FINANCIAL CONTROL AND ACCOUNTABILITY IN THE PUBLIC SECTOR

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This study investigated the role of Financial control in accountability in the public sector using a case study of Ogun State Hospital Management Board. The study adopted a Survey research design. Data were collected through the use of questionnaire from 100 respondents in Ogun State General Hospital Ota and Ilaro , Ogun State. A content Validity index of 0.807 was obtained in respect of the validity of instrument . The statistical tool employed was regression analysis with the aid of statistical package for social sciences (SPSS) 20.0 version .The findings revealed that ; there is significant relationship between the extent of financial infringement and accountability at P<0.05; there is no significant relationship between effectiveness of audit process and accountability of public fund ; there is no significant relationship between effectiveness of legislatives oversight functions and accountability of public fund and there is significant relationship between the effectiveness of formal institutions of financial control and accountability of public fund . In conclusion, financial control does not have an effect in accountability why others has a significant relationship in accountability of Ogun State Hospital Management Board . Therefore, the study recommended among others that legislatives arm of the government should ensure that approval granted on budgets are strictly followed while investigations are conducted to ascertain the level of compliance with approval and rules that guided public spending.

Keywords: Accountability, Financial control, Legislative oversight and Public funds.

Introduction

Background to the Study

The term control has long been recognised as one of the principles of management. Control exists in most human endeavours and most authorities agree on what constitutes it , Anyafo (2006) stated that control is concerned with the efficient use of resources to achieve a previously determined objective, or set of objectives, contained within a plan. Similarly, Koontz, Donnel and Wiehrick (2008) defined control as the measurement and correcting of activities of subordinates to assure that events conform to plans. Amushie (2008) stated that control is the measurement of the performance of the activities of subordinates in order to make sure that objective and plans devised to attain them are being accomplished. All these definitions point to the fact that control exists to ensure that organizational objectives are met through measurement of performance.
The control process according to Koontz, et al. (2008) involves three steps: a) Establishing standards, b) Measuring performance against these standards and c) Correcting deviations from standards and plans. Finance occupies a special place in the conduct of government business. Public finance has been defined by Buhari (2009) as a branch of economics concerned with the finance and economic activities of the public sector. From these definitions, public finance not just deals with the ways government raises money, but also the manner such money is expended with the aim of achieving economic growth. In Nigeria, the Federal government raises money through the following major sources: Petroleum profit tax, Mining, Company income tax, Import duties, Export duties, Excise duties, Interest and repayment of loans granted by the government (Buhari, 2009). Others include; Education tax, Value added tax, Pay-as-you-earn, Fees and charges, Royalties, Rent of government property, Grants, aids and loans. The money raised through the above sources is expended on the following items: Administration, Infrastructural services, Productive services, Defence, Interest on internal and external loans, and Diplomatic missions (Buhari, 2009). In connection with government finance, we can identify two basic groups of control; administrative and financial control; the former referring to those techniques which have indirect bearing upon expenditure operation while the latter denotes techniques of control relating to fiscal control (Romzek, 2000). Financial control is a very important type of control in the management of government finance. Oshisami (2006) defined it as the process which ensures that financial resources are obtained at cost considered to be economical and utilized efficiently and effectively for the attainment of established objectives. A comprehensive definition of financial or fiscal control is given by Okwoli (2004) as the sum total of the work, which guides, directs and interprets the budget cycle. It covers the activities of the Executive branch, involving finance and the ministries, the audit department and the legislature. In a democratic era, financial control may operate internally and externally. Within the Executive arm of government control by the finance ministry is internal while audit by the Auditor-General and legislative oversight constitute external control. Accountability is made possible when there is an established clear link between expenditures and performance. Accrual accounting helps agencies focus on outcomes and results rather than budgets and spending. Accountability is a concept in ethics and governance with several meanings and it is often used synonymously with such concepts as responsibility, answerability, blameworthiness, liability, and other terms associated with the expectation of account-giving. It stands out as a cherished goal of every civilized and well constituted government all over the world (Okwoli, 2004).

