

The enigma of Fiscal Responsibility Act over budget implementation in Federal Ministry of Education, Nigeria

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Abstract

The enactment of the Fiscal Responsibility Act (FRA), which has inherent provisions for consistent updates such as quarterly and annual reporting on budget execution across Ministries, Departments and Agencies (MDAs) in Nigeria, renewed the hope of achieving budget implementation by, at least, 75% level. However, partial and/or outright non-adherence to FRA provisions appears to undermine the proper management of public expenditures in various MDAs in Nigeria, thus dashing the hope. Using the documentary method of data collection and the qualitative descriptive method of data analysis, this study attempts to bring the literature up to date by investigating how irregularity in the publication of annual and quarterly reports on budget implementation, contrary to the provisions of the FRA, encourages corruption in public expenditures using the Federal Ministry of Education (FME) as an example. The finding shows that MDAs hardly implement the FRA on budget execution reporting and this has resulted in the diversion of appropriated funds to private pockets, thus leading to abysmal budget

implementation. The study recommends that punitive measures be extended to culprits to serve as deterrence to future breaches.

Keywords: corruption, Fiscal Responsibility Act, budget implementation, ministries, departments, agencies

Introduction

In Nigeria, as in much of the developing world, there appears to be a lack of harmony among policy-making, planning, and budgeting. This tends to undermine the implementation of national budgets through its failure to resolve key macroeconomic concerns (Nurudeen & Usman, 2010; Kighir, 2012). For this reason, Ezugworie et al. (2024) noted that poverty and unemployment remain persistent issues in Nigeria even after the creation and execution of numerous policies and initiatives, such as Social Investment Programs (SIPs). Observation shows that attempts to redress this common challenge in most developing countries through annual budgeting have been largely unsuccessful. Nnabugwu and Odigbo (2017), for instance, highlighted how Nigeria's budget preparation and execution processes have been hindered by a high prevalence of corrupt activities. According to them, Nigeria's budget implementation process has suffered a setback following an annual ritual that

has not advanced the country's growth trajectory, especially since democratic governance was restored in 1999.

Meanwhile, Nigeria has enjoyed over 24 years of democratic rule and throughout that period, the country's annual budgets have consistently increased.

Regrettably, the budget-making process has always been replete with grave violations. The most obvious impediments are related to budget implementation, ranging from poor implementation to occasional outright non-implementation. Onike (2012) submitted that since 1999, not a single year did the capital budget reach 75% implementation and this explains why the Nigerian economy has not been appreciably impacted by previous government budgets (Oke, 2013).

It was believed that the Fiscal Responsibility Act (FRA) and its inherent Medium Term Expenditure Framework (MTEF) would be the master stroke to

change the narrative for good (Makau, 2009). To be sure, FRA provides that, in order to create a responsible and transparent fiscal management framework for Nigeria and ensure that resource distribution, debt control and revenue-raising policies are carried out judiciously, there must be consistent updates on budget execution. These were to be done at sectoral levels. As such, budget preparation and defence at sectoral levels would be strictly based on programmes and their contribution to both sectoral and national goals, capable of improving public sector performance and efficient operations. However, after many years of its implementation, Nigeria continues to record marginal or no success, in its annual budget implementation. The 943 Ministries, Departments and Agencies (MDA) in Nigeria, authorized to convert the budget estimations into tangible achievement in the form of physical projects, are still bedeviled with poor implementation.

Existing studies have attributed poor budget implementation in Nigeria to the culture of deficit budgeting, delayed passage of budgets and late budgets release by relevant authorities (Ibrahim, 2011; Ogujiuba & Okafor, 2013; Onodugo & Amujiri, 2015; Ianna, 2018), sharing of

budgetary allocations among Heads of MDAs (Nnabugwu & Odigbo, 2017) and imbalances in budget preparation as well as implementation (Ezenwafor, 2011; Odeh & Okoye, 2012; Ayemokhia, 2010; Onyiah et al., 2016). Others also blame it on debt servicing, dysfunctional investment culture, volatility in crude oil production and price (Olaoye, 2016; Effiom & Edet, 2019), ineffective oversight function by the legislature and weak budgetary control mechanism (Ekhator & Chima, 2015; Onho & Zayol, 2017) and change in government and policy (Agbo & Nwankwo, 2021).

There is sparse literature on the contributions of how non-adherence to the FRA provisions accounts for the weak implementation of national budgets in Nigeria. As such, this study uses the Federal Ministry of Education to interrogate how inconsistent update on budget execution leads to poor management of public expenditure in Nigeria. The remaining parts of the paper are organized as follows: the next section reviews the literature on budget mismanagement in Nigeria. This is followed by the theoretical framework, research methods, data presentation and conclusion.

Nigeria's Fiscal Responsibility Act: A magic wand or a recycled motif?

There has been much talk in recent years about budget execution and public expenditure in Nigeria. It has become the center of attraction to various groups, particularly development economists. Debates have focused on some questions of budget execution, such as: are deficit targets achievable? Do they meet the revenue and expenditure adjustments that were agreed upon during the planning stage? Will the results likely fall within the allocated amount? Or, are planned changes in spending priorities being made in particular areas in contrast to historical trends (Potter & Diamond, 1999)?

