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RESEARCH ARTICLE

STAFF ADEQUACY AND INDEPENDENCE OF INTERNAL AUDIT IN ENSURING EFFECTIVE  
INTERNAL CONTROL SYSTEM OF TERTIARY EDUCATIONAL INSTITUTIONS IN ADAMAWA  
STATE- NIGERIA

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ABSTRACT

This study examines the effect of internal audit unit independence and staff adequacy on the effectiveness of internal control system of tertiary educational institutions in Adamawa state Nigeria. This study employs survey research design. Data were collected using the questionnaires from the eight (8) TEIs were by 140 respondents were analyzed as a sample using Descriptive statistics and Chi-square technique. The main findings of this study are that internal audit unit of tertiary educational institutions in Adamawa State are not effective because they lack independence and are short of adequate staff, more so, they are not timely in their internal audit reporting. This phenomenon has contributed to the ineffectiveness of internal control system of the institutions. The study recommends that internal audit unit should be established as a separate department/unit to serve as custodian of internal control system, sufficient and competent staff should be recruited for the unit.

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INTRODUCTION

Tertiary Educational Institutions are Institutions of higher learning where knowledge is imparted to its seekers and researches are undertaken in various fields of human endeavor. The main objective of either public or private Tertiary Educational Institutions is to provide educational services and counseling to the general public at the right time. Anyafo (2000), opines that the primary objective of Tertiary Educational Institutions is to provide educational services to desirous members of the public. It is important to appreciate the fact that for Tertiary Educational Institutions (private or public) to achieve its desired objectives effectively, the management of such tertiary educational institution must establish an effective internal audit unit which would be able to furnish the management of the institutions with necessary analyses, appraisals, and recommendations for onward decision making. The management of tertiary educational institutions is clearly responsible for defining the roles of internal audit unit and ensuring that it has an appropriate level of authority and independence, including the right to report to the highest authority. To ensure effective internal control system in tertiary educational institutions, there has to be accountability in their

cash flow. And for the organisations to have a successful accountability, a well designed internal auditing system must be put in place. This study is concerned with internal auditing which is an internal function established by the management of a given institutions. Gupta (1999), defines internal auditing as an independent appraisal function established within an organization to examine and evaluate its activities as a service to the management of the organization. Internal auditing can also be seen as an internal appraisal that functions within an organization and which would review activities as a service to all levels of management (Chartered Institute of Public Finance and Accountancy (2003).

Sound measures of internal control systems are the mechanisms of any organization that are put in place to ensure effective and efficient utilization of both financial and non financial resources of the organization. It is pertinent to note that internal audit is a sub-component of internal control system, internal control system has various components among which are: physical control, accounting and arithmetic control, personnel control, approval and authorization control, management control, organizational control, supervision control and segregation of duties control. Internal audit is a sub-component of management control because it is put in place by management and it functions as a service to the management. Internal control system therefore, is simply put as a whole

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process, policies, procedures, attitudes and actions that work together with a view to achieving the desired objectives in a more effective manner (INTOSAI, 2001). Internal Control System means all the policies and procedures adopted by a management of an establishment, institution or organization to assist in achieving management objectives of ensuring, the orderly and efficient conduct of its business. This include, adherence to management policies, safeguard of assets, the prevention and detection of fraud and error, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information (Mahmud and Karma-Sahayak, 2007; Adejola, 2009). To this end, this research intends to assess the effect of Internal Audit independence and staff sufficient in ensuring effective Internal Control System of Tertiary Educational Institutions in Adamawa State-Nigeria, with a view to finding out whether or not the Internal Audit Unit independence and staff sufficient ensure effective Internal Control System of the tertiary educational Institutions in the state.

The problem of this study was formulated on the previous studies in the area of study which the study seeks to improve upon are; Tijjani (2003) who limit his study to universities as the tertiary educational institutions, while Oladoyin, Taiwo and Oladele (2006), in their study, concluded that it is the lack of proper record keeping that brought about the weakness of internal control system in the tertiary educational institutions. Dambatta (2004), views the weakness of internal Audit as a result of lack of independence. This study therefore considers Universities, Colleges and Polytechnics as tertiary educational institutions, and such it covers a wider scope than all the previous studies. In addition, lack of internal audit independence, internal audit staff adequacy and features of effective internal audit unit. To achieve the objectives of the study, research questions were prepared through which the hypothesis were formulated and testing.

