

Legal Framework and Operationalization

Financial Autonomy not Operational

The Ogun State Audit Service Commission Law 2022¹⁵ signed by Governor Dapo Abiodun on 13th May 2022 provides for financial autonomy of the Office of the Auditor-General. S.52(1) states that “not later than Ninety (90) days before the end of the financial year, the Auditors-General shall prepare and submit the estimate of revenue and expenditures of their offices for the next following financial year directly to the House of Assembly for inclusion to the Appropriation Law.

Furthermore, S.52(2) indicates 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.

Feedback¹⁶ collected showed that the financial autonomy clause is not operational and the Office of the Auditor-General for Ogun State is still routinely dependent on its auditee (the Executive arm) for finances relating to its annual budget. The inability of the Executive arm to effectively implement the audit law to allow for fiscal independence as provided for in the audit law continues to hinder the optimal performance of the foremost accountability institution in Ogun State as it is unable to implement freely and without interference its audit plans and programs.

Administrative Autonomy not Activated

The Ogun State Audit Service Commission has not been activated despite enacting the audit law since May 2022. S.3(1) and (2) of the audit law provided for the establishment of the Audit Service Commission while S.11(2)(a-g) provided for its functions including carrying out periodic assessment and promotion of staff of the office of

the Auditors-General as provided in the Public Service and handling pension and retirement matters of the staff of the Auditor-General.

Response¹⁷ received showed that the Commission has not been constituted by the Executive. to begin performing its statutory functions of providing administrative support to the Office of the Auditor-General in Ogun State.

Administrative independence is crucial to effective functioning of Supreme Audit Institutions at subnational level and to ensure administrative autonomy for the Office of the Auditor-General for Ogun State, it is expected that the Audit Service Commission would be inaugurated to limit reliance on the Civil Service Commission of the State for all human resource matters relating to recruitment, discipline, promotion, and remuneration for staff of the Office of the Auditor-General.

Appointment Procedure for the State Auditor-General is Transparent

The process for appointing the Auditor-General in Ogun State as provided for in the Audit Law is transparent and competitive. S.24(1) and (2) of the audit law states that “in recommending persons for appointment as Auditor-General for the State, the Audit Service Commission shall advertise the vacancy on its website, in two national newspapers, the official gazette and the Procurement Journal for a minimum period of six weeks before the date set for interview. The State Audit Service Commission shall interview the applicants and recommend the top three candidates to the Governor”.

15-<https://archive.ogunstate.gov.ng/download/ogun-state-audit-service-commission-law-2022/>

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Tenure of Office for the Auditor-General is not Secured

The tenure of the Auditor-General for Ogun State is not secured. S.26 of the Ogun State Audit Service Commission Law 2022 provides 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 did not specify the number of years an Auditor-General will spend in office which 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.

The Ogun State Audit Service Commission Law 2022 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.

Legal Mandate to Publish Audit Reports Online is Available

The Ogun State Audit Service Commission Law 2022 provides the legal basis for reports of the Auditor-General to be published and made available to citizens. S.48(2)(3) and (4) provides that "The Auditor-General's Reports shall be published immediately after it is submitted to the House of Assembly. The Reports shall be published in hard copy and be available to the public at the cost of printing. The Report shall also be available in downloadable and printable versions (at no fee) on the website of the Auditor General and the State Government".

Annual Activity Report for 2021 not Submitted to HoA

The Office of the Auditor-General for Ogun State did not submit an annual activity report for 2021 fiscal year to the State House of Assembly. However, S.53(1)(a)(i) and (ii) provides that "the Auditor-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year a draft annual plan that describes the Auditor-General's proposed work programme for the year; and includes interim report for that financial year".

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 not Accessible

The Ogun State Office of the Auditor-General claimed to have published the full audit report for the 2021¹⁸ financial year on a dedicated website but neither the full report of the Auditor-General nor audited financial statement is accessible

through the official web link provided. Making the full audit report freely available to citizens enhances civic advocacy and investigative journalism using audit information.

18-<https://archive.ogunstate.gov.ng/download/ogun-state-annual-reports-and-financial-statements-for-the-year-ended-31st-december-2021/#>

Implementation of Audit Recommendations for 2020 Ongoing

The implementation of audit recommendations/House resolutions for the 2020 financial year is said to be ongoing but not completed. There is no official document either by the Office of the Auditor-General or the Public Accounts Committee indicating how many

agencies have implemented audit recommendations and House resolutions. However, the Office of the Auditor-General assured on the mechanism available to monitor implementation of audit recommendations and resolutions by audited entities.

No Evidence of Performance Audit for 2021

The Office of the Auditor-General for Ogun State claimed to have conducted financial, compliance and performance audits for the 2021 financial year; the Office did not produce a performance audit report on any government project, program or policy in 2021 that is separate from the annual audit report. Best practice requires that a performance audit be conducted on projects, programs or policies implemented by the

Executive and a report produced, submitted to Parliament and published online for members of the public.

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 Ogun State Government produced and published online Citizens' Accountability Report for 2021¹⁹.

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 Ogun State and the Office of the Auditor-General and Public Accounts Committee need to intentionally create more inclusive opportunities for engaging civil society and media actors. Although response²⁰ received indicated that civic and media actors do attend review of audit reports by the Public Accounts Committee, some civil society organizations working in Ogun State affirmed that there is need to increase involvement of civic and media actors in the audit process of the State particularly in ensuring that reports of the Auditor-General are

freely made available and accessible to citizens with fora organized to engage citizens on audit findings.

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.

19-<https://archive.ogunstate.gov.ng/download/citizens-accountability-report/>
20-SAE Index 2022 Research Survey

PAC Review of 2021 Audit Report not Started

The Public Accounts Committee of Ogun State House of Assembly has not commenced review of the 2021 report of the Auditor-General on the accounts of the Ogun 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. The PAC should equally make its report available to the public.