According to Ushie (2010), corruption and mismanagement of public finances at all levels of government in Nigeria are caused by the executive's discretionary use of funds as well as a lack of accountability and transparency in public expenditures. Ushie (2010) acknowledged the commendable introduction of the FRA, which aims to establish institutional transparency in Nigeria's budgeting process and offer guidelines for public expenditure management. However, she lamented the limitations and ineffectiveness of the legislation due to

the institutional and policy environment, as well as the complex matter of the political and fiscal privileges enjoyed by sub-national units in the Nigerian federation.

Ogujiuba and Okafor (2013) examined Nigeria's fiscal results and governmental financial management. They discovered that the two main institutional elements influencing Nigeria's fiscal performance are the country's levels of literacy and corruption. The authors argued that the country's fiscal results have been extremely weak and subpar despite the growing number of changes in every sector. This position confirms that despite the enactment of the FRA, which is designated to ensure fiscal discipline and accountability in budget execution and public expenditure in Nigeria, significant improvement is yet to be noticed in the budget execution and public expenditure in various MDAs. Similarly, Liu and Webb (2016) examined the features and outcomes of fiscal responsibility laws in seven different countries: Argentina, Australia, Brazil, Canada, Colombia, India, and Peru. Their findings indicated that while fiscal responsibility laws can support and facilitate commitments to fiscal prudence, they should not be seen as ends in themselves.

Onodugo and Amujiri (2015) also examined some theoretical questions on fiscal responsibility in an economy and highlighted significant aspects of the fiscal responsibility laws in Nigeria. They concluded that rigorous adherence to the new fiscal policy is required to foster macroeconomic stability in Nigeria. Their conclusion raises questions on strict adherence or enforcement of the FRA by the MDAs, especially in the area of budget execution and public expenditure. In corroboration, Ianna (2018) argued that Nigeria's monoculture economy, deficit budgeting, delayed legislative passage of the budget, ineffective national Assembly oversight, and delayed budget release by relevant authorities are factors necessitating the country's poor budget execution and management of public expenditure. The scholar agreed that there is bound to be an implementation gap once a government sets the budget instead of the target groups. This implies that the intended beneficiaries are not permitted to participate in the creation of laws that have an impact on their daily life.

Effiom and Edet (2019) also investigated the difficulty of implementing capital budgets in Nigeria and found that corruption is by far the biggest

impediment to the implementation of capital budgets in the country. According to Olaoye (2016), because officials have ample discretion in determining which spending ministry or agency will be authorized to spend public funds, there are numerous opportunities for interventions and manipulations during the budget implementation phase in Nigeria. The reason for this is that in Nigeria, government ministries and spending agencies need to obtain spending authorization from the Ministry of Finance by using warrants before they are required to make any kind of expenditure. Agbo and Nwankwo (2021) also noted that budgeting has caused several problems with regard to the mode of preparation and implementation in Nigeria because of the country's frequent shifts in policies and philosophies resulting from the usual change of government actors. It has remained challenging in terms of planning and implementation, requiring ongoing supervision to ensure more effective use of resources.

Although some scholars have argued that FRA can ensure fiscal discipline in public sector financial management practice and the budgetary process, they argued that its effectiveness could be limited in

Nigeria (Okpara et al., 2018). Existing studies have not sufficiently interrogated the impact of the Fiscal Responsibility Act on budget implementation in Nigeria. Even the existing ones are too old to appreciate current developments in the area. Meanwhile, evidence suggests that the projections made years ago concerning the benefits FRA has brought or would bring into budget implementation in Nigeria are yet to come by, thus suggesting that FRA is a mere recycled motif whose effectiveness needs to be further investigated.

Theorizing institutional corruption and budget implementation in Nigeria

This study is anchored on the theory of institutional corruption. The theory of institutional corruption is a developed conception of corruption that differs from that of conventional corruption in both its individual and structural forms. The theory was developed by Thompson, Dennis F. in his book, *Ethics in Congress: From Individual to Institutional Corruption*, in 1995. While Thompson's theory could be utilized by a broad range of organizations, governments and societies, his early research on the subject focused almost entirely on the US Congress, with a greater emphasis on internal processes than on the election

funding system (Thompson, 1995). Scholars such as Warren (2004), Miller (2017) and Lessig (2011) have also from different perspectives, further contributed to the development of the theory. Despite their different perspectives of the theory, the key and common factor in all their views is that corruption is characteristically integral to an institution in three ways:

- First of all, it is ambiguous: corruption strengthens rather than weakens the institution. Corruption takes advantage of accepted institutional procedures which are paramount in the smooth running of any institution.
- Second, perpetrators of institutional corruption utilize institutional privileges since they lack the opportunity common to agents who engage in quid pro quo transactions. This makes institutional corruption impersonal.
- Third, corruption can be found in many different types of institutions outside the government.