### **Literature Review/ Conceptual Framework**

This chapter presents the review of relevant literatures on Internal Audit and Internal Control Systems, including a review of empirical studies on the subject matter and the theoretical framework. The review is divided into different headings, concept of internal audit, the concept of internal control system and its objectives, the role of internal control system, determinants of an effective internal control system, causes and consequences of weak internal control system. Institute of Chartered Accountant in England and Wales (1999) Pickett (2005), Cascarino and Van Esch (2005), opines that internal auditing as part of Accounting professions, has its roots in the Europe's industrial revolution of the nineteenth century. The development of internal auditing is fostered by the increase in the size and decentralization of organizations, the greater complexity and technological sophistication of their operations, and the resulting need for an independent, objective means of evaluating and improving their risk management, control and governance processes. This study agrees with the above views because as business increases, different departments should be established, new staff should be recruited, so there is the need to examine and report on the true and fairness of the activities of the business to the owners in order to know the performance

of the business over a period of time. The Institute of Chartered Accountant in England and Wales (1999) defines audit as the independent examination and expression of an opinion on the financial statements of an enterprise by an appointed auditor in pursuance of that appointment and in compliance with any relevant and statutory obligation. In line with the above views, this study agrees with the definitions, but the two definitions have not included expression of opinion by the appointed Auditor and in compliance with statutory obligations after the checking and examinations conducted on the financial statements of an organisation.

Millichamp (2002), Dandago (2002), and Adeniji (2004), put the primary objectives of auditing as that of producing a report by the auditor showing his opinion on the truth and fairness of financial statements so that any person reading and using the financial statements can believe in them. They further give the subsidiary objectives of effective audit is detection of errors and frauds; prevention of errors and frauds by the deterrent and moral effort of the audit. This study therefore agrees that, it is necessary for an effective audit to detect irregularities involving the misuse of funds, identify weaknesses in management control, and determine the reliability of the financial data and identify patterns of wastes and inefficiencies in the organization (public or private). This study agrees that, auditing changes with regard to a defined scope of the audit work and the level of organisational activities. That is as organisational activity level and defined scope changes, audit will change.

### **Features of an Effective Internal Audit**

The essentials features of effective internal audit unit are identified to include structure and resources, independence, audit approach, internal audit plan and reporting, Laker (2006). Studies like Woolf (1992), Philip (1996), Millicham (2002), and Dandago (2002), have similar views that, effective internal audit unit features include: ascertaining the accounting and internal control system. More so evaluating the control to determine satisfaction in principles, to determine whether or not they have been applied as prescribed throughout the period, testing transactions and balances for completeness, accuracy and validity of transactions, reviewing financial statements by conducting audit test, reviewing procedures and determination of audits opinion that would be expressed by the auditors.

### **Concept of Internal Control System**

Several authors, authorities and institutions have offered different definitions to internal control system:- International Organization of Supreme Audit Institution (2001), defines Internal control as an integral process that is affected by an entity's management and personnel and is designed to address risks and to provide reasonable assurance that in pursuit of the entity's mission, the general objectives are achieved and executed in an orderly manner ethically, economically, efficiently and effectively there by fulfilling accountability obligations; complying with applicable laws and regulations; and also it help in safeguarding resources against any loss, misuse and damage.

Dinapoli (2007), provide that, the internal control system is the integration of the activities, plans, attitudes, policies, and efforts of the people of an organization working together to provide reasonable assurance that the organization would achieve its objectives and mission. This contribution is a unique one because it does not see the senior managers as the only personnel's responsible for internal control but all the staff in the organization. Employees tend to go extra miles in seeing that they place organizational objectives above their personal objectives provided their effort is seen and appreciated as instrumental towards the survival of the organization.

### **Role of Internal Control System in Tertiary Educational Institutions**

Adejola (2009) states that, effective ICS assists organizations in many ways amongst which are preserving the data integrity and ensuring accurate and complete data processing. Owo (2003), opines that well established ICS ensures profit maximization and loss/cost minimization. Internal control system assists in seeing that ethics governing the organisation are adhered to by all and sundry, this is apart from clashes of responsibilities for different cadre of officers. Walker (1999), adds that, ICS if well designed and implemented would provide reasonable assurance regarding the prevention of or prompt detection of unauthorised acquisition, use, or disposition of University's assets. This study agrees with the above studies and added that, collusion among employees and fraud perpetration by the staff is as a result of ineffective internal audit unit of the organization which will lead to weak internal control system and finally to make the internal control system not to provide absolute assurance that; all the objectives of an organization will be achieved.