Statement of the Problem

Control of public finance is very important to public governance. That is why power over public finance is enshrined in the Nigerian Constitution. To promote financial accountability in Ogun State, power over finance is shared between the Executive, Legislature and the Supreme Audit Institution or the Office of the Auditor General. Have these institutions been able to play the roles assigned to them? It is observed that there is the problem of none or partial implementation of the budget by the Executive arm of government in Ogun State (Ogundele 2014, a personal interview with the Director of Finance and Control Hospital Management Board). The budget is the legislative instrument of control over public finance. Related to the issue just raised above, is the problem of spending without legislative authority. The checks and balances on public finance require that Executive cannot spend without legislative approval. Even where voted funds fall short of requirements, the spending agency must apply for supplementary appropriations provisions and obtain legislative approval for such additional expenditure before incurring them. It has been alleged that this requirement of the law is not usually followed (Ogundele, 2014).

The Executive arm of government which implements budgets is required to ensure that expenditures are properly covered in the relevant Appropriation Acts. Funds are supposed to be apportioned to spending departments in line with the approved budget. It has been noted that public expenditure are frequently made on items not budgeted for, which of course means that such expenditure have no legislative approval (Ogundele, 2014). Once the budget has been approved, it is alleged that funds are shifted to purposes other than those for which they were meant (Ogundele, 2014). Limits of expenditure are imposed by the budget. However, spending agencies do not observe these limits when incurring expenditure. In the course of budget implementation, a vote book is maintained to ensure that approved budgetary limits are not exceeded. This aspect of expenditure control is often abused. Why should...
spending agencies not respect limits when incurring expenditure? With all these abuses, what has happened to the legislative oversight function? The performance of the Auditor General in Ogun State has been called to question. It is alleged that the Auditor General is incapable of discharging the functions of his office which is constitutionally prescribed (An interview with the Director of Finance and control 2014 by Ogundele A B). Ogun State Legislature is seen to be weak and unable to discharge its constitutional responsibility of exercising its power of financial oversight on the Executive arm of government. (Ogundele 2014) **Objectives of the Study**

The aim of this study is to investigate the role of financial Control in accountability in the public sector. (i) To determine the effect of financial infringement on accountability in Ogun State hospital Management Board. (ii) To determine the relationship between the effectiveness of audit process and accountability in the public sector. (iii) To determine the relationship between the effectiveness of legislative oversight functions and accountability in the public sector. (iv) To determine the relationship between the effectiveness of performance of formal institutions of financial control and accountability in the public sector. The following research questions have been set to assist the researcher in the course of this study: (i) To what extent does financial infringement affect accountability of Hospital management Board in Ogun state? (ii) To what extent does the effectiveness of audit process affect accountability in the public sector? (iii) To what extent does the effectiveness of legislative oversight functions affect accountability in the public sector? (iv) To what extent does the performance of formal institutions of financial control affect accountability? For the purpose of the study the following hypotheses are formulated and to be tested.

**H_0_1:** There is no significant relationship between the extent of financial infringement and accountability.

**H_0_2:** There is no significant relationship between effectiveness of audit process and accountability of public fund.

**H_0_3:** There is no significant relationship between the effectiveness of legislative oversight functions and accountability of public funds.

**H_0_4:** There is no significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public funds.

**Literature Review**

**Public Financial Management**

Government plays a leading role in the development of any nation. Given the explicit importance of government in shaping an economy, it is necessary to provide a suitable framework for the achievement of this noble role. The role can be accomplished through the apparatus of governance and public administration. The field of public administration refers to the manner in which central or Federal, provincial or state, and local institutions with their procedural, legal, regulatory, financial, human resources and asset aspects are organised, institutionalized and managed with respect to regulatory, revenue extraction, spending and procurement functions, and the provision of such services as defence, social services, and economic infrastructure (Mhome, 2003). One key component of public administration is financial management. McKinney and Howard (1979) argue that financial management is as old as government. It is a critical management function that fuels the engine of the public administration, and it is the only function that touches every employee in an organization. They state further that financial administration can be considered in three areas; Determining fiscal policies - this is a process where political leaders or community leaders identify programmes of priority and try to get funded through appropriations; providing accountability by ensuring that public funds are spent for the purposes intended and Instituting the required organizational structures and controls to effectively carry out the fiscal duties and responsibilities.
McKinney et al. (1979) stated that a sound financial management system will assist in the accomplishment of government objectives which entail that:

i. There should be economy in the collection of government revenue.
ii. Money appropriated should be spent according to the demands of competing claimants which should satisfy public interest.
iii. Project should be executed efficiently and economically.

