how TSA policy affected the management of public universities in Northern Nigeria. This study was conducted in northeastern Nigeria, using a survey research design.

The sample consisted of 231 Bursary employees. Primary data were obtained using a structured questionnaire that served as the data-gathering tool. The findings of the investigation demonstrated that the TSA made it harder to inflate contracts and fabricate accounts revealing fake positions in the public sector, which had an impact on how public colleges were run. It was further revealed that TSA improves e-payment collection, which has an impact on the management of public universities.

Oranefo (2022) uses a descriptive survey design. In Delta State, Nigeria, a sample size of 185 was drawn from a population of 343 staff members from different directorates and accountants of MDAs. The hypothesis was tested using a regression analysis. A strong correlation was found between money leakage in Delta State, Nigeria, and the TSA. The federal government of Nigeria should improve the security of the TSA, according to the study's findings and suggestions, to reduce money leakage across the nation's public sector.

Iloeje and Okwo (2022) examined how Nigeria's public finance management was affected by the TSA. They studied the effects of TSA on Nigeria's ability to collect taxes, manage public funds, allocate funds to federation accounts, and combat corruption. Secondary data were gathered from 2010 to 2014 (the pre-adoption period) and 2015 to 2019 (the post-adoption period) from the Central Bank of Nigeria Statistical Bulletin and Transparency International. Data were analyzed using the t-test. The study's conclusions show that TSA has a poor and negligible impact on Nigerian government revenue, public cash management, federal account distribution, and corruption control.

Ezeala and Agbata (2023) made an effort to determine whether the Nigerian government's Treasury Single Account had any positive effect on the availability of funds to cover government expenses and whether the policy had any positive effect on the management of the nation's debt. Prior to and following the introduction of TSA, the researchers used the chow test to assess secondary data taken from the statistical bulletin and quarterly reports of the Debt Management Office published by the Central Bank of Nigeria. The results demonstrated that the goal of assuring cash availability for government spending initiatives was attained through the introduction of the TSA. The government's TSA policy has some bearing on the country's debt profile, which was also discovered in their analysis. They concluded that the TSA policy could stop money from leaving the government while also promoting the availability of financial resources. They also found that consolidating government cash resources into one account and removing various bank accounts allowed the government to quickly assess cash holdings and determine whether borrowing was necessary.

Gbegi and Jennifer (2019) use the perspectives of accounting officers (AO), accounting academics (AA), and accounting professionals (AP) to investigate the impact of TSA implementation on accountability, transparency, and public finance management in Nigeria. The sample comprised 266 respondents in Benue State. The chi-square goodness-of-fit test was used for data analysis. According to the results, the adoption has greatly increased Nigerian public budget accountability and transparency.

Solanke (2018) examined the effect of TSA introduction in Nigeria in terms of perception and opinion. The objective was to demonstrate how TSA affected a nation's ability to generate and use revenue. A structured questionnaire was used to gather information from 200 personnel from the federal, state, local, and private sectors. This was purposefully chosen for the analysis. Perception was dichotomized into positive and negative perceptions as the outcome variables. Frequency, percentages, and analytical weighted mean were used to analyze the data. The results showed a variety of opinions regarding TSA's application in Nigeria that were either unacceptable, as expressed by 23.4% of respondents, or acceptable by 74.4% of respondents.

Akujuru (2017) employed a cross-sectional survey methodology and questionnaire to collect data in their study. The sample size was set at 377 workers. Descriptive statistics were used to analyze the data. According to the study, the TSA policy was implemented to avoid money leaking, lessen corruption, increase transparency, and prevent mismanagement of public funds in organizations that

promote general welfare. The federal government's failure to send money per report is a key obstacle limiting the effective and efficient implementation of the TSA program.

Mboto, Offiong, and Ibor (2017) examined how Nigerians felt about TSA. One hundred and ninety people participated in the study, which was made up of managerial personnel from the states of Calabar and Cross River, working in MDAs in federal and state services, as well as deposit money banks. Data were evaluated using the chi-square test. The findings show a significant acceptance of the TSA policy in and of itself, but a non-significant favorable opinion of how it is carried out.

Ofor, Omaliko, and Okoli (2017) examined how Nigeria's Ministries, Departments, and Agencies (MDA) performed in relation to their use of Treasury Single Accounts (TSA). The study's information was derived from primary sources on a sample of 75 respondents selected from federal government MDAs in the eastern Nigerian metropolis of Anambra. The Wilcoxon signed-rank test was used as the basis for analysis. The findings of this study demonstrate that the Treasury Single Account is capable of closing off financial loopholes in revenue generation and fostering transparency and accountability by showing a significant impact on and improvement in the performance of federal government MDAs at the 5% level of significance.