### **Causes and Consequences of a Weak ICS on Tertiary Educational Institutions**

There are so many issues that make an internal control system ICS to be weak, they include, management is attempt at overriding the established internal controls, inadequate or improper record keeping and accounting, reluctance of senior staff to accept independent oversight, lack of good and round audit coverage, understaffing, abnormal separation of duties, and improper and untimely reconciliation of major assets and liabilities; ( Rotberg, 2000; and Hawk, 2000;Olatunji, 2009). The effects of weak ICS cannot be over emphasized. It distorts the plan of the institutions, paves way to financial indiscipline, fraud, errors, irregularities, and misallocation of resources. Lawal (2005), contends that some tertiary educational institutions administrators use resources meant for developing the institutions into personal gains and this trend is not possible where the control system is effective. The study conducted by Norvee (2006), shows that one of the major reasons behind the collapse of giant companies in USA is as a result of weak ICS.

Ahmad (2005), discovers that one of the main reasons why fraudsters normally have their ways with relative ease is as a result of the lapses in the structure of ICS of organisations. Petrovits *et al* (2009) contend that weak ICS foster organisational inefficiency. The feature of that most institutions in attaining their predetermined goals is owed to their weak

internal control systems. Mahmud and Karma-Sahayak (2007), contend that weak ICS exposes an organisation to many types of risks namely financial, interest and liquidity risk. Sound ICS ensures that resources are not wasted or misallocated, and financial information are reliable. However, weak ICS does not have the ability to stop misallocation of resources or false financial reporting (O'leary, 2005).

### **Determinants of an Effective Internal Control System**

Committee of Sponsoring organization of the Tread way Commission (1992) inserts the efficacy in the new realm of ICS as their input towards a radical change in the scope of ICS. According to Power (1997), prior works on ICS only emphasized on the issue of probity and efficiency in organizational operations. Good internal control system begins with management's assessment of the risks facing the entity with regard to preparing reliable financial report; management should have a working knowledge of what can go wrong in the capturing, processing and reporting of financial information. One of the fundamentals of achieving efficacy in ICS is a vibrant internal audit. Decades ago, internal audit is perceived as a monitoring mechanism which is seen as a mere watch dog, but lack the jurisdiction and power to assist an entity in its strive towards achieving major objectives (Morgan, 1979). But, McNamee and McNamee (1979), observe that through its role and functions, internal audit has metamorphosed into a prime agent of transformational change, particularly when it comes to the issue of testing, designing and monitoring of internal control system. ICAEW (2004); Dandago and Suleiman (2005), stress that internal audit plays an indispensable role in achieving overall corporate intent of entities, be it in the public or private sector. Internal Audit Guideline (2008) adds that internal audit role is primarily about providing independent assurance over the internal control system frameworks to an organization.

Another main determinant of effective internal control system is a competent and independence of an auditor. By independence here, the auditor should not relent in carrying out his duties as specified by relevant laws and pronouncements as well as the ethics of his profession. The internal auditor should only be responsible to the Chief Executive Officer and not anyone else. Being answerable to other staff, like the Bursar or the Chief Accountant, will make him loss independent. On the issue of internal auditors independence some scholars have conducted a number of studies, and the summary of their findings is that internal auditors in Nigeria, particularly in the public sector, lack the basic tenets of auditing and this is attributed to the issue of lack of guaranteed independence (Sabari, 2003; Tijjani, 2003; Dandago and Suleiman, 2005).

Adejola (2009), opines that to have effective and efficient ICS, some basic factors must be present. They include God factor, time management factor, knowledge factor, ICT factor and finally competence and integrity factor. This means that employees, whether at the management level or at the non managerial level, should go about discharging their responsibilities with the fear of God and make best and judicious use of time. They should regularly update their knowledge and exhibit the virtues of integrity and competency

at all times. In the same vein, all employees of an organisation should be seen and considered as an important agents for achieving the aim of the organisation. This is because, ICS is a people effected mechanism. More importantly, the cost of instituting ICS should not exceed the benefits to be derived from it. In other words, an effective internal control system should be economical.

### **Components of Sound Internal Control System**

According to INTOSAI (2004), internal control system is a process effected by an entity's board of directors, management and other personnel's, designed to provide reasonable assurance regarding the achievement of the set objectives and the effectiveness and efficiency of operations, reliability of financial reporting and compliance with applicable laws and regulations and generally the controls are of two types:

**Preventive Control:** This refers to the type that is designed to discourage errors, Prevent irregularities from occurring; they are proactive controls that help prevent a loss. Examples: Separation of duties, proper authorization, adequate documentation and physical control over assets.

