



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

The legal framework governing public audit function in Rivers State is not in public domain despite indication¹⁶⁹ that the State House of Assembly in 2019 passed the Rivers State Audit Bill 2019. It is not clear if the Bill has been assented to by Governor Nyesom Wike.

However, The Office of State Auditor- General is an independent entity whose existence, powers and responsibilities are provided for under the 1999 Constitution of the Federal Republic of Nigeria. Although, the Constitution of the Federal Republic of Nigeria 1999 (as amended) does not provide comprehensive and explicit operational framework that guarantees effective public auditing. This significant gap ought to have been bridged in the Rivers State Audit Bill 2019 to ensure adequate framework for audit function in Rivers State and to institutionalize the Office of the Auditor-General for Rivers State for greater effectiveness and sustainability.

While the Constitution of the Federal Republic of Nigeria 1999 (as amended) provides for the appointment, functions, powers, independence, and removal of the

Auditor-General under S.125 - 127¹⁷⁰, these provisions are not comprehensive enough and do not guarantee financial autonomy for the Office of the Auditor-General of a State.

The Rivers State Government has the responsibility to ensure that the legal framework for public auditing in the State guarantees financial autonomy and administrative independence for the Office of the Auditor-General in the State. The Government of Rivers State must also make sure that these provisions, if already contained in any existing legal framework, are effectively implemented. Financial autonomy and operational independence for Supreme Audit Institutions especially at subnational level are foundational pillars of achieving public accountability. It is imperative that the Executive arm in Rivers State fully comply with relevant provisions of the law 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 or authority due to financial or operational constraints.

Audit Mandate Execution

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

Effectiveness of Public Accounts Committee

There are no indications the Public Accounts Committee of the House of Assembly in Rivers State has reviewed the State Auditor-General's report for 2020. It is equally not clear how much backlog of reports the Committee is yet to review. The effectiveness of the Public Accounts Committee in reviewing audit reports on the accounts of Rivers 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.

¹⁶⁹ <https://riversstate.gov.ng/news/rivers-state-house-of-assembly-has-passed-3-three-bills-into-law>
¹⁷⁰ <http://www.nigeria-law.org/ConstitutionOfTheFederalRepublicOfNigeria.htm>



Citizens' Participation in the Audit Process

The 2020¹⁷¹ report of the Auditor-General for Rivers has been published on the official State Government's website. However, there is no proof that citizens or Civil Society Organizations in Rivers State are actively involved in the State audit process. It is equally not clear to what extent citizens in Rivers State are using audit information to demand accountability or engagement with the office of the Auditor-General and Public Accounts Committee. The Rivers 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 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.

¹⁷¹ <https://www.riversstate.gov.ng/storage/media/application/pdf/1627592712.pdf>