

### **Legal Framework and Operationalization**

#### ***Financial Autonomy not Operational***

The Katsina State Audit (amendment) Law enacted in November 2021 provides for financial autonomy of the Office of the Auditor-General. S.29(1) and (2) of the Katsina State Audit Law 2020 indicates that “funding of the salaries and overheads of the State Auditor-General shall be in accordance with the appropriation act of the State House of Assembly. Any amount standing to the credit of the State Auditor-General in the annual appropriation Bill shall be paid on a first line charge to the State Auditor-General and disbursed as approved by the State House of Assembly”.

Also, S.14(d) of the Katsina State Audit (Amendment) Law 2021 states that “the Auditor Generals are to submit draft annual estimates directly to the State House of Assembly, make any necessary amendments after receiving comments from the State House of Assembly and then submits the amended estimates to the Ministry of Budget for inclusion in the appropriation bill, no changes shall be made to the estimates submitted by the Auditor Generals to the Ministry of Budget and Economic Planning without the prior agreement of the State House of Assembly, and; the Executive must not control or direct access to the resources of the Auditor Generals/Offices.”

Feedback<sup>110</sup> received showed that the financial autonomy clause is not operational and the Office of the Auditor-General for Katsina State is still routinely dependent on its auditee (the Executive arm) for its finances. The inability of the Executive to ensure effective implementation of the audit law to allow for fiscal independence for the Audit Office continues to hinder the optimal performance of the foremost accountability institution in Katsina State as it is unable to implement freely and without interference its audit plans and programs.

#### ***Administrative Autonomy Activated***

Response<sup>111</sup> collected revealed that the Katsina State Audit Service Commission was inaugurated in December 2020 and the Commission in 2021 sat on the promotion and employment of certain staff at the Office of the Auditor-General for the State and Local Governments. This is in compliance with S.4(1) and (2) of the Katsina State Audit Law 2020 which established the Commission and S.12(2) which provided for its powers and functions to include the power to promote and confirm appointments of persons employed by the Commission and dismiss and exercise disciplinary control over such persons holding or acting in such offices among others.

The inauguration of the State Audit Service Commission is indeed one of the positive impacts of the newly enacted audit law of Katsina State which will contribute to strengthening the Office of the Auditor-General administratively especially by ensuring that human resource issues are coordinated through the State Audit Service Commission rather than through the Civil Service Commission.

#### ***Appointment Procedure for the State Auditor-General is Transparent***

The process for appointing the Auditor-General in Katsina State as provided for in the audit law is transparent and competitive. Although S.23(1) of the principal law states that “the Auditor General shall be appointed by the Governor on the recommendation of the State Civil Service Commission, subject to the confirmation by the House of Assembly”, S.10 of the Katsina State Audit (Amendment) Law provides that “in recommending person(s) for appointment as Auditors-General, the State Civil Service Commission shall advertise the vacancy on the

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State's website, in two (2) national newspapers, the official gazette, and procurement journal for a minimum period of six weeks before the date set for interview. The State Civil Service Commission shall interview the applicants and recommend the top three candidates to the Governor”.

### ***Tenure of Office for the Auditor-General is Secured***

The Katsina State audit law provides for a secured tenure for the Auditor-General. S. 25 of the principal law which has been amended states that “the Auditor-General shall remain in office until he has attained the age of sixty (60) years and shall not be more than fifty-six (56) years at the time of first appointment”.

The law provided for a maximum term of four years for any Auditor-General appointed for the

State. Term of office for an Auditor-General 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.

### ***Legal Mandate to Publish Audit Reports Online is Available***

The Katsina State Audit Law provides the legal basis for reports of the Auditor-General to be published and made available to citizens. S.42(2) indicates that “the Auditor-General's Report shall be published and made available to the public after its submission to the House of Assembly; this shall be on demand and non-payment of a minimal fee.