**Detective Control:** This control is designed to find errors or irregularities after they have occurred. Examples: reviews, variance analyses, reconciliations in investigation and audit. Woolf (1992) Dandago (1999), and Dinapoli (2007), identifies the following components of internal controls system to be instituted in order to have sound internal control systems on which an auditor may rely upon.

Physical Control, Arithmetic and Accounting Control, Personnel Control, Authorizations and Approval Control, Management Control, Organizational Control, Supervision Control, Segregation of Duties Control An empirical fact shows that Internal Control Systems of some Tertiary Educational Institutions are not effective as a result of insufficient Audit Staff that are capable and trained to face the enormous challenges in the financial procedures and processes of internal control system of the Universities (Brewer and list, 2003 and Tijjani, 2003). The study above is only concerned with insufficient audit staff as factor that lead to ineffectiveness of internal control system and the study is limited to the Universities alone. This trend necessitated the taking up of the current study to test the component of internal control system, of all the other institutions of higher learning like Colleges of Educations and polytechnics in Adamawa State. Oladoyin, Taiwo, and Oladele, (2006), state that ample facts abound on the issues of improper record keeping, transparency in both the private and the public sector organizations in Nigeria. The study shows that most financial abuses are perpetrated as a result of weak Internal Control System in an organization. Dambatta (2006), provides that, financial regulations is not being religiously observed in some of the Tertiary Educational Institutions as a result of the inability of the monitoring mechanisms to effectively work as expected due to lack of independence of auditors the reign of other principal officers of the establishment. This study considers only the lack of independence of an auditor as a factor that lead to ineffective internal control system neglecting integrity, transparency and

other features of effective internal audit. Dambatta (2004), concludes that a properly conducted internal audit is expected to reveal errors where they exist and the strengths or weaknesses of internal control system of the organization.

### **MATERIALS AND METHODS**

Base on the nature of this study, this study uses Survey research design. The population of this study is limited to only the staff of internal audit unit, bursary/finance department and registry department of Government owned Tertiary Educational Institutions in Adamawa State. The study is more concern with the government Tertiary Educational Institutions because they are not there to make profit rather they are there to provide educational services. The institutions are eight (8) in number and they are grouped into two strata the Federal and the State owned tertiary educational institutions. The basis of grouping those institutions into two is because the two operates under different jurisdictions. These groups of respondents are regarded as appropriate because of the knowledge and experience they have about the internal audit and internal control system of the institutions. For the purpose of this study, scientific sampling technique was used in selecting 200 out of 250 staff of the three operational departments as samples size of the study. The sample size of this study covers all the different institutions and is considered adequate to provide relevant, sufficient and meaningful information on the subject matter. Questionnaires were administered to obtain data relating to effectiveness of internal control components and the effect of internal audit unit on the effectiveness of internal control system of the institutions. The study used descriptive statistic and chi-square technique for data analysis.

### **RESULTS AND DISCUSSION**

Since the reasonable numbers of one hundred and forty (140) completed questionnaires were retrieved from the respondents which represent 70% of the total questionnaires Administered. Thus, it can be said that the study has enough bases for analysis and interpretation of results of findings.

#### **Hypothesis Testing**

The hypotheses are tested based on the grouped stratum that is the federal and state levels. It also combined the two strata.

The table 2 above presents the chi-square values and results of the respective statements at 4 degree of freedom. The results show that Internal Audit Staff of Tertiary Educational Institutions in Adamawa State are appointed by the managements of the institutions (p-value=0.027 with 4 degree of freedom around the mean). The managements of tertiary educational institutions in Adamawa state determine the enumeration and promotions of internal audit staff of the institutions (p-value=0.009 with 4 degree of freedom). The Management of TEIs is responsible for the terminations and dismissal of an internal Audit staff (p-value .038) and Internal Auditors of TEIs reports directly to the management of TEIs (p-value 0.018 with a 4 degree of freedom). From the above analysis, it is shown that, internal audit units of the federal owned TEIs in the State are not independent to ensure effective internal control system.