Salman and Adeseye (2017) elicited the opinion of accounting practitioners in the Ado-Ekiti metropolis on the role of TSA in fund management. The researchers used a survey design. Chi-square was used to test the hypotheses. This study finds that TSA reduces public fund mismanagement, thereby boosting government revenue.

Igbekoyi and Agbaje (2017) assessed the impact of TSA implementation on transparency and accountability in the Nigerian public sector. Ten public sector Ministries, Departments, and Agencies (MDAs) generated revenue for the sample using purposive sampling. The hypotheses were analyzed using regression analysis. Research claims that TSA considerably decreases money leakages, improves transparency, and guards against financial abuse.

TSA's efficiency in preventing money leaks and fostering accountability and openness was examined by Bashir (2016) as the study's major goal. The study used a questionnaire based on a five-point Likert scale to collect the main data. A sample of 72 respondents was used for the study's MDAs inside the Bauchi metropolitan area, using judgmental sampling. The Pearson correlation approach was used for data analysis. The study's conclusions show that placing a TSA in place will reduce financial leakage and improve the accountability and transparency of the public financial system.

Kanu (2016) evaluated the favorable impacts of the TSA on the economy and public accounting system, as well as any unanticipated negative implications on the liquidity base and performance of the Nigerian banking industry. The management staff of the ten banks chosen for the examination received questionnaires as part of the survey research technique. The chi-square test was used to evaluate the data. The results show that TSA's deployment in Nigeria's public accounting system had a detrimental effect on the efficiency and liquidity of the country's banking system.

In their 2016 analysis on the advantages, challenges, and future possibilities of Nigerian state governments adopting the Treasury Single Account (TSA), Udo, and Esara claim that TSA adoption would promote transparency, ensure accountability, control government revenue, and prevent the misuse of tax revenue were identified and ranked first. The survey study comprised licenced accountants in Akwa Ibom State who participated in the study. The TSA would provide the government access to information on how much money is being added to it each day, which would reduce corruption.

Oguntodu, Alalade, Adekunle, and Adegbe (2016) evaluated the TSA and Nigerian economies between 1999 and 2015. From 1999 to 2015, they used secondary data from the CBN statistical bulletin. The OLS estimator was used to assess the data. The outcome demonstrates that TSA has a positive and significant impact on a country's economic growth.

Amaefule and Iheduru (2014) studied the use of electronic accounting to prevent corruption in Nigeria's public sector. They looked at fourteen (14) carefully chosen government-owned ministries, including six states and eight federal ministries. A standardized questionnaire with a 5-point Likert scale was used to collect the primary data. Five senior staff members were chosen at random from each of the 14 ministries. The report identifies, among other things, a lack of defined e-accounting system operationalization in the Nigerian public sector.

### 3. Methodology

The research design describes the framework and approach used to examine the connections between study variables (Asika, 1991). This study used a descriptive research design as its methodology. Surveys and field investigations were used in the cross-sectional methodology of this study. The sample was drawn from Federal Ministries, Departments & Agencies (MDAs) in Anambra State. This study focused on MDAs within the state. Accountants, internal auditors, and cash officers in MDAs comprise components of the population. The study used a purposive sampling method and selected ten respondents for questionnaire administration from each MDAs.

#### 3.1. Sources of Data

This study used primary data in the investigation. A structured questionnaire was administered to the respondents from the chosen MDAs to gather the primary data. This makes it possible to use surveys to obtain data from the respondents. This is consistent with studies by Edoh et al. (2023) in Northern Nigeria; Gbegi and Jennifer (2019) in Benue State; and, Salman and Adeseye (2017) in Ado-Ekiti metropolis on the role of TSA in fund management.

#### 3.2. Methods of Analysis

The one-sample Kolmogorov-Smirnov test was used to evaluate the hypotheses. This test is non-parametric.

### 4. Results and discussions

The number of questionnaires retrieved from respondents was eighty-three, this representing an 83% success rate. Table below provides a summary of the characteristics of the respondents used for the survey.

Table 1. Respondents' demographic information

	N	%
Gender: Male	67	80.7
Female	16	19.3
Age: 25-35	19	22.9
36-45	27	32.5
46-55	24	28.9
56 & above	13	15.7
Education: BSc	51	61.4
MSc	29	34.9
PhD	3	3.7

Source: Field Survey (2022)

The questionnaire comprised five items measured on a five-point Likert scale, with the scale consisting of TSA and cost of governance items (N= 5 items;  $\alpha = .781$ ). The instrument was considered suitable and highly reliable ( $\alpha > .70$ ).