Lessig (2011) summed up the fundamental idea of the institutional corruption approach as a chain of impact that reduces an institution's efficacy, particularly by eroding public confidence in it. The theory incorporates the social environment and offers a taxonomy to comprehend how, in spite of an anti-corruption framework, corruption may become ingrained in organizations and society (Lou, 2005). The framework for institutional corruption takes into account how corruption affects the institutions, transparency, and nature of the political system. It goes on to say that corruption occurs both at the individual as well as institutional levels and that the effectiveness of government initiatives is hampered by both.

The proponents of the theory base their institutional view of corruption on the claim that, first, it clarifies the relationship between corruption and the practices and theories of the institutions it is rooted in. Secondly, the idea behind them is in favour of extending the application of ethical and legal regulation. This serves to refute the US Supreme Court's present position that corruption exclusively pertains to quid pro quo transactions and to resurrect the founders' and early legal scholars'

broader views (Teachout, 2016). Third, the idea makes it possible to target reforms in a more appropriate and accurate manner. It moves the emphasis from discouraging and eliminating dishonest people (whether working alone or in concert) to altering the institution's policies and practices as well as the incentives offered to those who might not be dishonest.

The theoretical assumptions of institutional corruption theory are suitable to this study in that they explain: (i) how the appearance of corruption at both institutional and individual levels undermines the impact and functions of governance. (ii) how the connection between types of corruption is tied to the function of the institution or policy involved. (iii) how the connection between the impacts of corruption and its effects on individuals, policies and institutions are mutually reinforcing.

This study utilized the theory of institutional corruption to unearth and explain the reason for the continued problem of poor budget implementation in Nigeria despite the enactment of the Fiscal Responsibility Act and the establishment of the Fiscal Responsibility Commission. The theory of institutional corruption in this context, basically offers

a justification for the continued existence of corruption within the institutions involved in the budget preparation and implementation process, even with the enactment and establishment of FRA and FRC, which is targeted at judicious management of the state's resources, greater accountability and transparency in fiscal operations in Nigeria. Drawing from the theory, it could be understood that the factors bedeviling budget preparation and budget implementation in Nigeria which include deficit budgeting, delayed passage of budgets, late budgets release by relevant authorities, sharing of budgetary allocations among heads of MDAs, imbalances in budget preparation and implementation, non-release of funds to MDAs among others transcend the individual level of corruption to the institutional level. This corruption is characteristically integral to the institution involved in the budget implementation process in Nigeria. Hence, the persistence of these factors despite the enactment of the FRA, FRC other anti-corruption frameworks in Nigeria.

From the theoretical lens of institutional corruption, it can easily be deduced that even with the enactment and the

establishment of the FRA and FRC, the institutions in Nigeria are designed in such a way that people can leverage the legitimate institutional practices that provide benefits to the institutions to engage in corruption, hence undermining them. This explains why punitive measures are hardly meted out to institutions and MDAs that default on FRA implementation. Also, even when corruption is practised at an individual level within an institution in the budgetary process in Nigeria, the perpetrators being individual agents in these institutions (i.e. the Finance minister, Budget minister, Ministers, Heads of various MDAs, Legislators etc.) hide away from the arm of law behind the institutional structures. Despite fiscal laws, reforms and frameworks adopted and enacted for the promotion of fiscal prudence, disciplining defaulters and improving budget preparation and implementation in Nigeria, FRA implementation still suffers negligence because of the design of Nigeria's fiscal and budgetary institutions and the integral corruption within these institutions which weakens their effectiveness and influences their performance and the political systems character.

Methods

Qualitative research method was adopted in this study because it makes provision to utilize majorly the documentary method of data collection. This method was helpful in detecting the knowledge gaps that needed to be filled, articulating the research problem and delineating the research approach. It presented the opportunity to examine in-depth studies on the Fiscal Responsibility Act and budget implementation in Nigeria. As a result, far-reaching academic discourses were garnered from various sources, such as journal articles, books, magazines, book chapters and official publications like the Fiscal Responsibility Act, Annual Reports and Audited Statements from the Fiscal Responsibility Commission (FRC), and the Nigeria's 1999 Constitution, among others. Data gleaned from this approach were thematically analyzed.

Publication irregularity and fund diversion in Nigeria's Federal Ministry of Education
Effective management of public funds cannot be possible without consistent

updates and publication of reports to ensure accountability and transparency. This justifies the reason for several sections and subsections of the FRA which provided for consistent and timely publication of quarterly and annual reports on budget execution. For instance, Part 11, Section 50 of FRA stipulates that the Federal Government, through its Budget Office, must publish a consolidated budget implementation report that demonstrates execution against physical and financial benchmarks no later than six months following the last day of the financial year. The report must be summarized and published within thirty days of the end of each quarter in a format that is set to it by the Fiscal Responsibility Commission (FRA, 2007). However, contrary to the above provision on quarterly publication of reports on budget execution, Table 1 shows inconsistency and sometimes outright non-publication of quarterly reports by the Budget Office.

