Governance is a public trust and no where should this be more evident than in the management of public resources - financial or otherwise.

The above statement underscores the dexterity with which this administration wriggled its way through the financial burden prevalent on assumption of assumption of office and the declining fiscal resources accessible to the State. The contractual commitments and financial liabilities bequeathed to this administration are being managed effectively without hindering the delivery of dividends of democracy to the citizenry.

It should be noted that as at 29th May, 2015, the volume of liabilities and ongoing capital projects was at the time more than the entire annual budget of the State which was about N100bn. Ironically, the State's financial liquidity position stood at just about N16 million.

Some of the financial liabilities inherited include capital expenditure liabilities of N13.64bn, contractual commitments valued at N91.6bn, outstanding payments (liabilities) from the 1999-2007 administration amounting to N1.57bn, other financial liabilities of N8.059bn consisting of 17% Government pension contribution for several months, borrowed contractual retention, outstanding internal/external scholarship for 2013/2014 academic session, outstanding fees for the 2014/2015 WAEC, NECO, NABTEB and NWAS examinations for 19,000 students, N2bn MSME loan from the Central Bank of Nigeria as well as outstanding pension liabilities for Local Government and Local Education Authorities.

It is worthy of note that counterpart funding were not paid for SUBEB since 2013. The same can be said for FADAMA II, IFAD, among others.

Financial liquidity position as at 29th May, 2015.
Coupled with the problem of financial liabilities, the State was also burdened with a lot of other challenges which could have crippled the operations of Government if they had not been properly managed. These include, declining fiscal resources (from a monthly federal allocation of N16bn in 2014 to an average of N30bn in 2017), high cost of governance, unsustainable salary bills, inefficiencies in resource management and low Internally Generated Revenue (IGR). Faced with this grim situation, Government had to strategize by adopting a number of measures aimed at ameliorating the situation by ensuring that the financial situation did not degenerate and that funds are available to restore public service delivery to efficient levels.

To forestall the State from plunging into financial chaos, Government quickly adopted the "prudence and value for money" principle. Governor Badaru being a trained accountant understands that governance is public trust and no where should this be more evident than in the management of public resources – financial or otherwise.

As part of the Fiscal discipline measures introduced, Government House expenditure has been reduced by 296%, expenses of the Deputy Governor’s office reduce by 180%, and security and related expenses reduced by 145%, protocol expenses reduced by 244% while overhead has been reduced by 210%. (This is a comparison between January 2012 to March 2015 and January 2016 to March 2019 of past administration and present administration). The Government also rationalized and realigned MDAs for efficiency and cost reduction.

On capital expenditure, a review of the inherited contracts from the previous administration was undertaken and many contractors have given discounts ranging between 10 – 20%, which reduced the amount of capital expenditure. A saving of over N8billion was realized.

As a result of prudence in financial management, an interest on N2.706bn was made on the investment on savings from reduced expenditure in 4 years.

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**Key Achievements of the Ministry of Finance and its Agencies**

1. Integration of revenue collections points including hospitals and higher institutions to the main revenue account of the state (TSA)

2. Exposure of all Government account (both dormant and active) and realization of over N100 million idle funds

3. Publication of annual account electronically using IFMIS within the 1st quarter of the subsequent year as required by law.

4. Electronic payment of contractors directly to their account to improve accountability.

5. Investigated and further reduced the number of accounts operated by MDAs. The payment of capital expenditure is centralized, while MDAs operate only overhead account. This has resulted into a single salary, capital and overhead accounts respectively.

6. Facilitated access to 2016 SDGs Conditional Grant leading to the execution of more than 100 projects worth over N1.2 billion largely in the area of Primary Healthcare, Water Supply & Sanitation and Economic Empowerment.

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**State IGR Drive**

<table>
<thead>
<tr>
<th>Year</th>
<th>IGR Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>N2,343,974,525.10</td>
</tr>
<tr>
<td>2016</td>
<td>N9,425,602,373.34</td>
</tr>
<tr>
<td>2017</td>
<td>N9,859,445,279.71</td>
</tr>
<tr>
<td>2018</td>
<td>N10,403,098,492.15</td>
</tr>
</tbody>
</table>

**Total IGR (Including FIRS Collection)**

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Key Achievements of the Ministry of Finance and its Agencies