Accountability in Governance

Accountability is a concept in ethics and governance with several meanings and it is often used synonymously with such concepts as responsibility, answerability, blameworthiness, liability, and other terms associated with the expectation of account-giving. It stands out as a cherished goal of every civilized and well constituted government all over the world (Okwoli, 2004).

Accountability is increasingly being used in political discourse and policy documents because it conveys an image of transparency and trustworthiness and its evocative powers make it indescribable (Bovens, 2006). Government is entrusted with public funds and other resources, and must adhere to the highest ethical standards, honesty, integrity, propriety and objectivity to ensure optimum utilization. These goals can be achieved only through a combination of individual professionalism, personal standards and rigorous control framework. Openness and transparency help in still public confidence and trust, and are increasingly considered basic operating requirements for any government (Dubnick, 2002).

Dye and Stephehurst (2007) state that accountability is a process that subjects a form of control over departments and agencies, causing them to give a general accounting for their actions. Etzioni (2005) argues that there are three meanings associated with the term accountability:

a. Greater responsibility to elected members
b. Greater responsiveness to community groups
c. Greater commitment to “values and higher standards of morality”

Dye and Stephehurst (2007) argue that accountability is a process whereby people entrusted with resources are required to give account of their stewardship to the relevant stakeholders and this may or may not be required by legislation. Administrators, McKinney and Howard (1979) argue that accountabilities have several duties to discharge, which include:

i. Fiscal accountability - responsibility for public funds;
ii. Legal accountability - responsibility for obeying laws;
iii. Programme accountability - responsibility for carrying out a problem;
iv. Process accountability - responsibility to carry out procedures and
v. Outcome accountability - responsibility for results.

Of these, fiscal accountability is very vital because most policy decisions have financial implications. Public sector bodies operate in an environment of “multiple accountability” - to users, employees, customers, general public as well as Parliament. The basic tenets of accountability include

Regulatory Framework for Public Financial MANAGEMENT

In order to have legally defined roles, there is a need to clearly define the role of every sectors of government which has to be accepted by national, provincial and municipal governments in terms of their legal competency and enact legislation or regulations which guides their activity, roles, powers and authority of all government should be enacted (Anyaf02002). Based on this, the regulatory framework for public financial management are as stated below.
Constitution of the Federal Republic of Nigeria, 1999

This legal document regulates the financial administration of government funds. The supremacy of the Constitution on financial matters has been pointed by Oshisami (2002) when he states that this is the primary and supreme legal instrument which sets the general framework for the total financial management as well as accounting and financial reporting in government. He further reports that the decision to include financial matters in the Nigerian Constitution was first taken at the Constitutional Conference held in May and June 1957. That conference decided that certain basic financial principles are included in the Constitution rather than left to the discretion of the Parliament.

As a result, the principle of the operation of the Consolidated Revenue Fund, the authorisation of expenditure (legislative approval); the treatment of the public debt and the audit of the accounts of the federation were included by the Constitutional Amendment Order 1957. These same principles have been included in all subsequent Constitutions with slight changes. The 1999 Constitution confers powers and control over public funds by the provisions of sections 80(1) (2) (3) and (4); 81(1)(2); 82; 83(1)(2) and 84 which apply to the Federal Government.

Finance (Control and Management) Act No. 33 1958 (As Amended)

Anyafu (2002) states that this law which became operative on July 31, 1958 provides for the control and management of public funds. This Act regulates the accounting format for the preparation of government accounts. The Act spells out how government funds and assets should be managed. It also prescribes that the cash basis of accounting shall be used for the preparation of government accounts. In other words, it regulates the accounting system as well as the books of accounts to be maintained.

