

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY IS OPERATIONAL

The audit law of Ekiti State enacted in June 2021 provided for financial autonomy for the Office of the Auditor-General. S.50(1) indicates that “not later than 90 days before the end of the financial year, the Auditors-General shall prepare and submit their estimates of revenue and expenditures of their offices for the next following financial year directly to the House of Assembly for inclusion in the Appropriation Law”.

Also, S.50(2) states further 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 paid as a first line charge in twelve equal installments for each financial year”.

Evidence received showed that the legal provisions stated above are being operationalized and the Office of the Auditor-General for Ekiti State receives funding allocated to it by the State House of Assembly each year in 12 equal installments. The financial autonomy for the Ekiti State Audit Office was approved for operationalization in January 2023. The evidence provided suggests that the Audit Office of Ekiti State is financially independent and does not routinely depend on its auditee (the Executive) for funds to freely conduct its audit plan and programs.

The Ekiti State Government effectively implementing the Audit Law to allow for fiscal independence as provided for in the legal framework is commendable.

ADMINISTRATIVE INDEPENDENCE ACTIVATED

Response collected revealed that the Ekiti State Audit Service Commission was inaugurated in July 2021 in compliance with S.1(1) & (2) of the Ekiti State Audit Law which established the Commission and S.9 which provided for its powers and functions to include the power to appoint, advice the State Government on policy issues relating to audit matters, confirm recruitment of staff, subject erring staff to disciplinary process, promote

staff, handle pensions and retirements matters among others.

The inauguration of the Audit Service Commission is indeed one of the positive impacts of the enacted audit law of Ekiti State which contributes to strengthening the Office of the Auditor-General administratively especially by ensuring that human resource issues are addressed through the Audit Service Commission rather than through the Civil Service Commission as previously done prior to the Audit Law.

APPOINTMENT PROCEDURE FOR THE STATE AUDITOR-GENERAL IS TRANSPARENT

The process for appointing the Auditor-General in Ekiti State as provided for in the legal framework is transparent and competitive. S.22(1) provides that “in recommending persons for appointment as Auditor-General for the State, the State Civil Service Commission shall advertise the vacancy on its website, in two national newspapers, official gazette and procurement journal for a minimum period of six weeks before the date set for interview. Furthermore, S.22(2) indicates that “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 legal provisions governing the tenure of the Auditor-General in Ekiti State provides for a secured tenure. S.21(3) of the Ekiti State Audit Law 2021 as amended indicates that “a candidate for the position of the Auditor General shall not serve more than eight (8) years or sixty (60) years of age”.

Furthermore, S.24 of the law states that “the Auditor-General shall remain in office until he has attained the retirement age of sixty (60) years except where he is removed under the provisions of this law”.

The legal provisions stated above clarifies the maximum number of years an Auditor-General can spend in office. 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 Ekiti State audit law provides the legal basis for reports of the Auditor-General to be published online for citizens to access freely. S.46(2) (3) & (4) states that “The Auditor-General’s report shall be published immediately after it is submitted to the House of Assembly. The report shall be published in hard copy and 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 websites of the Auditor General and the State Government”.

Publishing reports of the Auditor-General online to enable citizens access freely will enhance use of audit information to demand accountability.

ANNUAL ACTIVITY REPORT FOR 2023 NOT PUBLISHED

While the Office of the Auditor-General for Ekiti State indicated that the annual activity report for 2023 has been submitted to the House of Assembly, the report has not been published on a dedicated website contrary to S.2 of the Ekiti State Audit (First Amendment) Law, 2021 which provides that “the Auditors-General shall also submit reports on the activities of their respective Offices for the year to the State House of Assembly and make it available to the public”.

An annual activity report for the Audit Office 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.

AUDITED FINANCIAL STATEMENT FOR 2023 PUBLISHED ONLINE

The Office of the Auditor-General for Ekiti State published the audit report for 2023 financial

year on a dedicated website. The audit report published includes audit issues, observations and recommendations. Making the report of the Auditor-General freely available to citizens enhances civic advocacy and investigative journalism using audit information.

IMPLEMENTATION REPORT OF AUDIT RECOMMENDATIONS FOR 2022 NOT STARTED

Response received showed that the implementation of audit recommendations and resolutions of the House of Assembly on the audit report for the 2022 financial year has not started. It is not evident if the Office of the Auditor-General and the House of Assembly has effective mechanisms for monitoring implementations of audit recommendations and resolutions.

PERFORMANCE AUDIT REPORT FOR 2023 NOT STANDARDIZED

The Office of the Auditor-General for Ekiti State indicated that it conducted performance audit covering several projects in Ekiti State but the report published did not meet acceptable standards for a performance audit report. The report was also not published independent of the statutory annual audit report. A performance audit report should have been published as a separate document from the annual statutory audit report in line with international best practice. The Audit Office included findings on project monitoring conducted into the annual report of the Auditor-General (pages 61 - 65) and such findings cannot be substituted for a performance audit report.

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 Ekiti State Government did not publish the Citizens’ Accountability Report for 2023 on a dedicated website.

130. <https://ekitistate.gov.ng/wp-content/uploads/2023/Auditor-Generals%20Report.pdf>

131. SAE Index 2024 Research Survey

132. <https://www.dataphyle.com/investigations/investigation-ekis-agency-dashes-peoples-hopes-with-multimillion-naira-industrial-projects-abandoned-audit-report/>

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

The Public Accounts Committee of Ekiti State House of Assembly has commenced the review of the 2023 audit report on the account of the government of Ekiti State. Although the Committee had considered the report of the Auditor-General on the accounts of the 38 LGAs/LCDAs in Ekiti State for 2023 with civil society organizations invited to observe the proceedings, there is no evidence that similar review had been carried out on the account of the State Government. However, the Public Accounts Committee noted that the implementation of resolutions of the House of Assembly on the 2022 audit report on the account of the State Government had been completed even though the implementation report has not been published for public access.

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 State Auditor-General for 2023 and other pending audit reports are given expeditious consideration. The PAC should also continue to involve civic society and media actors when reviewing 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 ARE MUCH INVOLVED IN THE AUDIT PROCESS

Civil society and media actors participated in a number of activities focused on strengthening civic involvement in the audit process of Ekiti State. Some of the activities include the Audit Forum and Accountability Dialogue held in June 2024. Stakeholders who participated in the two-day meetings were drawn from diverse constituencies including the Office of the Auditor-General for State, Public Accounts Committee of the State House of Assembly, audited agencies of government, civil society, media, persons with disability, community leaders, professional bodies, women associations, trade, and labour unions.

A civil society organization working in Ekiti State confirmed substantial participation in the audit process of Ekiti State having attended several engagements organized by the Office of the Auditor-General for Ekiti State and the Public Accounts Committee "we attended Public Accounts Committee 2023 audit report review which coincidentally occurred when staff of the House of Assembly were on strike, however, the PAC decided to do it even outside the assembly complex in order to meet up with the mandate which was commendable".

Also, a journalist selected from Ekiti State to participate in the Public Audit Media Fellowship investigated selected audit issues and published two investigative reports with the first focused on abandoned industrial projects and the second⁷⁶ on unrecovered car loans to past political office holders. It is expected that stakeholders in the Ekiti State public audit cycle will sustain these and other initiatives to continue to improve civic participation in the audit process of the State.

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.