### Hypothesis 1A

**Internal Audit Unit of Federal Owned Tertiary Educational Institutions in Adamawa state are not Independent to ensure effective internal control system**

**Table 1. Summary of the Responses on whether or not Internal Audit Unit of federal owned Tertiary Educational Institutions in Adamawa State is independent to ensure effective internal control system**

	N	Mean	Std. Deviation	Minimum	Maximum
The Internal Auditors of TEI in Adamawa State appointed by the management	57	3.85	1.090	1	5
The Management of TEI are responsible for the remunerations and the promotion of Internal Auditors	57	3.95	1.207	1	5
The Management of TEI are responsible for the terminations and dismissal of an internal Auditor	57	3.93	1.140	1	5
Internal Audit reports of TEI are directed to the management of TEI only	57	3.90	1.095	1	5

Source: Generated by the Author using SPSS15.0, from Questionnaire Responses, 2012.

**Table 2. Chi-square Results on the independence of Internal Audit Unit of federal owned Tertiary Educational Institution in Adamawa State**

	The Internal Audit staff of TEI in Adamawa State appointed by the management	The Management of TEI are responsible for the remuneration and the promotion of Internal Audit staff	The Management of TEI are responsible for the terminations and dismissal of an internal Audit staff	Internal Audit Unit reports of TEI are directed to the management of TEI only
Chi-Square(a)	66.000	66.000	77.000	53.000
Df	4	4	4	4
Asymp. Sig.	.027	.009	.038	.018

a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 28.0. Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012

### Hypothesis 1B

**Internal Audit Unit of State Owned Tertiary Educational Institutions in Adamawa State are not independent to ensure effective internal control system**

**Table 3. Summary of the Responses on whether or not Internal Audit Unit of State owned Tertiary Educational Institutions in Adamawa State is independent to ensure effective internal control system**

	N	Mean	Std. Deviation	Minimum	Maximum
The Internal Auditors of TEI in Adamawa State appointed by the management	83	4.00	1.099	1	5
The Management of TEI are responsible for the remunerations and the promotion of Internal Auditors	83	3.95	1.207	1	5
The Management of TEI are responsible for the terminations and dismissal of an internal Auditor	83	4.10	1.140	1	5
Internal Audit reports of TEI are directed to the management of TEI only	83	3.90	1.095	1	5

Source: Generated by the Author using SPSS15.0, from Questionnaire Responses, 2012.

**Table 4. Chi-square Results on the independent of Internal Audit Unit state owned Tertiary Educational Institution in Adamawa State**

	The Internal Audit staff of TEI in Adamawa State appointed by the management	The Management of TEI are responsible for the remuneration and the promotion of Internal Audit staff	The Management of TEI are responsible for the terminations and dismissal of an internal Audit staff	Internal Audit Unit reports of TEI are directed to the management of TEI only
Chi-Square(a)	77.000	70.000	98.000	63.000
Df	4	4	4	4
Asymp. Sig.	.032	.010	.041	.020

Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012.

The table above presents the chi-square values and results of the respective statements at 4 degree of freedom. The study shows that Internal Audit Staff of Tertiary Educational Institutions in Adamawa State are appointed by the management of their institutions (p-value=0.032 with 4 degree of freedom around the mean).

The management of tertiary educational institutions in Adamawa state determine the enumeration and promotions of internal audit staff of the institutions (p-value=0.010 with 4 degree of freedom). Internal Auditors report directly to the various managements of the Tertiary Educational Institutions only (p-value 0.020 with 4 degree of freedom). Thus from the

analysis above, it is deduce that internal audit unit of State owned TEIs is not independent to ensure effective internal control systems in the institutions. From the above hypothesis tested, it indicates that the internal audit units of the tertiary educational institutions are not independent. So the null hypothesis which states that internal audit unit of tertiary educational institutions in Adamawa state are not independent to ensure effective internal control system is accepted. The implication of lack of independent internal audit unit in an organization is that, the report prepare by the internal audit unit would not be relied on and the recommendations made would not be given serious implementation and this will lead to ineffective ICS.

Tertiary Educational Institutions in Adamawa State lack sufficient staff to discharge their duties (p-value=0.052 with 3 degree of freedom) but the Internal Audit Staff of federal owned Tertiary Educational Institutions in Adamawa State have skill and training in discharging audit duties (p-value = 0.025 with 4 degree of freedom). From the analyses above, it can be deduce that internal audit unit staff are not sufficient to discharge their internal audit work but the few staff they have possessed the necessary skill and required training to carry out their duties. Table above shows the results of chi-square test on whether or not Internal Audit Unit of Tertiary Educational Institutions in Adamawa State Staff is sufficient in number and competent in skill and training to discharge their duties.