Table 1: Showing dates of quarterly report publication of budget implementation by the budget office

BUDGET YEAR	QUARTER(S)	BUDGET THEME	BUDGET IMPLEMENTATION REPORT PUBLICATION DATE
2015	First quarter Third quarter Fourth quarter	Transition budget and hope	10 th April 2017 10 th April 2017 10 th April 2017
2016	First quarter Second quarter Third quarter Fourth quarter	Budget of change	10 th April 2017 16 th June 2017 16 th June 2017 26 th July 2017
2017	First quarter Second quarter Third quarter Fourth quarter	Budget of recovery and growth	31 st August 2017 10 th January 2018 10 th January 2018 20 th September 2018
2018	First quarter Second quarter Third quarter Fourth quarter	Budget of consolidation	7 th December 2018 7 th December 2018 22 nd February 2019 29 th August 2019
2019	First quarter Second quarter Third quarter Fourth quarter	Budget of continuity	20 th December 2019 22 nd June 2020 22 nd June 2020 14 th July 2020

2020	First quarter Second quarter Third quarter	Budget of sustaining growth and job creation	5 th April 2020 9 th October 2020 14 th April 2021
2021	First quarter Second quarter Third quarter Fourth quarter	Budget of economic recovery and resilience	21 st September 2021 5 th October 2021 17 th , March 2022 8 th September 2022
2022	First quarter Second quarter	<i>Budget of economic growth and sustainability</i>	21 September 2022 7 th October 2022

Source: Retrieved from

<https://www.budgetoffice.gov.ng/index.php/resources/internal-resources/reports/quarterly-budget-implementation>

From Table 1, it could be observed that contrary to the above-noted provision of the FRA, publication from 2015 to 2016 was more of a ritual fulfillment than the observance of the law. While the year 2015, 2020 and 2022 had incomplete publication of the implementation reports, the publication across the years was not timely and did not conform to the timing as prescribed by the FRA. Hence, the outcry by the FRC in its 2015 annual budget report that in spite of several requests and reminders for the preparation and submission of BIRs, the reports were still being submitted behind schedule thereby limiting their use as

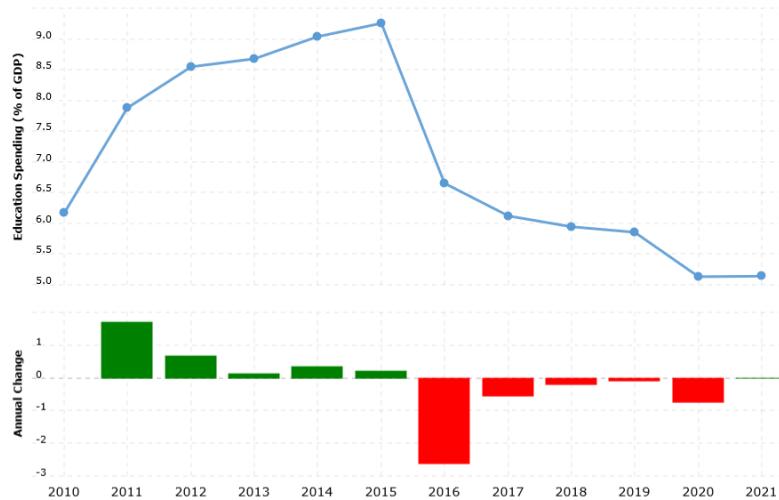
effective tools in budget implementation (FRC, 2015). Also, as was the case in the previous fiscal years, no separate Consolidated Budget Execution Report was produced for 2015, 2016, 2018, 2019, 2020 and 2021 as specifically required by Section 50 of FRA 2007. The implication is that the publication which should have shown public expenditures of MDAs including that of the Federal Ministry of Education was merely for formality's sake and not for budget execution assessment or accountability on public funds as provided in law. This transparency and accountability breach, therefore, has a significant effect on public expenditures in MDAs in Nigeria.

Yet, there was no record of punishment of those who failed to apply the law to serve as deterrence for future procedural and legal breaches.

Although from 2010 to 2021, the share of the federal budget invested in education fluctuated as shown in Figure 1, there was no transparency and accountability in the use of the allocated funds. It, therefore, follows that despite the fluctuations in budget allocations and expenditures in the federal ministries, inconsistent and inaccurate reporting on budget implementation did more harm to the realization of the goals of the ministry. Due to intricate reporting requirements and a lack of openness, accountability throughout the government is inadequate. It is understandable why Ekwueme (2012)