The Audit Act 1956 - This Act which began as an ordinance has been amended at various times. Apart from empowering the Auditor-General to audit the accounts of the federation, the Act also requires the Accountant-General to sign and present, within a period of seven months after the close of each financial year, to the Auditor-General for the federation the accounts showing the financial position of the federation of Nigeria on the last day of such financial year. This law is applicable to the States.

Appropriation Acts - The annual appropriation Acts regulate financial matters to the extent that expenditure made which is not contained in the Act becomes an impeachable offence. They guide the withdrawal of money from the Consolidated Revenue Fund.

Financial Regulation/Instruction - The Constitution and other legal documents that govern the practice of financial administration listed above do not give details as to how the specific rules are to be applied. A code is therefore needed for the sake of uniformity. The regulation is the accounting manual dealing with financial matters at the Federal level also known as financial regulation while that of the state is called financial instructions. As mentioned earlier, the provisions of both manuals are very similar. However, both manuals derive their powers from the Finance (Control and Management) Act 1958. It is instructive to note that the Financial Instructions which apply to the Northern region was last revised by 1st April 1968. The Financial regulations on the other hand have been revised to 1st January, 2000 coming after the revision in 1976.

Treasury and Finance Circulars - Where the need arises, treasury and finance circulars may be issued to amend an existing provision in the Financial Regulation/Instruction or to introduce a new policy.

Powers and Responsibilities of Government Financial and Accounting Officers

Chapter 1 - part II of the Financial Regulations (2000) and chapter 2 of the financial instructions (1968) spell out the powers and responsibilities of government officers having monetary responsibilities. The powers and duties are as stated below: (a) Ensure that the proper system of accounts as prescribed by or under the authority of the Ministry of Finance is established and maintained. (b) See that all books are
correctly posted and kept up to date. (c) Exercise supervision over the receipt of public revenue, ensure its punctual collection, and report any apparent defect or difficulty in the procedure for the collection of revenue which comes to his notice.

Duties and Powers of Permanent Secretaries as Accounting Officers

Federal Financial Regulation 104 states that the term Accounting Officer means the Officer of a Ministry or Department who upon receiving an appointment or acting appointment as a Permanent Secretary or Head of an Extra-Ministerial Department is consequently designated and appointed Accounting Officer for his Ministry or Extra-Ministerial Department. Any reference to an Accounting Officer in the Financial Regulations means the Permanent Secretary of a Ministry or the Head of Extra-Ministerial Department. The Accounting Officer is responsible for stewardship that is, safeguarding of public funds and the regularity and propriety of the expenditure under his control. The functions of the Accounting Officer include:

i. To ensure that proper budgetary and accounting systems are established in his Ministry/Extra-Ministerial Department to enhance internal control, accountability and transparency;
ii. To ensure that the essential management control tools are put in place to minimize waste and fraud;
iii. To ensure that all Government revenues are collected and paid into the Consolidated Revenue Fund promptly;
iv. To render monthly and other periodical accounting returns and transcripts to the Accountant-General or the Federation as required by the Financial Regulations and
v. To ensure the safety and proper maintenance of all Government assets under his care;

The Accounting Officer is held personally and peculiarly responsible for all wrong doings in his Ministry/Extra-Ministerial Department. Delegation of his duties or functions shall not absolve him from these responsibilities and liabilities. From the powers and responsibilities listed above, it may be acknowledged that these responsibilities are indeed enormous. These powers are designed to guarantee an efficient management of public funds if they are exercised as prescribed. This is because these rules are designed to enhance transparency and public accountability. This position has been made clear by the preface to the financial regulations (2000) when it states that henceforth rules and regulations designed to promote honesty and transparency in dealings with government would be restored, strengthened and vigorously enforced it is mandatory for all public officials to ensure strict compliance with the rules and regulations.