Table 2. Descriptive Statistics

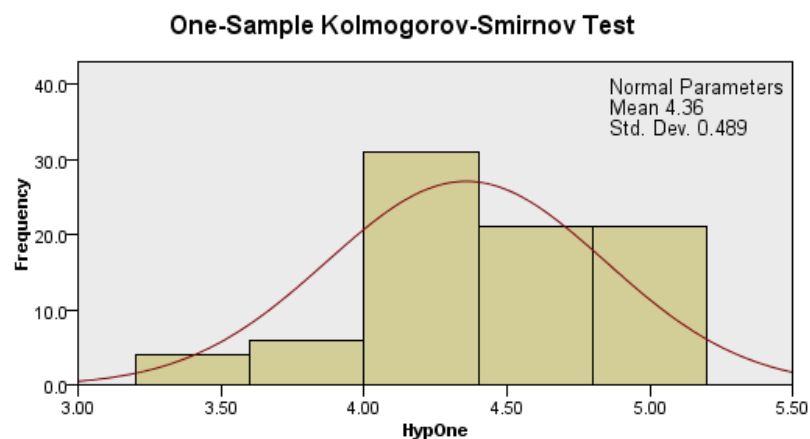
	Minimum	Maximum	Mean	Std.
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				Deviation
TSA would expedite the cost of governance in the country by reducing the transaction costs of government	1	5	4.34	1.027
A unified payment system would enable the tracking of government recurrent expenditure	1	5	4.22	.645
A unified payment system would enable the tracking of government capital expenditure	1	5	4.51	.705
TSA enable the government to control and regulate the use of funds by public entities generating such funds	1	5	4.23	.650
e-accounting and TSA facilitate proper monitoring of the cost of governance and facilitate compliance with the Fiscal Responsibility Act	1	5	4.49	.705
Valid N (listwise)				

Source: SPSS Ver. 24

#### 4.1. Test of Hypotheses

H<sub>1</sub>: There have a significant impact on the cost of governance in the country.



<b>Total N</b>		83
<b>Most Extreme Differences</b>	<b>Absolute</b>	.237
	<b>Positive</b>	.237
	<b>Negative</b>	-.173
<b>Test Statistic</b>		.237
<b>Asymptotic Sig. (2-sided test)</b>		.0 <sup>1</sup>

<sup>1</sup> Lilliefors Corrected



The Kolmogorov–Smirnov *test statistic* was .237, *Asymptotic Sig.* (2-sided test) 0, the null hypothesis is rejected and the alternate is accepted; *there is a significant impact on the cost of governance in the country.*

The findings are supported by Iloeje and Okwo (2022), using secondary data gathered from 2010 to 2014 (the pre-adoption period) and 2015 to 2019 (the post-adoption period) from the CBN and Transparency International, which showed that TSA has a poor and negligible impact on Nigerian government revenue, public cash management, federal account distribution, and corruption control. Ezeala and Agbata (2023) also finds that TSA can boost government financial resources and avoid revenue leaks; and, Gbegi and Jennifer (2019) finds that the adoption of TSA has greatly increased Nigerian public budget accountability and transparency. Salman and Adeseye (2017) finds that TSA reduces public fund mismanagement, thereby boosting government revenue. According to Igbekoyi and Agbaje (2017), TSA significantly reduces financial leakage, increases transparency, and prevents financial theft. Enwegbara (2015) noted that the application of TSA offers the advantage of preventing leaks in government financial arrangements and freeing up cash for investment in other capital projects. By implementing TSA, the government will be able to track the amount accruing to it every day (Udo & Esara, 2016). Bashir (2016) demonstrated that the implementation of TSA closed funding shortages and fostered transparency and responsibility in the public sector financial system. As Okechukwu and Chukwurah (2015) demonstrated, TSA encourages openness and reduces corruption. Saleh (2015) asserts that the introduction of TSA will boost tax receipts, reduce loopholes, encourage transparency and hasten the payment of recipients.

## 5. Conclusion

This study concludes that TSA significantly impacted Nigeria's public-sector cost of governance. Since the advent of democratic governance in 1999, public-sector reforms have become a fundamental component of succeeding governments. When Goodluck Jonathan, president at the time, implemented e-collection and remittance systems for federal government revenue and expenditure, a significant milestone was reached. TSA, a system of consolidated accounts, was also established and a test program demonstrated its effectiveness. This was fully accomplished during President Buhari's current administration. Given the massive volume of government activities, TSA was designed to reduce financial mismanagement and wrongdoing in the public sector, while the e-accounting system was designed to speed up transaction times. This study evaluates the impact of e-accounting and TSA on the cost of governance in the country. This study used a descriptive research design and a survey of Federal Ministries, Departments & Agencies (MDAs) in Anambra State. The study used a purposive sampling method and selected ten respondents for questionnaire administration from the MDAs. The following recommendations are suggested for policymakers: deployment of infrastructure to support the full implementation of e-accounting in MDAs. This should be done within a broad policy of human resource training and development to stay abreast of recent developments. Training is necessary to align with the development of a particular system that is necessary in this case. It is suggested that due consultations be made in countries with successful TSA systems.

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