



Operationalization of Financial Autonomy for the Office of the Auditor-General

The Bayelsa State Audit Law 2020²⁸ was assented to by Governor Douye Diri on 26th August 2020. The Law created the Bayelsa State Audit Service Commission and provided for the operation and governance of the Office of the Auditor-General for Bayelsa State and the Office of the Auditor-General for Local Governments, Bayelsa State.

S. 27(1)(a) of the Bayelsa State Audit Law indicates that “the Auditors-General (State) shall prepare and submit to the House the annual estimates of revenues and expenditure of the office of the Auditor-General for inclusion in the state budget.

S. 27(4) further states that “any sum appropriated to the office by the House in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as first line charge in equal installment every month of the year”.

Going by the provisions stated above and contained in the Bayelsa State Audit Law 2020, it is important for the Executive arm to fully comply with these provisions to ensure that the Auditor-General remains independent, able to perform his/her statutory functions and not subjected to the direction or control of any individual due to financial constraints.

No Clarity of Tenure for the Auditors-General

S. 2(3)(d) of the Bayelsa State Audit Law 2020 provides that “the Auditor-General (State) shall be above forty years of age and where in public service, having not less than six months to retire”. Furthermore, S. 7 of the law states that “the Auditors-General shall not be removed from office before such retiring age as prescribed by the Law, save in accordance with the provisions of this Law”. These legal provisions subject the tenure of the Auditor-General in Bayelsa State to varying degrees of

inadequacies including the possibility of appointing an Auditor-General for Bayelsa State who could spend as much as twenty years or as little as six months in office. The Bayelsa State Audit Law did not provide a definitive term of office for the Auditor-General (State) which could impact negatively on the stability and policy implementation for the office as tenure of successive Auditor-General will be inconsistent and unpredictable.

Audit Mandate Execution

Beyond annual financial audit, the Auditor-General for Bayelsa State should conduct other types of audits such as compliance audit and performance audit. This would ensure adherence to fiscal and procurement regulations by government agencies and guarantee efficiency, effectiveness and economy of public spending on programs and projects implemented by the government of Bayelsa state.

No Legal Provision for Public Access to Audit Reports

S. 23 of the Bayelsa State Audit Law 2020 which deals with submission of audit reports by the Auditor-General states that “the Auditor-General shall within 90days of receipts of the Accountant-General's Financial Statements and Report on annual accounts of the State, submits his report to the House and the House shall cause the report to be considered by a Committee of the House responsible for Public Accounts (referred to in this law as “the Public Accounts Committee”. This section of the Law or any other section did not make any provision

for the Auditor-General for Bayelsa State to publish his report on a dedicated website (electronically) to enable citizens and civil society organizations access the report and engage with findings of the Auditor-General.

It is important to ensure that the audit legal framework makes adequate provision for citizens to have unrestricted access to reports of the Auditor-General of a state to encourage citizens participation in the audit process of the state.

²⁸ <https://www.mof.by.gov.ng/download.php?file=AUDIT%20LAW%202020.pdf>



Effectiveness of Public Accounts Committee

There is no proof the Public Accounts Committee of Bayelsa State House of Assembly is effective in discharging its statutory mandate. It is not clear whether the Committee has reviewed the Auditor-General's report for 2020 and whether it made any recommendation to the Executive arm to correct audit anomalies or improve public finance management practices in the state. The effectiveness of the Public Accounts Committee in reviewing audit reports on the accounts of Bayelsa State and making recommendations to correct public finance

management gaps could not be ascertained during this research exercise as relevant officials did not provide required information despite repeated engagements. The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be overemphasized and very crucial to concluding the audit action cycle for proper accountability. Recommendations of Public Accounts Committee to improve accountability in the utilization of public funds must also be taken seriously and implemented as quickly as possible.

Citizens' Participation in the Audit Process

Civil Society Organizations in Bayelsa state are of the opinion²⁹ that citizens participation in the Bayelsa State audit process is poor and needs to be encouraged. The Office of the Auditor-General for Bayelsa State only published an audited financial statement³⁰ for 2020 and not the full audit report which significantly limits citizens' demand for accountability using audit findings. Feedback³¹ received from the civil society community in Bayelsa State shows no evidence of participation in the State's audit process. There is also no indication of

engagement with the Office of the Auditor-General for Bayelsa State or Public Accounts Committee of the House of Assembly. It is important that citizens who are mostly affected by audit issues and public finance management gaps are able to engage with the Office of the Auditor-General and Public Accounts Committee to ensure their opinions and experiences reflect in planning and executing audit functions as well as the oversight role of the state's Parliament.

²⁹ https://docs.google.com/forms/d/11MTI9X0Zi_bTJHhUXAPuXMi3wyuhdqr4vEpUaJU2sk/edit#responses

³⁰ <https://www.mof.by.gov.ng/files/BAYELSA%20STATE%20FINANCIAL%20STATEMENT%202020.pdf>

³¹ https://docs.google.com/forms/d/11MTI9X0Zi_bTJHhUXAPuXMi3wyuhdqr4vEpUaJU2sk/edit#response=ACYDBNiowm2Esop1OqjRTn37GrL3c3myr0OXPhilC51N_h4Jbq_56dx4HPGBnMC85Sf1js