### **Annual Activity Report for 2021 not Submitted to HoA**

The Office of the Auditor-General for Katsina State did not submit an annual activity report for the 2021 fiscal year to the House of Assembly. However, S.43(1) of the Katsina State Audit Law provides that “the Auditor-General shall prepare and submit to the Public Accounts Committee, on a quarterly basis, a report on the performance and operation of the Office of the Auditor-General”.

Also, S.43(2) indicates that “the Auditor-General shall submit annually to the Public Accounts Committee a copy of annual performance and financial audit report with respect to the Office of

the Auditor-General. The report shall include a report on the extent to which the Auditor-General achieved his/her annual plan and audited financial statements of the Office of the Auditor-General.

Nonetheless, an activity report for the Audit Office/Institution should include the specific initiatives and activities undertaken during the previous/outgoing calendar year to strengthen the office and improve its performance as well as any impacts (financial and non-financial) that were achieved through audit.

### **Full Audit Report for 2021 Published Online**

The Katsina State Office of the Auditor-General produced and published the full audit report for 2021<sup>112</sup> financial year electronically on a dedicated

website. Making the full audit report freely available to citizens enhances civic advocacy and investigative journalism using audit information.

112-<https://www.katsinastate.gov.ng/wp-content/uploads/2022/06/Report-of-the-Auditor-General-on-the-Accounts-of-the-Government-of-Katsina-State-of-Nigeria-for-the-Year-Ended-31st-Dec.-2021.pdf>

## Implementation of Audit Recommendations for 2020 Ongoing

Response<sup>113</sup> received showed that the implementation of audit recommendations and House resolutions for 2020 financial year is ongoing and yet to be concluded. However, it is not evident if the Office of the Auditor-General

and House of Assembly in Katsina State has effective mechanisms for monitoring implementation of audit recommendations and resolutions.

## No Evidence of Performance Audit for 2021

The Office of the Auditor-General for Katsina State did not produce any performance audit report on any government project, program or policy in 2021 that is separate from the annual audit report. The Audit Office usually includes findings on performance audits conducted into the annual report of the Auditor-General and its 2021 findings are documented on pages 102 - 109 of the annual audit report. Notwithstanding, best practice requires that a separate report on

performance audit conducted be produced and submitted to Parliament.

Performance audit refers to an independent examination of a program, function, operation or the management systems and procedures of a governmental entity to assess whether the entity is achieving economy, efficiency, and effectiveness in the employment of available resources.

## Citizens' Accountability Report for 2021 Published Online

The Katsina State Government produced and published online the Citizens' Accountability Report for 2021<sup>114</sup>.

A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a

government agency on behalf of the government to the citizens to ensure accountability of public funds. This report details the government's performance in carrying out the duties assigned to it and the utilization of funds in the coffers of the government.

## CS/Media Actors Less Involved in the Audit Process

Civil Society and media actors are less involved in the audit process of Katsina State. The Office of the Auditor-General and Public Accounts Committee need to intentionally create more opportunities for engaging civil society and media actors. Feedback<sup>115</sup> received from a civil society organization working in Katsina State suggest that the State Audit Process is not inclusive and not participatory.

It is important for the Office of the Auditor-General and the Public Accounts Committee to ensure civic actors participate actively in the audit process to enable those affected by audit issues and public finance management gaps engage with the Office of the Auditor-General and Public Accounts Committee and provide feedback that will enhance planning and executing audit and oversight functions.

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114-<https://www.katsinastate.gov.ng/wp-content/uploads/2022/09/KTSG-2021-Citizens-Accountability-Report.pdf>

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## **PAC Review of 2021 Audit Report is Ongoing**

The Public Accounts Committee of Katsina State House of Assembly has not commenced review of the 2021 report of the Auditor-General on the accounts of the Katsina State Government. 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 the Public Accounts Committee to improve accountability in the utilization of public funds must also be taken seriously and implemented as quickly as possible by Executive agencies. The PAC must also involve civil society and media actors during review of audit reports.