

## LEGAL FRAMEWORK & OPERATIONALIZATION

### FINANCIAL AUTONOMY NOT OPERATIONAL

The Taraba State Audit Service Commission Law 2021148 and the Audit Service Commission (Amendment) Law 2021149 enacted in June and December 2021 respectively provides for financial autonomy for the Office of the Auditor-General. S.(1)(i) of the law states that “the funds of the Office of the State Auditor-General shall consist of such monies as may be allocated to the office of the State Auditor-General from the Consolidated Revenue Fund of the State”.

Also, S.(1)(ii) provides that “the funds of the Office of the State Auditor-General shall consist of such monies as may be appropriated for 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 month of that financial year”.

There is no evidence showing that the legal provisions stated above are operational and the Office of the Auditor-General for Taraba State is dependent on its auditee (the Executive arm) for finances relating to its annual budget. The inability of the Executive to effectively implement the Audit Law to allow for fiscal independence continues to hinder the optimal performance of the foremost accountability institution in Taraba State as it is unable to implement its audit plans and programs freely and without interference.

### ADMINISTRATIVE INDEPENDENCE NOT ACTIVATED

The Taraba State Audit Service Commission has not been inaugurated despite enacting and amending the Audit Law since 2021. S.4 of the audit law provided for the establishment of the Audit Service Commission while S.5(a) and (b)(i - vii) provided for its powers and functions including to appoint, confirm, promote, transfer, dismiss and exercise disciplinary control over staff of the Commission among others.

There is no proof indicating that the Commission has been inaugurated to begin

performing its statutory functions to support the Office of the Auditor-General in Taraba State administratively.

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 Taraba 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 Taraba State as provided for in the Audit Law is transparent and competitive. S.3(6) of the audit law (amended) indicates that “the procedure for appointment of the Auditor-General shall be open and transparent through a competitive process and shall be advertised in at least two national newspapers in Nigeria”.

### TENURE OF OFFICE FOR THE AUDITOR-GENERAL IS SECURED

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

S.35(1) of the Taraba State Audit Service Commission Law 2021 indicates that “the Auditor-General shall retire at any time after attaining the age of 60 years or shall vacate office after putting in 35 years in active service whichever is earlier”. However, S.3(5) of the amendment provides that “the Auditor-General shall hold office for a period of four years and may be eligible for re-appointment for another period of four years only”.

The Law sets the maximum term and number of years an Auditor-General can spend in office. Term of office for AuGs must be well defined, consistent, and predictable to guarantee their independence. This will further ensure that an Auditor-General is not

38. <https://tarabastate.gov.ng/Finances/TARABA%20STATE%20AUDIT%20LAW%202021.pdf>  
39. <https://tarabastate.gov.ng/Finances/Taraba%20State%20Audit%20Service%20Commission%20law.pdf>

subjected to the direction or control of any person on the account of tenure instability.

#### **LEGAL MANDATE TO PUBLISH AUDIT REPORTS ONLINE IS AVAILABLE WITH RESTRICTION**

The Taraba State Audit Commission Law 2021 provides for reports of the Auditor-General to be published online. S.5 provides that (a) “the Annual Audit Report of the Auditor-General shall be considered public document and so shall be made available to the public at reasonable cost-recovery fee after submission to the House. (b) “be made publicly available in electronic format on the internet. Though the report is posted on the website and published in the official bulletin, it shall not be used unless with the approval of the State House Assembly”.

Also, S.76 of the State Audit Law indicates that “the public shall have right of access to reports of the Auditor-General in line with the provisions of the Constitution for transparency and accountability, except where such access may jeopardize state or national security”.

The provision to seek approval of the State Assembly before using the report of the Auditor-General made publicly available negates the provision in S.5(a) which equally states that the report of the Auditor-General shall be considered a public document.

#### **ANNUAL ACTIVITY REPORT FOR 2023 NOT PUBLISHED**

There is no evidence that the Office of the Auditor-General for Taraba State published its annual activity report for the 2023 fiscal year and it is not evident if the report was submitted to the State House of Assembly.

The annual activity report for the Office of the Auditor-General 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 Taraba State Government published its

audited financial statement for the 2022 financial year. The document published does not contain audit issues, observations and recommendations of the Auditor-General for 2023. 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 Taraba State have effective mechanisms for monitoring implementation of audit recommendations and resolutions.

However, S.60(3) of Taraba State Audit Law provides that “the Auditor-General shall follow up the implementation of the recommendations of the House of Assembly arising from the reports submitted to it under this Law and shall report back to the House of Assembly on any outstanding issue”.

#### **NO EVIDENCE OF PERFORMANCE AUDIT FOR 2023**

The Office of the Auditor-General for Taraba State did not conduct performance audit on any government project, program or policy in 2023. 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 PUBLISHED ONLINE**

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

40. <https://mtbep.tr.gov.ng/download/2023-audited-financial-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**

There is no proof indicating that the Public Accounts Committee of the House of Assembly in Taraba State has commenced review of the 2023 report of the Auditor-General on the accounts of the Taraba State Government as the Committee did not respond to the SAE Index assessment despite repeated engagements. Also, it is not evident if the PAC has reviewed 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 evidence showing that civil society and media actors are involved in the audit process of Taraba State, especially because civic actors do not have electronic access to the 2023 report of the Auditor-General on the accounts of the Taraba State Government.

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.

