

INTERNAL CONTROL SYSTEMS AND THE INTEGRITY OF BURSARY UNITS IN NIGERIAN UNIVERSITIES

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ABSTRACT

The development and application of Information Technology (IT) have led to the assertion that the incidence of fraud in non-computerised environment is higher than its computerised counterparts. Most of the Nigerian Universities' Bursary Units have very weak control systems which has been attributable to its poor computerisation features. Internal control systems are controls that provide reasonable assurance for organisation's business objectives to be achieved and its undesired risk-events prevented. This study therefore, investigated the integrity of internal control systems to challenge the correctness or otherwise the lack of computerization in bursary units of Nigeria University.

Three selected Nigerian Universities: University of Lagos, Ladoke Akintola University of Technology, Ogbomoso, and Joseph Ayo Babalola University, Ikeji, respectively were utilised. A closed ended questionnaire containing thirty (30) questions was administered on one hundred (100) respondents from the selected universities. Multivariate analysis method was used in testing the hypotheses.

The findings of study revealed that computerised internal control systems impact significantly at 5% and 10% level on fraud detection in Nigerian universities' financial system. The study therefore, recommended computerisation of all internal control features for all the Nigerian universities bursary units to enhance the integrity of the financial system.

KEYWORDS: Control, Internal Control, Information Technology, Fraud