Governmental Budgeting

Budgeting in Nigeria is a Constitutional requirement as it is in most countries developed and developing. In the case of Nigeria, the 1999 Constitution by the provision of sections 81(1) and 121(1) authorizes the President and the Governors to prepare and lay before Parliament at any time in each financial year estimates of the revenues and expenditures of the government for the next following financial year. Budgeting in the public sector has not lost any steam from practitioners and researchers because, according to Premchand (2000), it is generally recognized that the government is the largest organization, employer, and spender in industrial and developing countries. The magnitude of its receipts and expenditures has no parallel in the private sector.

Hogye (2004) suggests that a significant development in the intellectual history of the 20th century has been the explicit recognition by economists, politicians and the public at large of the importance of government in the operation of the economy. The public budget generally reflects the policy of the government toward the economy. The budget occupies a central place in public sector financial management. The budget plays a significant role in planning and controlling governmental operations than they do in the private sector (McKenzie, 1988).
Stedry (2009) argues that almost every governmental decision has budgetary implications since the process of decision-making almost invariably involves the allocation of scarce resources among alternative uses. In view of the significance of the budget in public financial management, what then is a budget? Available literature suggests that a budget is a series of goals with price tags attached (Wildavsky, 2004).

Other definitions of budget include “a process by which costs are assigned to specific tasks that are planned within a definite time period, (Akinola and Asein, 1998), and a plan or target in quantities/and or money value prepared for a future period of time. It usually shows planned or target income and planned or target expenditure (Pogue, 2009). These definitions suggest that a budget deals with anticipated revenue and expenditure ahead of the period to which they relate. Public sector budgeting grow out of the need for sharing political power between the Executive and the Legislature (McKinney and Howard, 2009, Premchand, 2009 and Wapmuk, 2009).

Purposes of Budget

The public budget has a variety of purposes:

i. A tool of accountability - the budget is an instrument through which accountability is discharged. There should be budgetary provision for all government spending and such spending should be within the limits imposed by the budget.

ii. A tool of management - the budget serves as an operational document specifying directly or implicitly the cost, time and nature of the expected results.

Budgetary Process

Budgeting is a dynamic ongoing process. It is a cycle which has four phases: planning and preparation, legislative review, execution and audit (McKinney and Howard, 2009: Teriba and Oji, 2003 and McCaffery, 2009). The budgetary cycle as depicted in figure 2.1. shows that the budget is a continuous process. Parliament for instance may be considering the audit report on a previous budget while at the same time debating a future budget and as well monitoring the implementation of a current budget. Budget preparation in Nigeria is still a closed process. The involvement of civil society and the mass media is negligible, which negates the concept of budgetary fiscal transparency. (Teriba et al. 2003).
Although a budget is intended to look at the future, it cannot meaningfully do this without appraising the past. The government budgetary process is briefly discussed below:

i. **Planning and Preparation** - This is an Executive-dominated process in most countries. Budget preparation at the state level starts with the issuance of the budget call circular from the state’s budget and planning division to all ministries and state government departments. The budget call circular provides the format for budget presentation. Completed budget call circulars - are collated by the budget and planning division (ministry) and presented to the state-Executive council for approval. The budget is then presented to the Legislature.

ii. **Legislative Review** - the Constitutions of most countries confer on their Legislatures the power of budget oversight. The power of the Legislature over budgetary matters varies considerably from country to country and on the type of political system practiced. Premchand (1999) stated that a global look at the power of the Parliament over budgetary matters reveal five (5) types of institutional arrangements. The first group comprises the United States, Italy and to a certain extent, the Russian Federation after 1991. The institutional arrangements in these countries reveal the dominant influence of the Parliament, which has power to reject the proposals of the Executive and is empowered to craft its own legislation, which is then subjected to presidential veto or approval.

iii. **Execution or Implementation:** Once the Legislature has voted funds, the control of expenditure shifts back to the Executive branch. Budget execution or implementation is a management process (Premchand 1999). Burkhead (1959) believes that budget execution is an Executive responsibility. He divides budget execution techniques into two classes: those concerned with financial controls and those concerned with administrative controls. Financial controls are directed at the various accounts used to record government transactions for both receipts and expenditures. Administrative controls are concerned with executing and adjusting the budget plan that was developed and refined in the Executive branch and reviewed and approved in the legislative branch. Burkhead suggests that the goals of budget execution involve preserving legislative intent, observing financial limitations and maintaining flexibility at all levels of administration.