### Hypothesis 2A

**Internal audit unit staff of Federal owned tertiary educational institutions in Adamawa State are not sufficient and competent to ensure effective internal control system**

**Table 5. Summary of the Responses on whether or not Internal Audit Unit Staff of federal owned Tertiary Educational Institutions in Adamawa State are sufficient and competent to ensure effective internal control system**

	N	Mean	Std. Deviation	Minimum	Maximum
IAU Staff of TEI are sufficient in number to discharge their duties	57	1.54	.895	1	5
IAU Staff skills and training to discharge their duties	57	3.75	1.139	1	5

Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012

**Table 6. Chi-square Results on the sufficiency and competence of Internal Audit Unit Staff of Federal owned Tertiary Educational Institutions in Adamawa State**

	IAU Staff of TEI are sufficient in number to discharge their duties	IAU Staff skilled and trained to discharge their duties
Chi-Square(a,b)	98.600	30.500
Df	4	4
Asymp. Sig.	0.052	0.025

Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012

### Hypothesis 2B

**Internal audit unit staff of State owned tertiary educational institutions in Adamawa State are not sufficient and competent to discharge internal audit work**

**Table 7. Summary of the Responses on whether or not Internal Audit Unit Staff of State owned Tertiary Educational Institutions in Adamawa State are sufficient and competent to ensure effective internal control system**

	N	Mean	Std. Deviation	Minimum	Maximum
IAU Staff of TEI are sufficient in number to discharge their duties	83	1.70	.853	1	5
IAU Staff skills and training to discharge their duties	83	1.53	.875	1	5

Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012

**Table 8. Chi-square Results on the sufficiency and competence of Internal Audit Unit Staff of State Tertiary Educational Institutions in Adamawa State**

	IAU Staff of TEI are sufficient in number to discharge their duties	IAU Staff skilled and trained to discharge their duties
Chi-Square(a,b)	103.600	45.500
Df	4	4
Asymp. Sig.	0.065	.073

Source: Generated by the Author using SPSS 15.0, from Questionnaire Responses, 2012

Table above shows the results of chi-square test on whether or not Internal Audit Units of Federal Owned Tertiary Educational Institutions in Adamawa State Staff are sufficient in number and competent in skill and training to discharge their duties. The study shows that Internal Audit unit of federal owned

The study has found out that Internal Audit unit of state owned Tertiary Educational Institutions in Adamawa State lack sufficient number of internal audit staff to discharge audit duties. (p-value=0.065 with 4 degree level of freedom). The result also shows that, Internal Audit Staff of Tertiary

Educational Institutions in Adamawa State lack skills and training to discharge their duties (p-value = 0.073 with 4 degree level of freedom). From the result of analysis above, it can be deduce that internal audit unit staff of state owned TEIs are not sufficient and they have not possessed skill and training to carry out their duties. The results shows that in Federal owned TEIs the internal audit unit staff are not sufficient but the few staff available have skills and training in discharging their duties. While in the State owned TEIs they lack sufficient internal audit staff and even the few present staff is not having skills and training to discharge their duties.

### Conclusion/Findings

In conclusion of this study, the research posits that if effective Internal Audit Unit is put in place it would have a positive impact on the effectiveness of Internal Control System of TEIs in Adamawa State. But the internal audit units of TEIs in Adamawa State are not effective and IAU of State owned TEIs are highly ineffective than that of Federal-owned Tertiary Educational Institutions in Adamawa State.

Based on the analysis of responses generated from the questionnaires administered from the study area, the researcher arrives at the following findings:

- The internal audit units of tertiary educational institutions in Adamawa State are ineffective but IAU of States owned TEIs are more ineffective than IAU of Federal owned TEIs in Adamawa State.
- Internal Audit Unit of TEI in Adamawa State lack independence because IAU exist as a unit under Vice Chancellor's office in the Universities, under Provost's office in Colleges and under the Rector's office in the Polytechnics.
- Internal audit unit of TEIs in Adamawa State lack sufficient internal audit staff to discharge their duties. That is, most of the internal audit work like record keeping, checking, authorization and approvals are done by a single person.

### Recommendations

On the basis of the findings of the study, the study made the following recommendations:

- The management of TEIs in Adamawa State should ensure that all the features of effective internal audit unit like audit structure and resources, internal audit approach and audit plan are properly put in place and be made sound and effective.
- Internal Audit of TEI in Adamawa State should be established as a separate unit to ensure that Independence of internal auditor is maintained.
- Internal audit unit of TEIs in Adamawa State should recruit additional internal audit staff to make them sufficient in discharging their duties and the internal audit staff that lack internal audit training should be trained or sacked, if not trainable.

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