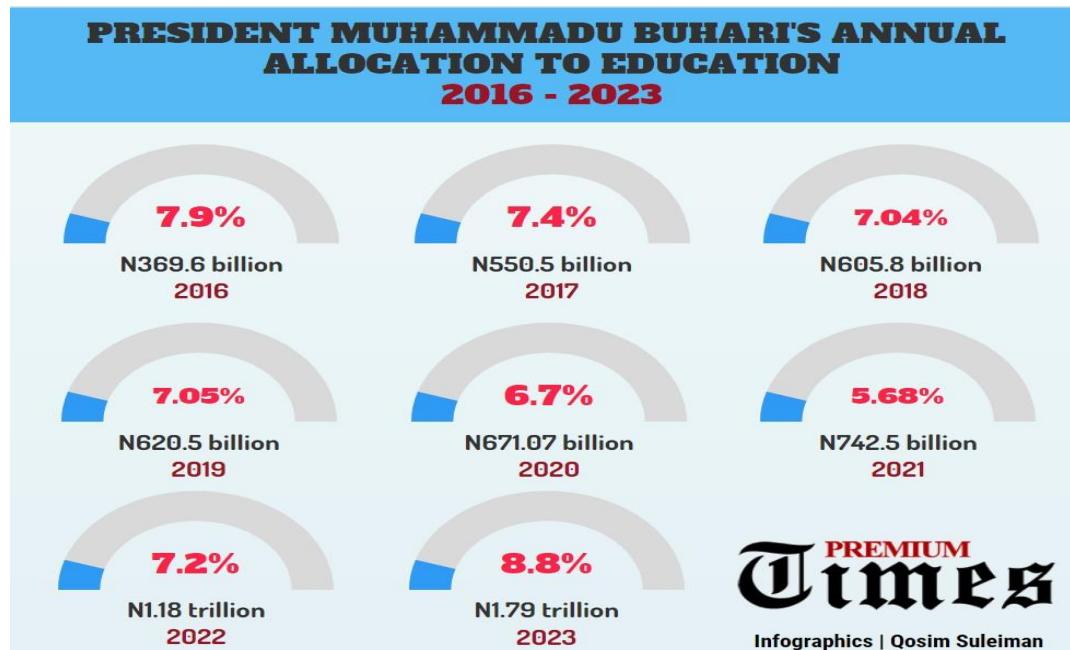
emphasised that report writing is just as crucial as the report itself, if not more so. This poor accountability and irregular reporting system is caught up by the occurrence of mismanagement of public expenditures, especially through the diversion of public funds in various MDAs. Confirming this at a two-day capacity-building workshop for members of the House of Representatives Committee on Anti-Corruption, Prof. Bolaji Owasannoye, the Chairman of the Independent Corrupt Practices and Other Related Offenses Commission (ICPC), expressed concern about the diversion of public funds in revenue receipts and expenditures while denouncing illicit financial flow, misapplication of funds, and budget padding (*The Guardian*, September 22, 2022).

Figure 1: Nigeria Education Spending, 2010-2021
Source:



<https://www.macrotrends.net/global-metrics/countries/NGA/nigeria/education-spending>

Figure 2: President Buhari's annual allocation to education, 2016 – 2023



Source: Qosim Suleiman, Premium Times, 2022

As shown in Figure 1, there is a downward progression in the annual education spending despite the allocations to the ministry, particularly from 2016 as contained in Figure 2. From Figure 2, it could be observed that Nigeria's annual public spending on education as a percentage of the total budget since President Buhari presented his first budget proposal in 2016 fluctuated between 5.68 percent and 8.8 percent. For instance, President Buhari

allotted the Education Ministry N369.6 billion (7.9% of the overall budget) in 2016, N550.5 billion (7.4%) in 2017, N605.8 billion (7.04%) in 2018, and N620.5 billion (7.05%) in 2019 (Buhari, 2016). The allocations decreased to N671.07 billion (6.7%) in 2020 and then increased to N742.5 billion (5.68%) in 2021 and then N1.18 trillion (7.2%) in 2022 (Suleiman, 2022). In all these, there have been random cases of fund diversion as shown in Table 2.

Table 2: Random cases of fund diversion and misappropriation in the Education Sector (2015–2023)

YEAR	CASES OF FUND DIVERSION AND MISAPPROPRIATION	SOURCE(S)
2014/2015	Diversion of N1.45 billion UBEC grant by Kwara State government	Premium Times (24 th February 2020)
2015/2016	Misappropriation and diversion of 10 billion naira fund for Revitalisation of Universities Infrastructures Account, revealed by the 2015 Auditor General's report	The Guardian (31 st August 2021)
2016	N800m financial scandal by the Pro-chancellor of Federal University of Agriculture, Abeokuta, Senator Adeseye Ogunlewe along with the institution's Vice-chancellor, Prof. Olusola Oyewole and the Bursar of FUNAAB, Mr. Moses Ilesanm	The Guardian (12 th April 2018)
2016/2017	Stealing of funds of the Federal University of Technology, Akure totaling N156m (FUTA), by the institution's former vice-chancellor, Prof. Adebiyi Daramola and bursar, Mr. Emmanuel Oresegun.	The Guardian (12 th April 2018)

