



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

Public audit functions in Ogun State is governed by the Ogun State Audit Service Commission Law 2020¹³⁴ signed on 31st December 2021 by Governor Dapo Abiodun. The legal framework provides for the establishment of Ogun State Audit Service Commission and Offices of the Auditor-Generals and other related matters.

S.52(1) of the law states that “not later than 90 days before the end of the financial year, the Auditors-General shall prepare and submit the estimates of revenue and expenditure of their offices for the next following financial year directly to the House of Assembly for inclusion in the Appropriation Law”.

S.52(2) states further that “the sum appropriated to the Office of the Auditor-General by the House of Assembly of the State in each financial year shall be charged on the Consolidated Revenue Fund of the State and be paid as

the first line charge in twelve equal installments for each financial year”.

Evidence received¹³⁵ shows that the legal provision stated above and contained in the Ogun State Audit Service Commission Law 2020 is yet to be operational despite Governor Dapo Abiodun's assent. It is not clear why this legal provision that guarantees the financial independence of the Auditor-General in Ogun State is not being implemented as contained in the law. Financial autonomy and operational independence for Supreme Audit Institutions especially at subnational level are foundational pillars of achieving public accountability. It is therefore important for the Ogun State Government to begin implementation of this legal provision and ensure costs to the office of the Auditor-General for Ogun State are charged on the first line to the Consolidated Revenue Fund of the State.

Exemplary Appointment Procedure for the Auditor-General

S.23(1) of the Ogun State Audit Service Commission Law 2020 indicates that “the Auditor-General for State Government shall be appointed by the Governor on the recommendation of the Audit Service Commission subject to confirmation by the House of Assembly while the Auditor-General for the Local Governments shall appointed by the Governor on the recommendation of the Audit Service Commission, subject to confirmation by the House of Assembly”.

This appointment procedure for Auditors-General in Ogun State is exemplary and should be emulated by other states of the federation as it further confirms the independence of the Office of the Auditor-General for the State or Local Governments as against being an extension of the State Civil Service. The independence of the Office of the Auditor-General is crucial to achieving public accountability and nothing should be seen to be interfering with such independence.

No Clarity of Tenure for the Auditor-General

S.23(3) of the Ogun State Audit Service Commission Law 2020 provides that “a candidate for the position of the Auditor-General shall not be less than (52) years of age and not more than (56) years of age at the time of his appointment”. Also, section 26 indicates that “the Auditor-General shall remain in office until he has attained the retirement age of sixty (60) years, or thirty-five (35) years in service except where he is removed under the provisions of this Law”.

This legal provision subjects the tenure of the Auditor-General in Ogun State to several inadequacies including

the possibility of having inconsistent term of office for successive Auditor-General. Such inconsistencies could negatively impact the stability of the office of the Auditor-General in Ogun State. While there could be age bracket in appointing the Auditor-General, the Ogun State Audit Service Commission Law 2020 ought to have provided for a definitive term of office for the Auditor-General and such term of office should be clearly stated, consistent and predictable.

¹³⁴ <https://archive.ogunstate.gov.ng/files/uploads/2021/12/OGUN-STATE-AUDIT-SERVICE-COMMISSION-LAW.pdf>

¹³⁵ SAE Index 2021 Research Survey



Audit Mandate Execution

The Office of the Auditor-General for Ogun State claimed¹³⁶ it conducted financial, compliance and performance audits for the financial year ended 2020 with findings of the Auditor-General documented in a single report. The Auditor-General for Ogun State should ensure that audits are comprehensively executed to capture all agencies of government to ensure adherence to financial and procurement regulations and to guarantee value for money on programs and projects implemented by the government of Ogun State.

Lack of Public Access (Electronic) to Audit Reports

S.44 of the Ogun State Audit Service Commission Law 2020 indicates that “all reports of the Auditor-General submitted to the House of Assembly shall be treated as House of Assembly reports and shall enjoy all privileges accorded to House of Assembly reports”.

This legal provision stated above and contained in the Ogun State Audit Service Commission Law 2020 is not progressive and does not reflect the spirit of open

government. The Law made no mention of citizens having access to reports of the Auditor-General through electronic means; neither did it mandate the Auditor-General to publish his report on a dedicated website after submission to the House of Assembly of the State. Unrestricted access to audit reports is crucial to evidence-based engagements between citizens and policy makers.

Effectiveness of Public Accounts Committee

There's no evidence the Public Accounts Committee of Ogun State House of Assembly has reviewed the report of the Auditor-General for 2020 or whether recommendations were made to the Executive to address fiscal abuses and financial management gaps highlighted in the audit report. The Committee was said to have recently concluded review of 2016 - 2019 reports of the Auditor-General and has begun issuing letters to agencies of government to signal commencement of review of 2020 report of the Auditor-General. 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 Ogun State. The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be overemphasized and very vital 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

The 2020 report of the Auditor-General for Ogun State has not been published; neither is the report accessible to citizens. However, the audited financial statement of the State for 2020¹³⁷ is publicly available on the State Government's website. Lack of access to the complete report of the Auditor-General is responsible for low participation of citizens in the audit process of Ogun State especially in using audit information to demand accountability or engagement with the office of the Auditor-General and Public Accounts Committee. There's no evidence Civil Society Organizations in Ogun State are participating actively in the State's audit process especially since reports of the Auditor-General

are not freely accessible to them. The Ogun 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 produced and when they are being reviewed by the Public Accounts Committee. 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 Parliament.

¹³⁶ SAE Index 2021 Research Survey

¹³⁷ <https://archive.ogunstate.gov.ng/download/ogun-state-financial-statement-2020/>