iv. **Audit:** The final phase in the budget process, is however an important part of the budget cycle. The budget requires public disclosure, evaluation and auditing. The report of the auditor shows how the budget has been implemented and managed (Dye and Stapenhurst 1998). Dye and Stapenhurst (1998) argued that auditing is a function that serves accountability as it adds credibility to the assertions of the person or entity rendering account and it provides valuable insights and information to the person or entity conferring the responsibility. The agency responsible for the audit of government accounts is the Auditor-General or what is commonly referred to as ‘Supreme Audit Institution’ (SAI),it has the duty of overseeing the management of public funds and the quality and credibility of governments” reported financial data.

Whether Supreme Audit Institutions will succeed in their assigned role of being the watchdog over financial integrity and the credibility of government reported information will depend on the following factors (Dye and Stapenhurst 1998 and Stapenhurst and Titsworth 2001):

**Supportive environment** - Supreme Audit Institutions require a strong Legislature, properly maintained accounts; timely submission of financial statements, an Executive branch of government that does not pay lip service to accountability among other factors to function effectively. Wrongdoing identified by the institution must be addressed seriously. Audit queries should be responded to promptly.

**Clear mandate** - The auditor’s independence, and reporting responsibilities, the scope of audits and the entities to be audited must be clearly stated.

**Independence** - The Auditor-General needs the freedom to do his work and to report his findings directly to the Legislature without interference from other arms of government. Additionally, those being audited
should have no influence on the choice of whom or what gets audited. The Auditor-General also needs the freedom to determine what shall be reported.

**Theoretical Framework**

Theoretical framework can be used to explain whether certain environmental are facts that constitute significant impediments to the cross-sector which transfer the consolidated financial reporting practice to the public sector. The theoretical perspectives which provide a foundation for this research are:

**Corporate Governance and Firm Performance**

Corporate performance relates to the way and manner in which financial resources available to an organization are judiciously used to achieve the overall corporate objective of an organization. Organizations have different ways of measuring their success. The level of success is generally based on organizational performance. Moseng and Bredrup (1993) asserted that organizational performance is the integration of three broad dimensions: effectiveness, efficiency and adaptability. The measure of organisation performance can be evaluated from the perspective of various stakeholders (Kaplan and Norton, 1992). The various measures of performance are either quantitative or qualitative. Performance is therefore a complex and multi-dimensional phenomenon in strategic management literature (Balta, 2008). Many scholars, such as (Leng, 2004) have sought to establish whether various corporate governance mechanisms affect corporate performance. Thus far, research on Boards of Directors has been limited in terms of scale and scope and it is considered to be at an early stage of development (Melyoki, 2005; Kajola, 2008).

**Audit Mechanisms and Contingencies Theory**

On a broad level, the audit process is straightforward. Auditors require access to documents, systems, policies and procedures to manage an audit. They must remain compliant with industry standards, government regulations and internal requests. Audit teams may begin the audit process with meetings where they gather risk and control awareness, after which the field work begins. During the audit process, auditors perform substantive procedures and test controls. They then draft reports that they submit to management and regulatory authorities. The audit sub processes, particularly in planning and field work, include contingencies such as business type, employee skill level, applicable laws, available audit workforce, available technology and systems, and deadline.

**Parliamentary Function of Oversight Theory**

The parliamentary oversight function is one of the cornerstones of democracy. Oversight is a means for holding the executive accountable for its actions and for ensuring that it implements policies in accordance with the laws and budget passed by the parliament. The robust monitoring of the executive by the parliament is an indicator of good governance. Besides the parliament’s legislative function, it is through oversight that the parliament can ensure a balance of power and assert its role as the defender of people’s interests.