2016/2017	Mismanagement and diversion of N3.5 billion intervention fund released to the Obafemi Awolowo University, Ile-Ife for upgrade of facilities by the former Vice-Chancellor, Prof Bamitale Omole.	Premium Times (19 th March 2017)
2018	Misappropriation and theft of N125 million from the Government Integrated Financial Management Information System (GIFMIS), by Dr. James Ejue, the Provost of the Federal College of Education (FCE) Obudu, Cross River State.	Daily Post (8 th January 2018)
2020	N2.67b School Feeding Fund Diversion/Fraud	Premium Times (October 2020)
2021/2022	Diversion, misappropriation of 11 billion naira in JAMB under the watch of the JAMB Registrar, Prof. I-shag Oloyode	Integrity and Transparency Watch (26 th July 2022), Sahara Reporters (July 31 st 2022)
2022/2023	Misappropriation and diversion of billions of naira by the executive Secretary of the National Senior Secondary Education Commission (NSSEC), Prof. Benjamin Abakpa.	The Whistler (20 th April 2023)

Note: compiled by the authors

Although Figures 1 and 2 demonstrate that the Federal Government of Nigeria has been allocating small percent of the national resources to education, Table 2 shows that the Ministry of Education did not adequately account for the allocated funds which is evident in the huge allegations and confirmation of fund diversion.

For instance, the Public Accounts Committee of the Senate uncovered how MDAs of the federal government diverted hundreds of billions of naira from the Service Wide Vote (SWV) account of the federation. The Chairman of the Senate Committee on Public Accounts, Matthew Urhoghide, reported that his Committee uncovered how extra hundreds of billions of naira given to certain federal agencies

between 2017 and 2021 for salary shortfalls were mismanaged despite the sum being covered in the agencies' annual budgets (Abdulquodus & Ogundapo, 2023). Similarly, the Office of the Auditor-General of the Federation lamented in its annual audited report for 2018 that 149 MDAs had N105, 662,350,077.46 in public funds missing, misused or unaccounted for (Ochojila, 2021).

Another similar case of diversion of appropriated funds which is particular to the Federal Ministry of Education is the diversion of N2.67 billion meant to feed students into individual accounts. According to a report by the Independent Corrupt Practices and Other Related Offences Commission (ICPC), N2.67 billion that was disbursed for the 104 Unity Colleges' school meals amid the COVID-19 lockdown ended up in private accounts (Adedigba, 2020). Even though the allegation of this diversion was yet to be confirmed at the time the report was published, non-compliance to the provisions of the FRA on quarterly and annual publication of budget implementation/execution made it easy for such diversion of appropriated funds

in MDAs. The above reports confirm that the irregular publication of the budget implementation report was a conduit for siphoning public funds for private purposes. Budget implementation/execution reporting is central to transparency and accountability in the budget process. Thus, the FRC (2019) lamented that the continued reluctance of MDAs to comply with FRA, 2007, has remained a great challenge to budget implementation in Nigeria. Worried by these cases of diversion of funds by MDAs, the Federal House of Representatives Minority Leader, Hon. Ndudi Elumelu, in September 2021, raised concern that although MDAs had received between 40 and 50 per cent of funds for their capital, none implemented the capital components of their budgets (Musa, 2021).

Table 3 shows the summary of capital budget utilization/expenditures by the FME from 2015 to June, 2021. It depicts the recurrent low capital expenditure performance as expressed by the poor cash utilization in relation to the annual appropriation in the Federal Ministry of Education.

Table 3: Summary of capital budget implementation/expenditures by the FME from 2015 - June 2021

Year	Annual Appropriation N000	Released N000	Utilisation N000	As % Of Appropriation	As % of Released
2015	23,520,000	13,832,124	13,035,150	55.42%	94.24%
2016	35,433.49	22,647.18	20,821.59	58.76	91.94%
2017	=	=	=	=	=
2018	102,907,290,833	63,022,665,887	46,518,021,748	45.20%	73.81%
2019	58,690,000,000	28,100,000,000	21,970,000,000	=	47.88%
2020	75,173,387,778	79,209,165,358	40,638,412,716	54.06%	51.31%
As of June 2021	156,172,307,765	33,656,697,770	3,723,494,909	2.38%	11.06%

Note: Compiled by the authors, from the 2015, 2016, 2018, 2019, 2020 and 2021 FRC annual reports

Table 3 clearly shows that the amounts released were not completely utilised with the FME having an implementation rate of less than 75% level over the years. It is, therefore, evident that the recurrent low capital expenditure performance emanates from deficiency, poor cash utilization in relation to the incomplete release of annual appropriation and ineffective capital expenditure funding. This utilisation pattern of appropriated and released funds is undoubtedly

implicated in poor budget execution/implementation reporting.

Confirming the importance of budget execution reporting in the management of public expenditures, Osioma and Okegbe (2013) maintained that in order to prevent instances of theft, overspending, abandoned projects, and diversion of unused funds, both the legislative and executive arms of government should handle periodic reports and reviews on the execution of

the budget. Similarly, Bode (2009) observed that legislation in Nigeria mandates that entities tasked with managing national resources, including the public, provide accountability reports. The reporting of the accounts is mandated in order to ensure that the financial records are set in the manner that the government would want, but the extent to which reports are given on budget implementation calls for our attention as this gives room for sharp practices in government circles. It is therefore not surprising that Emechelle (2009) opined that Nigeria is a corrupt country with many anomalies in governance because the wealth of the country is considered a national pie and every government worker has a goal amount to steal.