- **8.** Out of the contractual commitment of N91.6 billion inherited, N72 billion has been executed and paid for.
- **9.** Settlement of inherited liabilities of N11.496 billion out of N15.21 billion.
- **10.** Payment of the sum of N2.198 billion as students examination fees to NECO, WAEC, NABTEB and NBAIS from 2015 to date and an additional N614 million for 2013/2014 sessions.
- **11.** Payment of the sum of N4.24 billion as Scholarship to both internal and external students and an additional N95 million for 2013/2014 academic session.
- **12.** Payment of all outstanding and new requests for counterpart funds of SUBEB, FADAMA III and IFAD amounting to N6.512 billion.
- **13.** Amount contributed by the State Government to the contributory pension scheme for its employees - N5,310,711,009.22

The drive to deepen financial inclusion among Jigawa residents is beginning to take shape as the Jigawa Savings and Loans Limited opened 3,143 new customer accounts in its branches at Dutse, Kazaure, Maigatari and Ringim. Three additional branches have been completed in Hadeija, Birnin Kudu and Gantsa. In the last four years, the bank has processed, approved and disbursed over N3,737,829,431.66 mortgage loans as well as agriculture loans to SMEs to complement the state government’s empowerment effort. In addition, N1,916,444,147.51 has been disbursed as an overdraft to customers.

The Unaudited Profit Before Tax (PBT) of the bank from 2015 to 2018 are as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Profit Before Tax</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>37,622,022.00</td>
</tr>
<tr>
<td>2016</td>
<td>59,477,375.00</td>
</tr>
<tr>
<td>2017</td>
<td>119,785,561.00</td>
</tr>
<tr>
<td>2018</td>
<td>152,474,272.00</td>
</tr>
</tbody>
</table>

Internal Reforms within the Ministry of Finance and its Agencies

**Ministry of Finance**

1. Significant progress in the implementation of the Fiscal Sustainability plan which is a precondition for accessing Federal Government’s Budget Support Facility. These include among others, timely completion of the Annual Financial Statements, Establishment of Internal Audit Department, Planning, Research and Statistics, Efficiency Unit in the Ministry; and Establishment of a Ministry’s Website [www.jisnif.org].


3. Gradual containment of the issue of timely rendition of accurate financial returns from MDA’s which has been a serious problem in the preparation of annual financial statements.

4. An introduction of electronic documentation of financial record within the Ministry of Finance to easy data retrieval.

5. Following the approval issued by the Governor for the upward review of car loans to civil servants, the sum of N2,510,310,239.90 has so far being released to 9,230 staff across the state service within the last four years.

6. SFTAS - Sustained Public Financial Management reforms in Jigawa has led to the State’s participation in the World Bank supported State Fiscal Transparency, Accountability and Sustainability (SFTAS) performance for result programme. The 2019 Budget included the sum of about N2.3 billion being the expected grant to be received for State participation in the SFTAS. According to the 2018 Rapid Annual Assessment of PFM targets conducted by DFID- PERL, “Jigawa has met the two eligibility criteria and the Disbursement Linked Indicators and is therefore expected to draw some part of the grants earmarked in 2019.”

7. SIFMIS - With support from EU-SLOGOR, the ministry is embarking on the implementation of the new SIFMIS Project via oracle software involving the supply, installation, integration, testing, training and commissioning of a State Integrated Financial Management Information System (SIFMIS) software, related hardware and support services. Functionalities of the software would include among others: planning, budgeting and project management; bank and cash management; purchasing and order management; Accounts payable/Payments Processing; Accounts Receivable; Assets Management; General Ledger; Human Resource Management System (HRMS) and Payroll. The project will have 6 Servers and 350 Work Stations across all MDA’s with fiber-optic connectivity. SIFMIS is an upgrade of the DFID-SPARC supported IFMIS platform which has been in use in the State for almost a decade.
Internal Reforms within the Ministry of Finance and its Agencies

**Budget and Economic Planning Directorate**

1. OGP - Following the Governor’s sign-up to the Open Government Partnership (OGP), Budget and Economic Planning Directorate is currently in the process of developing the State OGP Action Plan in collaboration with Non-State Actors.

2. BEPD led the process of the completion and publication of the second edition of the Jigawa State Comprehensive Development Framework (CDF II).

3. The directorate also coordinated the launching of State Policy on Food & Nutrition and State Policy on Social Protection as well as formal presentation of the Jigawa State (Nutrition-Sensitive) Cash Transfer Design as part of efforts by the Government to solve some of its most crucial social problems as enshrined in the CDF II.

4. Successive budget reports have continued to indicate high budget performance with over 90% recorded in the 2018 full year. This is not by accident; the BEPD has coordinated annual planning and budget processes involving Medium Term Sector Strategies (MTSS) and Medium Term Expenditure Framework (MTEF) leading to inclusive and realistic budgets in line with the priorities of the CDF.