In both long-established and new democracies, the parliament is given the power to oversee the government through a number of tools and mechanisms. Typically, these tools and mechanisms are outlined in the constitution and other regulatory texts such as the parliament's internal procedures. The specifics of how a parliament can utilise its oversight prerogative depends upon the existence of a legal framework, which consolidates the position of the parliament as an oversight institution and guarantees its powers and independence within the political system. Thus, while reforming the structure of the political system to increase a parliament’s constitutionally given oversight capacities may not always be feasible,
in some instances, parliaments can improve their oversight capacities by reforming their own rules. For example, a good practice for committee systems is to assign a single committee to each government ministry. The parliamentary budget permitting, such reforms are usually within the powers of the parliament to implement.

**Objectives of Parliamentary Oversight:** Parliamentarians conduct oversight in order to:

(i) Ensure transparency and openness of executive activities. Parliaments shed light on the operations of government by providing a public arena in which the policies and actions of government are debated, scrutinised, and subjected to public opinion.

(ii) Hold the executive branch accountable. Parliamentary oversight scrutinises whether the government’s policies have been implemented and whether they are having the desired impact;

(iii) Provide financial accountability. Parliaments approve and scrutinise government spending by highlighting waste within publicly funded services. Their aim is to improve the economy, efficiency and effectiveness of government expenditure; and

(iv) Uphold the rule of law. Parliament should protect the rights of citizens by monitoring policies and examining potential abuses of power, arbitrary behaviour, and illegal or unconstitutional conduct by government.

**Tools and Mechanisms of Parliamentary Oversight:** Parliaments have an array of tools at their disposal for conducting oversight. The most common tools include: questions to ministers (oral and written), interpellation, and votes of no confidence. Other tools include mechanisms related to budgetary oversight, impeachment, and the possibility for the parliament to establish ad-hoc committees, commissions of inquiry or an ombudsman’s office. Several of these tools are described below:

(i) Hearings, either in plenary or committee meetings, are a primary tool of parliaments for obtaining information related to specific policies or issues. Nearly all parliaments conduct hearings. However, parliaments have varying capacities to compel individuals to give testimony.

(ii) The vote of no confidence, or motion of censure, is a motion presented by parliamentarians that results in either the withdrawal or the confirmation of the Parliament’s confidence in the government or one of its ministers. When a parliament withdraws its confidence in the government, the cabinet usually resigns or seeks a parliamentary dissolution. In some countries, withdrawals of confidence lead to a process in which the head of state either calls for the resignation of the government or the dissolution of the parliament. Where the rules allow for a parliament to withdraw its confidence in a single minister, that individual typically resigns. There are many variations to the procedures governing votes of no confidence.

(iii) Interpellation refers to a formal procedure used by parliamentarians to require the justification of a certain policy by an individual member of government or, in some countries, the government in full. It can give way to broad debates on the policy at hand or lead to a vote approving or disapproving the issue discussed. This may be followed by a vote of no confidence.

(iv) Parliamentary questions are the most commonly used oversight tool. Questions are intended to clarify or discuss government policies and may lead to interpellation, where the rules permit, if the answer is not satisfactory. In order to properly monitor the executive, it is essential for members of parliament to be properly informed of the policies of the executive and its ministries. Government responses to parliamentary questions may lead to the publication of valuable information. Questions can often be asked in oral or written form, although oral question and answer sessions may provide a dramatic atmosphere and opportunity for response and follow-up by either side. Consequently, the organisation of these sessions is essential to effective parliamentary oversight.
(v) Committees of inquiry are usually ad-hoc parliamentary committees or commissions formed to carry out in-depth investigations on specific issues of public importance. These commissions usually benefit from a greater degree of access to information than normal committees. Their powers may include summoning witnesses to testify under oath, confronting one witness with another, requesting or seizing documents, ordering searches, organising field visits, and more. In some countries, these commissions may possess the same powers as a magistrate making a judicial inquiry. Committees of inquiry are a commonly used oversight instrument in parliaments around the world and may be used to investigate important cases of corruption or abuse of power.