According to a study by Onyeike and Owuama (2012), inadequate funding, planning based on erroneous statistical data, political meddling, budget diversion, and a lack of skilled labor were among the main obstacles to the growth of higher education in Nigeria. Adetokumbo Mumuni (2013) also revealed widespread embezzlement and diversion of monies amounting to millions of dollars and billions of naira occurring at all levels of education. According to Ololube (2016),

this funds diversion and misappropriation in the education sector of Nigeria is attributable to a lack of a prudent and consistent accountability system by consecutive administration and leaders of institutions within the Federal Ministry of Education. Consequently, despite the fluctuations and insufficient funding of education in Nigeria (as shown in table 2 and Figure 1 above), the diminutive funds arrogated are misused and diverted to private accounts (Acho & Abuh, 2016). It, therefore, follows that despite the FRA provision of budget implementation reporting, the unwillingness to implement it has resulted in the unauthorized, misappropriation and diversion of allocated funds for education by the heads of ministries and leaders of institutions for other unapproved purposes. This, consequently, has adverse effects on appropriate and effective management, preparation and control of the quality of education in Nigeria. The next section analyzes how irregular publication of fiscal reports connects with poor remittance of internally generated revenues in MDAs; thereby encouraging larger chunks of the funds to end in private pockets instead of the government purse.

Poor remittance of internally generated revenue in Nigeria's MDAs

Part 11 of the FRA 2007, Section 48 and subsection 1 provides that the Federal Government is required to make sure that its financial and fiscal affairs are handled transparently. As a result, it must make sure that all transactions and choices related to public revenues and expenditures, as well as the effects they have on its finances, are fully and promptly disclosed and widely publicised. Also, Section 49 (subsections 1 and 2) states that "the audited financial statements of the Federal Government must be made public no later than six months after the fiscal year ends" and that "the Federal Government is required to compile and release its audited financial statements for the preceding year in media outlets no later than two years after the Act's enactment and no later than seven months after the conclusion of each fiscal year" (Fiscal Responsibility Act, 2007:25). These provisions were designed to restore the credibility of financial information as well as government projections through a prompt, transparent and open approach in budget practice/government enterprises.

In order to secure greater accountability and transparency in fiscal operations in Nigeria, the above provision of the FRA is mandatory for the FRC and MDAs. However, compliance to the provision is mostly untimely, irregular and in some cases, not in existence. The budget process which is spelt out in the FRA has remained a contentious issue for the FRC. Over the years, the commission has been at the forefront of ensuring that this important process is strictly adhered to. Regrettably, compliance with the Act has been often breached as the timeline is not being followed. It is mostly for mere formality purposes and often does not follow the provision of the letter. This is obviously implicated in the poor remittance of internally generated revenues by MDAs, including the Federal Ministry of Education. Federal allocations must be deposited by pertinent government agencies into the Federation Account, while independent revenue from the Federal Government (FG) must be remitted into the FGN Consolidated Money Fund. However, findings of the annual reports of the FRC across the years reveal that much of Internally Generated Revenue of some MDAs is spent on operational activities without the necessary approval. Despite demands and reminders for MDAs that produce

internal revenue to provide quarterly revenue returns so that the FRA requirements can be evaluated, the regulations are not being fully followed. Data gleaned from the prior year's revenue returns indicated that MDAs had been failing to submit internally produced revenue to the CRF on time.

Table 4: Independent revenue returns from 2015-2023

Year	The number of monitored MDAs	The number of MDAs that submitted IGR returns	The number of MDAs that did not submit IGR returns	Independent revenue remitted to the treasury
2015	48	15 MDAs submitted IGR returns for the four quarters of 2015, while 8 MDAs submissions for quarters 1-3	25	N4, 903,408,623.98 independent revenue was remitted to the treasury by 25 MDAs in 2015.
2016	48	19 MDAs submitted revenue returns for the four quarters of the year, while only two submitted for the first to third quarters.	27	A total of N8, 275,561,007.42 independent revenue was remitted to the treasury by 21 MDAs.
2017	40	19 MDAs submitted revenue returns for the four quarters of the year, while only two submitted for the first to third quarters	19	A total sum of N11,524,142,531.16 independent revenue was remitted to the treasury remitted by 21 MDAs in 2017

2018	40	13 MDAs submitted revenue returns for the four quarters of the year, while only two submitted for the first to third quarters	25	A total sum of N7,971,211,645.29 independent revenue was remitted to the treasury by 15 MDAs in 2018
2019	40	only 8 MDAs completed their 2019 submission, while 3 MDAs submitted for the first to third quarters	29	A total sum of ₦2,569,075,126.39 was remitted to the Treasury by eleven (11) MDAs as Independent Revenue
2020	40	6 MDAs completed their 2020 submission, while 5 submitted for just the first and second quarters	29	A total sum of #626.37 billion was remitted to the treasury
2021 (first-half year)	40	As of the first half year, only 8 MDAs made submissions, while 3 MDAs submitted for the first quarter	29	A total of #558.13 billion was realized in the first half year of 2021
2022	NA	NA	NA	NA
2023	NA	NA	NA	NA

