

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY NOT OPERATIONAL

The amended Cross River State Audit Law No 8 2021¹⁰³ provides for financial autonomy for the Office of the Auditor-General. S.25(1) (b) and (c) indicates that “the State Auditor-General shall prepare and submit to the State House of Assembly at least 90 days before the beginning of each year the estimate of revenue and expenditure for inclusion in the State budget; the operational and administrative expenses of the Office including salaries, allowances, gratuities and pension payable to staff”.

Also, S. 25(3) states further that “any sum appropriated to the Office by the House of Assembly of the State in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as first line charge”.

Response received indicates that the financial autonomy clauses contained in the Cross River State Audit Law to ensure fiscal independence of the Office of the Auditor-General has not been implemented. The Office of the Auditor-General for Cross River State which is supposed to be an independent institution is dependent on its auditee (the Executive arm) for its finances. This hinders performance of the foremost accountability institution in Cross River State as it is unable to implement its audit plans and programs freely and without interference.

ADMINISTRATIVE INDEPENDENCE ACTIVATED

Evidence gathered showed that the Audit Service Commission for Cross River State had been inaugurated in fulfillment of S.82(1 & 2) of the Cross River State Audit Law No 8 2021 (as amended) which established the Commission. The Commission has since been performing its statutory responsibilities of handling matters of recruitment, promotion, and discipline of members of staff the Office of the Auditor-General and the Commission as well as other staff matters including pensions and retirement issues.

The inauguration of the Commission being one of the positive impacts of the enacted

audit law has contributed to strengthening the Office of the Auditor-General in Cross River State administratively especially by ensuring that human resource issues are addressed through the Audit Service Commission rather than through the Civil Service Commission as was previously done prior to the audit law.

APPOINTMENT PROCEDURE FOR THE STATE AUDITOR-GENERAL IS TRANSPARENT

The process for appointing the Auditor-General in Cross River State as provided for in the Audit Law is transparent and competitive. S.5 provides that “in the selection of a suitable candidate as stated in Section (3) of this Law, the following additional procedure shall be executed by the Civil Service Commission: (a) the vacancy for the position of the Auditor-General shall be advertised in at least 2 national dailies and 1 local newspaper; (b) all applicants are to be subjected to the same interview and/or written test”.

TENURE OF OFFICE FOR THE AUDITOR-GENERAL IS SECURED

The legal provisions governing the tenure of the Auditor-General in Cross River State provides for a secured tenure and clarifies the maximum number of years an Auditor-General can spend.

S.11(1) of the Cross River State Audit Law No 8 2021 (as amended) provides that “the State Auditor-General shall remain in Office until he has attained the retirement age of sixty (60) years in accordance with S.127(2) of the Constitution, except where he is removed from office under the provisions of section 10 of this law”.

Furthermore, S.11(2) provides that “for the purpose of sections 3(2) of this Law, a person to be appointed Auditor-General shall not be more than 56 years of age at the time of appointment to the Office and shall retire on attaining the age of 60. While best practice requires that the term of office for Auditor-Generals must be well defined, consistent, and predictable to guarantee their independence, the Audit Law of Cross River State sets the age limit for appointment and retirement which allows for a minimum term of

103. <https://www.criis.ng/2021/11/12/crs-audit-law-2021-amended/>
104. SAE Index 2024 Research Survey
105. SAE Index 2024 Research Survey

four years for an Auditor-General.

LEGAL MANDATE TO PUBLISH AUDIT REPORTS ONLINE IS AVAILABLE

S.14(7) mandates the Auditor-General to publish his/her report electronically and manually by specifying that “the State Auditor-General in the exercise of his responsibility shall publish the annual statutory report of the State Government electronically and manually”, It is important that the legal framework for audit functions at subnational level provide legal basis for audit reports to be published online to enable citizens freely access such information and use it to demand accountability when and where required.

ANNUAL ACTIVITY REPORT FOR 2023 NOT PUBLISHED

Although feedback collected¹⁰⁶ revealed that the Office of the Auditor-General for Cross River State submitted the annual activity report for 2023 to the House of Assembly, there is no evidence indicating that the report was published online. However, S.32(1) of the Audit Law No 8 2021 (as amended) provides that “the Auditor-General shall submit an annual activity report to the House of Assembly and make it available to the public”.

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

AUDITED FINANCIAL STATEMENT FOR 2023 PUBLISHED ONLINE

The Office of the Auditor-General for Cross River State published the audit report for 2023 financial year on a dedicated website. The report included audit issues, observations and recommendations. Making the audit report (including audit issues identified, observations and recommendations) freely accessible to citizens enhances civic advocacy and investigative journalism using audit information.

IMPLEMENTATION REPORT OF AUDIT RECOMMENDATIONS FOR 2022 NOT AVAILABLE

While feedback received indicated that implementation of audit recommendations and resolutions of the House of Assembly on the report of the Auditor-General for the 2022 financial year is ongoing, no implementation report was made available. It is not evident if the Office of the Auditor-General and House of Assembly has effective mechanisms for monitoring implementations of audit recommendations and resolutions.

NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023

The Office of the Auditor-General for Cross River State did not publish a performance audit report on programs, projects or policies of the Government in 2023 that is separate from the annual audit report. Best practice however 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 2023 NOT PUBLISHED

The Cross River State Government did not publish the Citizens' Accountability Report for the 2023 financial year.

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.

PAC REVIEW OF 2023 AUDIT REPORT NOT STARTED

106. SAE Index 2024 Research Survey
107. https://auditgen.cr.gov.ng/wp-content/uploads/2024/06/inside-2023-audit-report-v17_042417.pdf
108. SAE Index 2024 Research Survey
109. SAE Index 2024 Research Survey

There is no evidence the Public Accounts Committee of Cross River State House of Assembly has reviewed the 2023 report of the Auditor-General as the Committee did not respond to the SAE Index assessment despite repeated engagements. Also, there is no proof that the Committee has concluded the review of 2021 and 2022 audit reports.

The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be over-emphasized 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 is encouraged to improve its effectiveness and ensure reports of the Auditor-General for 2023 and other pending audit reports are given expeditious consideration. The PAC should also involve civic society and media actors when reviewing all outstanding audit reports and ensure its resolutions reflect the experiences and feedback from citizen groups particularly those who are victims of audit findings and other public accountability gaps.

CS/MEDIA ACTORS MUCH INVOLVED IN THE AUDIT

PROCESS

Response received indicated that civil society and media actors rarely participate in the audit process of Cross River State. Representative of a Civil Society Organization working in the State noted that “the audit forum organised by the Office of the Auditor-General for Cross River State last took place about 5 years ago.

It was a gathering of stakeholders including government agencies, traditional rulers and civil society. The engagement brought to fore issues contained in the Auditor-General’s report and ways of improving on shortcomings therein”. The representative also noted that CSOs are neither engaging with the Audit Office nor with the Public Accounts Committee “It’s been a while since civil society has been involved and when attempts are made to enquire, the lack of funds has been posed as the reason for it”.

It is important that citizens, civic groups and journalists 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 legislature.

