



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

The legal framework for public sector auditing in Taraba State is the Taraba State Audit Service Commission Law 2021<sup>177</sup> enacted on 22nd June 2021 and amended through the Taraba State Audit Service Commission (Amendment) Law 2021<sup>178</sup> which Governor Darius Ishaku assented to on 22nd December 2021. The principal law provides for the establishment of the Audit Service Commission and for other matters connected therewith.

S.(1)(i) of the law states that “the funds of the Office of the State Auditor-General shall consist of such monies as may be allocated to the office of the State Auditor-General from the Consolidated Revenue Fund of the State”.

S.(1)(ii) provides that “the funds of the Office of the State Auditor-General shall consist of such monies as may be appropriated for 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 paid as a first line charge in twelve equal installments for each month of that financial year”.

There is no evidence to show that the legal provisions stated above and contained in the Taraba State Audit Service Commission Law 2021 has been operational since June 2021 when Governor Darius Ishaku assented to the law. Several attempts to validate the operationalization of these legal provisions were unsuccessful as relevant government institutions failed to respond. The Taraba State Government has the responsibility to ensure that the legal framework to guarantee financial autonomy and administrative independence for the Office of the Auditor-General in the State is effectively implemented.

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 Taraba State Government to begin implementation of these legal provisions and ensure costs to the Office of the Auditor-General for Taraba State are charged on the first line to the Consolidated Revenue Fund of the State.

## Exemplary Tenure for the State Auditor-General

Although S.35(1) of the Taraba State Audit Service Commission Law 2021 indicates that “the Auditor-General shall retire at any time after attaining the age of 60 years or shall vacate office after putting in 35 years in active service whichever is earlier”. However, S.3(5) of the amendment provides that “the Auditor-General shall hold office for a period of four years and may be eligible for re-appointment for another period of four years only”.

The legal provisions governing the tenure of the Auditor-General in Taraba State are well defined and exemplary. The Law sets 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

Beyond the annual financial audit, the Auditor-General for Taraba State should execute other types of audits including 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 Taraba State government.

<sup>177</sup> <https://tarabastate.gov.ng/Finances/TARABA%20STATE%20AUDIT%20LAW%202021.pdf>

<sup>178</sup> <https://tarabastate.gov.ng/Finances/Taraba%20State%20Audit%20Service%20Commission%20law.pdf>



## Uncertain Public Access (Electronic) to Audit Reports With Restricted Use of Audit Findings

S.51(5)(b) of the Taraba State Audit Service Commission Law 2021 indicates that “the annual audit report of the Auditor-General shall be made publicly available in electronic format on the internet, though the report is posted on the website and published in official bulletin, it shall not be used unless with the approval of the State House of Assembly”.

Also, S.60(5) of the law states that “the reports of the Auditor-General shall become public documents as soon as they are submitted to the State House of Assembly. The report may be placed on the official website,

published in the official bulletin of the office and displayed in the office library. Though the report is posted on the website and published in the official bulletin, it shall not be used unless with the approval of the State House of Assembly”.

The legal provisions mentioned above and contained in the Taraba State Audit Service Commission Law 2021 are non-progressive and do not guarantee unrestricted public access to audit reports in electronic format as well as the ability of citizens to freely use publicly available information to demand accountability from duty bearers.

## Effectiveness of Public Accounts Committee

There are no indications the Public Accounts Committee of the House of Assembly in Taraba 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 Taraba 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

The 2020 report of the Auditor-General for Taraba State has not been published electronically to enable citizens access the report. However, the audited financial statement of the State for 2020<sup>179</sup> is 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 Taraba 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 relevant government institutions including Office of the Auditor-General and Public Accounts Committee are doing enough to involve citizens in the

audit process and infrequent legislative discussion of audit findings in Taraba State. The 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.

<sup>179</sup> <https://tarabastate.gov.ng/Finances/ACCOUNTANT%20GENERAL%20REPORT%202020.pdf>