



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

The State of Osun Audit Law 2019¹⁴⁸ signed by Governor Adegboyega Oyetola on 27th May 2019 is the principal law governing public audit function in Osun State. The law provides for the establishment of the Offices of the State Auditor-General, The Auditor-General for Local Governments and An Audit Service Commission for The State of Osun and for other connected Purposes. However, the 2019 law was amended¹⁴⁹ and cited as State of Osun Audit (Amendment) Law, 2021 with the Governor's assent on 12th June 2021.

S.50(i) of the principal law states that “there shall be established a fund for the Commission and the provision for the fund shall be made in the annual budget of the State”.

S.50(ii)(a) provides further that “there shall be paid and credited to the fund established under subsection (i) of this section; any sum appropriated to the Commission by the House in each financial year”.

Evidence¹⁵⁰ collected indicates that the legal provision stated above and contained in the State of Osun Audit (Amendment) Law, 2021 is yet to be operational since May 2019 when the principal law was signed by Governor Adegboyega Oyetola. It is not clear if the fund into which statutory allocations to the Audit Service Commission is to be paid has been established and why this legal provision that guarantees the financial independence of the Auditor-General in Osun 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 Osun State government to begin implementation of these legal provisions and ensure costs to the office of the Auditor-General for Osun State are charged on the first line to the Consolidated Revenue Fund of the State.

Exemplary Tenure for the State Auditor-General

S.13(c) of the State of Osun Audit Law 2019 indicates that “The Auditor-General shall remain in office until he has attained the retirement age of 60 years; The Auditor-General shall be appointed and shall have 4 years tenures guarantee which shall be renewable for another 4 years and no more”.

S.13(d) provided for in the State of Osun Audit (Amendment) Law, 2021 indicates that “nobody shall be eligible for appointment as Auditor-General when he has less than four years in Service and/or he is above 56 years of age”.

These legal provisions governing the tenure of the Auditor-General in Osun State are very well defined and exemplary. The Law sets the retirement age for the Auditor-General and maximum age limit for an individual to qualify for appointment as Auditor-General. The framework also clarified the maximum term and number of years an Auditor-General can spend in office. Term of office for AuGs must be well defined, consistent and predictable to guarantee their independence. This will further ensure that an Auditor-General is not subjected to the direction or control of any person on the account of tenure instability.

Audit Mandate Execution

The Office of the Auditor-General for Osun State claimed¹⁵¹ to have conducted financial, compliance and performance audits for the year ended 2020. This laudable effort by the Auditor-General should continue and be scaled to ensure that more comprehensive compliance and performance audits are conducted regularly on government programs and projects in Osun State. The Auditor-General should also be provided with all required support by the State government.

¹⁴⁸ <https://www.osunstate.gov.ng/wp-content/uploads/2021/06/audit-law-2-2.pdf>

¹⁴⁹ <https://www.osunstate.gov.ng/wp-content/uploads/2021/11/audit-law-2021.pdf>

¹⁵⁰ SAE Index 2021 Research Survey

¹⁵¹ SAE Index 2021 Research Survey



Effectiveness of Public Accounts Committee

Response¹⁵² received showed the Public Accounts Committee of Osun State House of Assembly has reviewed the report of the Auditor-General for 2020. The Committee highlighted six (6) key concerns from the report, made five (5) recommendations to the Executive to correct audit anomalies or improve public finance management practices in the State and confirmed the three (3) of these recommendations have been

implemented. The role of the Public Accounts Committee in ensuring timeous review of annual audit reports is very crucial to concluding the audit action cycle for proper accountability in the utilization of public funds. 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 Osun State has not been published electronically to enable citizens' access but the audited financial statement of the State for 2020¹⁵³ has been published on the State government's website. While there's some level of participation by civil society actors in the audit process of Osun State, it is not clear to what extent civic actors in the State are using audit information to demand accountability or engagement with the Office of the Auditor-General and Public Accounts Committee despite corroboration¹⁵⁴ from civic actors on the claim by the Office of the Auditor-

General that it organized an audit forum to discuss findings contained in the 2020 report. CSOs commended the effort by the Office of the Auditor-General and other government institutions to involve them in audit findings dissemination. 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.

¹⁵² SAE Index 2021 Research Survey

¹⁵³ <https://www.osunstate.gov.ng/wp-content/uploads/2021/11/YEAR-2020-AUDITED-FINANCIAL-STATEMENT.pdf>

¹⁵⁴ https://docs.google.com/forms/d/11MTI9X0Zi_bTJHhUXAPuXMi3wyuhdqr4vEpUaIJU2sk/edit#responses