

IMPROVING THE EFFECTIVENESS OF FEDERAL AUDIT PROCESS AND REFORMS

1. BACKGROUND

Centre for Social Justice Limited by Guarantee (CSJ) is a Nigerian Knowledge Institution, being a non-governmental, non-profit and non-partisan organisation registered with the Corporate Affairs Commission as a Charity. It was established in 2008 to introduce professionalism in civil society work and to use social entrepreneurship to provide cutting edge services to enhance and deepen economic, social and political change. Our core programme focus is on fiscal governance and public finance management.

Audit reforms is part of the larger picture of public finance management reforms which has been ongoing since the Olusegun Obasanjo presidency. However, it has been beset by setbacks. The Audit Reform Bill was passed in the last days of Obasanjo's presidency but did not get assent. It was again passed under the first term of President Muhammadu Buhari and sent for presidential assent which did not materialise.

2. THE PROJECT

CSJ with the support of the European Union has started a project on "*Improving the Effectiveness of Federal Audit Process and Reforms*". The project is designed with three core objectives:

- To advocate for the enactment of the Federal Audit Service Commission Bill into law;
- To support the Public Accounts Committees (PACs), office of the Auditor General for the Federation (AuGF) and MDAs in the improvement of audit process;
- To build the capacity of civil society organisations (CSOs) and the media to demand and monitor compliance of Federal Ministries, Departments and Agencies of government (MDAs) with the extant audit regime.

3. KEY ACTIVITIES

The key activities of the project include the following:

1. Stakeholder Dialogue for the design of an Advocacy Strategy to engage key stakeholders in the executive and legislature.
2. Advocacy engagement with key stakeholders (the legislature, influential persons, offices and institutions) on audit reforms.
3. Attendance of PAC meetings and engagements with the PAC.
4. Advocacy roundtables for the implementation of audit recommendations.
5. Awards to MDAs that are most compliant with audit best practices through the design and administration of an Audit Compliance Assessment Reporting Template for MDAs.

6. Media advocacy (print, electronic, social and digital) for the enactment of the bill and other audit reforms including compliance with recommendations of the AuGF and PAC.
7. Capacity building workshops for civil society organisations - not less than two key CSOs will be trained per state and the FCT.
8. Freedom of Information requests to MDAs based on published audit reports to ensure compliance with audit recommendations.
9. Mandamus applications on MDAs to ensure compliance with public audit duties.
10. Preparation of policy briefs for improved funding to the office of the AuGF and follow up budget advocacy.
11. Analysis and simplification of key findings of published audit reports and advocacy around their recommendations.

CSJ will be delivering these activities in collaboration with its civil society partners in the Citizens Wealth Platform (CWP) which is a Nigerian Platform of CSOs, professionals, the media, faith, women and community based organisations dedicated to ensuring that public resources are made to work and be of benefit to all.

4. KEY DELIVERABLES

At the end of the project, we anticipate the following key deliverables:

- The Federal Audit Service Commission Bill would have been passed by the Ninth National Assembly and assented to by the President.
- The work of the PAC produces greater results for transparency and accountability, value for money and improvement of service delivery.
- MDAs become more compliant with audit demands through timely submission of accounts/reports, response to audit queries, etc.
- Competition among MDAs to outperform one another. Best performers will be recognized.
- Improved funding of the office of the AuGF.
- Remedial action will follow infractions of the rules of public finance management presented in audit reports.
- Not less than 75 CSOs and the media acquire greater capacity through training on audit fit and good practices and are intervening for the improvement of the Nigerian federal audit regime.
- Audit issues will be raised to the front burner of national discourse

5. COLLABORATION WITH THE PUBLIC ACCOUNTS COMMITTEES OF THE NATIONAL ASSEMBLY

CSJ seeks collaboration with the Public Accounts Committee of the House of Representatives for the delivery of this project and especially in key areas of:

- Advocacy for the enactment of the Federal Audit Service Commission Bill into law.
- Observation of the work of the Public Accounts Committee.
- Any technical support that can be provided to the PAC to make its work more effective.
- Relevant information needed for preparation of policy briefs for improved funding of the office of the AuGF and follow up budget advocacy.
- Quality review to ensure that analysis and simplifications of audit reports fully represent the findings of the AuGF and PAC.
- Any other technical engagement that will facilitate the realization of the goals of the project.

6. DURATION OF PROJECT

The project is for a period of twelve months, subject to renewal, which will take into consideration the achievement of key deliverables and new issues arising from implementation and the prevailing audit environment.