Note: FRC annual reports, 2015, 2016, 2017, 2018, 2019, 2020 and 2021

The above data clearly shows a consistent decline and poor remittance of revenues by MDAs. Available data in the FRC reports also indicates that the Federal Ministry of Education is implicated in this poor or outright non-remittance of internally generated revenues. Also, the FRC annual report publication which should provide data for 2022 and 2023

Independent Revenue returns is yet to be published. This validates the recurrent occurrences of delay in the publication of annual budget reports, which is also implicated in poor or outright non-remittance of internally generated revenues.

A clear example of this poor remittance saga within MDAs is the 2021 government audit report, which revealed that in 2019, N323.5 billion was not reported by federal ministries, departments, or agencies and numerous offices broke payment, remittance and tax regulations (Adegboyega &Ayodeji, 2021). The audit report states that 15 MDAs failed to submit N127.1 billion in internal revenues and other funds to the government in 2019. In addition, the report observed that 12 MDAs failed to submit N5.8 billion in taxes. All federal agencies that get full funding from the treasury are required by law to transfer 100% of their domestically generated money to the government's central account. A 2011 circular mandates that all federal agencies use no more than 75% of their total revenue that is generated internally; the remaining 25% must be sent to the government coffers. However, contrary to these provisions and extant provisions by the FRA on revenue remittance, cases of poor remittance of revenues persist across MDAs. The cause of this is not unrelated to the irregularities found in transaction and expenditures reporting.

The above situation clearly shows that even with the extant provisions of the

FRA on transparency and accountability, a rising misalignment of financial objectives has resulted in resources being more carelessly spent or hoarded for personal interests. It therefore connotes that the imperatives of well-functioning fiscal responsibility are still missing. This fiscal indiscipline is not only peculiar to the Buhari's regime. As of 2013, in its report entitled "Poor Remittance of Internally Generated Revenue to the Consolidated Revenue Fund (CRF) by Government Owned Agencies", the Federal House of Representatives discovered that although sixty government entities produced N9.3 trillion over the course of three years (2009–2012), they only remitted N174.9 billion to the federal government's coffers. It seems that many MDAs have a practice of investing the excess money they make in some dubious and unapproved accounts that pay out handsome interest to them. Regrettably, the FRC, whose main duty it is to investigate such matters, did not inquire about the aforementioned instances of mismanagement of public finances. Over the previous five years, leaks in revenue generation and remittance have reached a worrying scale, with a loss of over N7 trillion, despite reports that the FRC has struggled to earn only N2 trillion for the

consolidated revenue fund (FRC, 2022). The Act's effectiveness in preventing waste and corruption, as well as guaranteeing accountability in the administration of public funds has been minimal. This is why the National Assembly initiated a measure to streamline the Act's authority while strengthening it for the promotion of macroeconomic stability, transparency and budgetary restraint.

Even though the notion of transparency calls for proper scrutiny in revenue generation and the general public's accessibility of information on the creation and implementation of budgets (i.e., regular publication of transactions on public revenues and expenditures), a lack of it exacerbates fraud and undermines productivity, leading to poor budget implementation. Chawla and Forbes (2010) validated this finding when they argued that accountability enables stakeholders to evaluate performance, allocate duties appropriately, and participate in the provision of services. They contend that while the lack of sufficient data is a major barrier to the improvement of the educational system as a whole, reliable data collection, analysis and reporting are essential components of increased accountability

throughout the system. Unfortunately, there aren't many systems available in the ministries for collecting, compiling, analysing and reporting data and the few ones available were never utilized to fish out culprits and ensure that they are punished accordingly. Therefore, irregular and untimely publication of reports of transactions, expenditures and audited accounts gives leverage for poor revenue remittance which result in corruption and poor budget implementation in Nigeria.

Conclusion

The study found that despite the enactment of the FRA and the subsequent establishment of the FRC, the reluctance of MDAs to adhere to the provisions of the FRA on budget implementation reporting is traceable to irregular and untimely publication of reports on transactions. This has ultimately resulted in the misappropriation, diversion of appropriated funds for other unauthorized purposes and poor revenue remittance by various government institutions. Consequently, this has led to the mismanagement of public funds, which has led to poor budget implementation in the Federal Ministry of Education, Nigeria. We, therefore, conclude that so long as there is no

adherence to FRA provisions, its objective of ensuring prudence in the management of the nation's resources and securing accountability in fiscal operations may likely not be achieved. We recommend stiffer measures to ensure strict adherence to FRA's provision on budget

implementation. This will compel various government institutions to be regular and consistent in their quarterly/annual budget preparation and implementation reports and in turn, eradicate the corruption that is very visible in various MDAs in Nigeria.

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