5. To promote evidence based planning and decision making, BEPD successfully facilitated the establishment and take-off of State Bureau for Statistics under Law No. 4 of 2017.

6. The Directorate is successfully coordinating the development of the State Single Social Register through its State Coordination Operation Unit with the support of the National Social Safety Nets Coordination Office (NASSCO). So far, over 176,000 households have been captured and enumerated through the CBT Process in the first set of Nine Local Governments. About 115,000 of these have so far been cleaned and uploaded into the National Social Register (NSR) approved by NASSCO, majority of which were approved by the World Bank. It is worthy of note that Jigawa has one of the highest number of households captured in the NSR as well as the actual number of National Cash Transfer beneficiaries numbering about 40,000. Arrangements to scale up the CBT process in 18 LGAs have reached an advanced stage.

**Internal Reforms within the Ministry of Finance and its Agencies**

**Board of Internal Revenue**

1. The Board of Internal Revenue developed the Jigawa State payment platform on nibs, E-bills pay platform (Jigawa IRS), accessible at any commercial bank branch nationwide which made payments faster and easier. It is worthy to note that 7,600 bank branches and all internet banking accounts can now collect revenue for the State.

2. The board harmonized Ministries, Departments and Agencies (MDAs) revenue law with support from the defunct GEMS 3 to eliminate the duplicity of taxes in the State.

3. With support from SLOGOR, the board embarked on the furnishing and provision of information technology equipment to the 10 new area offices, provision of 110 motor cycles, provision of 3 Toyota buses and 4 Toyota 4WD Hilux.

4. The board has embarked on the development of tax payer database in progress, which is expected to capture about 50,000 tax payers. Revenue codification and consolidation bill has been passed to the State House of Assembly for approval.

5. Worthy of note is the engagement of consultants to provide Electronic Collection System, i.e. provision of P.O.S machines, the outcome of which is the State electronic revenue collection and administration system, launched in January, 2017.

Hon commissioner for finance
flagging off the
distribution of P.O.S terminals
to revenue officers
THE CIVIL SERVICE

At the inception of this administration, the civil service was faced with a myriad of challenges including:

1. A workforce of over 64,000 (State, Local Government and LEAs)
2. Wage bill of almost N4 billion representing 75% of State revenue which into servicing 1% of the State population
3. Duplication of functions in almost all MDAs
4. Inadequate skilled manpower across the service
5. High rate of attrition/retirements
6. Poor attitude to work/High rate of absenteeism

THE CIVIL SERVICE

Initiatives and achievements

- Rationalization/Realignment of MDAs for enhancing synergy and improve productivity and also reduce duplication of functions
- Installation of electronic Biometric thumb printing machine/register to replace the attendance register and increase punctuality.
- Linking staff BVNs to salary with a view to flush out ghost workers
- Prompt payment of salaries and pension
- Introduction of abridgement courses to bridge capacity gaps in the service
- Improved and sustained the conduct of regular short-term training
- Sponsored about 48 medical doctors for residency program to meet the special health need in the State
- Lifting of embargo on employment particularly in critical areas leading to the recruitment of 3831 of staff in Education, Health and State Judiciary.
- Automatic employment for 127 first class degree graduates into institutions of higher learning across the State.
- Clearance for inclusion of 708 indigenous Medical, Nursing and Midwifery students into the payroll having successfully entered into the clinical stage.

Cross section of civil servants signing the biometric attendance register
4,807 Ghost workers expunged from the payroll

N90.194m in monthly savings

Other Initiatives of the Government include:

- Annual payment of 5% leave grant to workers
- Establishment of the department of PSR/SERVICOM with Unit in MDAs to promote improved service delivery among workers
- Upward review of operational cost of MDAs to enhance service delivery
- Upward review of vehicle loans to civil servants
- Ensure the promotion of workers as and when due
- The total sum of N5880,5540,500 was paid on training seminars and conferences to State and LGAs staff

Regular interactive forum between the Governor and civil servants has helped in tackling a lot of the challenges in the service
Payment of Retirement Gratuity, Death Benefit Contract Gratuity from June 2015 to December 2018

N 16,277,670,442.80

The total amount paid for pension, terminal benefit, gratuity, death benefit, death pension balance and refund of 8% to beneficiaries for State, Local Government and Local Government Education Authority

N 189,808,806.90

The total amount paid for retirement gratuity, death benefit and contract gratuity to beneficiaries for non-contributory pension