



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

The Kaduna State Audit Law 2021⁹⁰ signed by Governor Nasir El-Rufai on 30th June 2021 provides for the audit of public accounts of Kaduna State and for other matters connected therewith.

S.11(1) states that “the Auditor-General shall prepare an annual audit plan and associated budget for the approval of the State House of Assembly not later than three (3) months before the end of the preceding financial year”.

Also, S. 25(1)(b) indicates that “the Auditors-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year the estimate of revenues and expenditure for inclusion in the State budget”.

Furthermore, S. 25(4) states that “any sum appropriated to the Offices of the Auditors General in each financial

year shall be charged upon the Consolidated Revenue Fund and paid as a first line charge in equal installments monthly”.

Response received⁹¹ indicate that costs defrayed by the Office of the Auditor-General for Kaduna State is being charged on the first line to the Consolidated Revenue Fund of the State. However, it is not evident if these costs include the operational, administrative and capital expenses of the Audit Office including salaries, allowances, gratuities and pensions payable to staff. It is important for the Kaduna State government to ensure implementation of the financial autonomy clause provided for in the audit legal framework of the State to avoid subjecting the Auditor-General to the direction or control of any individual.

No Clarity of Tenure for the Auditors-General

S. 7 of the Kaduna State Audit Law 2021 provides that “the Auditors-General shall, except where he is removed in line with the provisions of the Constitution, remain in office until his attainment of the retirement age of sixty-five (65) years or thirty-five (35) years of service, whichever comes first”. This legal provision subjects the tenure of the Auditor-General in Kaduna State to varying degrees of inadequacies as successive Auditor-

Generals are likely to have inconsistent number of years in service. Such inconsistencies could negatively affect policy implementation at the office of the Auditor-General in Kaduna State. The Kaduna State Audit Law 2021 needs to provide for a definitive term of office for the Auditor-General and such term of office should be clearly stated, consistent and predictable.

Audit Mandate Execution

The Office of the Auditor-General for Kaduna State claimed⁹² to have conducted financial, compliance and performance audits for the financial year ended 2020 with findings of the Auditor-General documented in a single report. This laudable effort by the Auditor-General should continue and be scaled to ensure more comprehensive compliance and performance audits are conducted regularly on government programs and projects in Kaduna State. The Auditor-General should also be provided with all required support by the State government to execute this statutory function.

⁹⁰ https://kdsg.gov.ng/wpfd_file/revised-kaduna-state-audit-law-2021/

⁹¹ SAE Index 2021 Research Survey

⁹² SAE Index 2021 Research Survey



Effectiveness of Public Accounts Committee

The Public Accounts Committee of Kaduna State House of Assembly claimed⁹³ to have reviewed the report of the Auditor-General for 2020. Although the Committee did not specify how many recommendations it forwarded to the Executive arm of government to address audit concerns, the Committee indicated that it has backlog of audit reports yet to be reviewed. The Public Accounts Committee gave financial constraint as the key challenge it is facing. The duty of the Public Accounts Committee is to improve public finance management practices and by extension achieve accountability in the utilization of

public funds in Kaduna State. 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. The Public Accounts Committee of Kaduna State House of Assembly needs to be adequately supported and provided the required financial and technical resources to perform its functions.

Citizens' Participation in the Audit Process

The full report of the Auditor-General for Kaduna State for 2020 financial year has not been published for citizen's access. However, the audited financial statement of the state for 2020⁹⁴ is accessible to the public. Lack of access to the complete report of the Auditor-General is responsible for low participation of citizens in the audit process of Kaduna State especially in using audit information to demand accountability or engagement with the Office of the Auditor-General and Public Accounts Committee. There is no evidence citizens are significantly involved in the audit process of the State and the Kaduna State Auditor-General as well as the Public Accounts Committee of the House of Assembly needs to do more in ensuring that citizens are adequately engaged when audit reports are published and when they are

being reviewed by the Public Accounts Committee. Section 22(1)(e) of the Kaduna State Audit Law 2021 which states that "the PAC shall prepare a report to the House, which may include comments and recommendations at the end of its review of the Auditor-General's report provided that such reports shall be sent to the Auditor-General and all organizations reported on and shall be made available to the public on demand" should also be fully complied with. It is important that citizens who are mostly affected by audit issues and public finance management gaps can 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 Parliament.

⁹³ SAE index 2021 Research Survey

⁹⁴ <http://kdsg.gov.ng/download/156/audited-accounts/14397/2020-transitional-accrual-basis-ipsas-financial-statements.pdf>