

LEGAL FRAMEWORK & OPERATIONALIZATION

FINANCIAL AUTONOMY NOT OPERATIONAL

The Ogun State Audit Service Commission Law 20221 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.

Feedback collected revealed that the legal provisions stated above are not operational and the Office of the Auditor-General for Ogun State is 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 continues to hinder the optimal performance of the foremost accountability institution in Ogun State as it is unable to implement its audit plans and programs freely and without interference.

ADMINISTRATIVE INDEPENDENCE NOT ACTIVATED

The Ogun State Audit Service Commission has not been inaugurated 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.

Response received showed that the Commission has not been inaugurated 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 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”.

TENURE OF OFFICE FOR THE AUDITOR-GENERAL 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

135. <https://archive.ogunstate.gov.ng/download/ogun-state-audit-service-commission-law-2022/>
136. SAE Index 2024 Research Survey
137. SAE Index 2024 Research Survey

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 online for public access. 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 2023 NOT PUBLISHED

The Office of the Auditor-General for Ogun State did not publish its annual activity report for the 2023 fiscal year on a dedicated website. 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 annual 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

AUDITED REPORT OR AUDITED FINANCIAL STATEMENT FOR 2023 NOT AVAILABLE

The Ogun State Government did not publish the audit report or audited financial statement

for the 2023 financial year. Making the audit report which includes audit issues, observations and recommendations freely available to citizens enhances civic advocacy and investigative journalism on public finance management practices using audit information.

IMPLEMENTATION REPORT OF AUDIT RECOMMENDATIONS FOR 2022 NOT AVAILABLE

There is no evidence indicating that audit recommendations and resolutions of the House of Assembly for the 2022 financial year have been implemented. Also, it is not evident if the Office of the Auditor-General and House of Assembly in Ogun State have effective mechanisms for monitoring implementation of audit recommendations and resolutions.

NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023

The Office of the Auditor-General for Ogun State claimed to have conducted performance audit in 2023. However, the performance audit report was not published. Best practice requires that a separate report on performance audit conducted be produced, submitted to Parliament and published online.

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 ACCESSIBLE

The Ogun State Government did not publish the Citizens' Accountability Report for 2023 on a dedicated website.

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

138. https://s3.eu-west-2.amazonaws.com/openstates.ng.storage/documents/dataset_Ogun_State-2022-Accountant-Generals-Report.pdf

government.

PAC REVIEW OF 2023 AUDIT REPORT NOT STARTED

The Public Accounts Committee of Ogun State House of Assembly has not commenced review of the 2023 report of the Auditor-General on the accounts of the Ogun State Government. Also, it is not evident if the PAC has completed review of pending 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 State Auditor-General for 2023 and other pending audit reports are given expeditious consideration. The PAC should also continue to involve civil 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 NOT INVOLVED IN THE AUDIT PROCESS

There is no indication that civil society and media actors are involved in the audit process o Ogun State, especially because civic actors do not have electronic access to the 2023 report of the Auditor-General on the accounts of the Ogun State Government. Also, a representative of a civil society organization working in Ogun State confirmed lack of involvement in the public audit process of the State. “We are never invited for any engagement with the Auditor-General or the Public Accounts Committee”.

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.