(vi) Budget oversight is a means used by parliaments to ensure financial accountability. After the state budget has been passed, the parliament has an important role to play in monitoring how the budget funds are spent. This work is usually done by one key committee (i.e. Public Accounts Committee; Budget & Finance Committee) but can also be done by other functional committees. Such scrutinising is often done in cooperation with a state auditing institution or an anti-corruption commission.

(vii) Supreme audit institutions, such as the auditor general (in Commonwealth countries), or Cours des Comptes (in Francophone countries) facilitate ex-post budget oversight by playing a “watchdog” role and reporting its findings either publically or directly to parliament. Supreme audit institutions monitor how the government uses the public purse and informs the parliament of its observations. In Commonwealth countries, the auditor general reports to the Public Accounts Committee (PAC), which scrutinises the findings of the audit and makes recommendations accordingly.

(viii) An ombudsman, in some countries, is appointed by parliament in order to conduct investigations of public authorities on the basis of complaints or requests by the parliament. An ombudsman typically scrutinises whether the workings of the administration or the offending actions are in accordance with the principles of good governance. As such, they play an important role in examining government transparency and openness. An ombudsman tries to find practical solutions to the problems they are tasked with and assume a role of conciliation between the public and the authorities.

(ix) Special standing committees are provided for in the internal rules of some parliaments to systematically oversee the government with regards to highly sensitive issues such as national security, defense, and military procurement policies.

(x) Review and confirmation of executive appointees is a power that allows some parliaments to scrutinise executive appointees to high public office, the judiciary, state run companies, and the like.

Strengthening the oversight function of Parliament: It is important for a parliament’s institutional and legal framework to encourage MPs to make effective use of their powers of oversight. Aside from the provision of oversight tools, this framework should provide for the independence of the parliamentary institution and the immunity of the MPs. These protections allow MPs to challenge the executive without fear of retaliation against their person. The parliament’s legal framework should also include rights, such as access to information, that give them the capacity to demand documentation and conduct inquiries that reach the heart of the government.

Even in this functional area, the nature of the linkages between parliamentarians and citizens can have a strong impact on MPs’ incentives to conduct effective oversight. For example, an electoral design in which political party leaders determine which operatives will obtain the top positions on the party’s electoral lists may encourage a passive back-bench. When an MPs’ re-election depends entirely on the whims of party leaders, it is unlikely that they will challenge the authority of their leaders. Systems in which the party rank and file select their party’s candidates through a vote may permit the eventual MP more freedom to question her party and government leaders.
Financial Accountability

Though parliament does not implement legislation and does not take action on a daily basis to ensure government services are delivered, it does have an important role to play in ensuring implementation and this is through the budget cycle – the annual process by which government expenditures and revenue collection are reported, approved and implemented. There are three main components to the budget cycle:

a. Budget Development: Prior to a budget being introduced in a parliament for approval, the executive branch will go through an internal process of deciding how much revenue will be collected (and by which means), where revenue will be expended and, if necessary, the means by which a shortfall in revenue will be covered (i.e. – deficit financing). During this process, parliaments can be directly engaged in the executive’s development process or may decide to conduct a parallel consultation process. If the former, the parliament (or one or more committees) may be consulted by finance officials of the government to receive their ideas and inputs into the budget. If the latter, one or more committees of the parliament will hold public consultations to seek input from business organizations, trade unions, civil society groups and citizens. These inputs will be used to develop a report or a set of recommendations that can be used by the committee or the parliament when the budget is debated.

b. Budget Approval: Almost all parliaments have a role to play in approving the annual state budget. However, some systems of parliament have more influence over the approval process. Westminster systems of parliament usually must approve or reject a budget as presented with no real opportunity to amend the funding and revenue allocations. Indeed, a rejection of the budget under this system is equivalent to a vote of non-confidence and, as such, the government will fall if a budget presented to parliament is defeated. In presidential systems the parliament and its committees have much greater opportunities to amend and reject portions of a budget, as the executive does not rely on the confidence of the parliament for its existence. It is important to note that a second issue with budget approval is what is being approved. In some countries there is supplemental or extra-parliamentary spending that is not approved by the parliament but by presidential decree. One of the most common areas of exclusion from parliamentary approval is security and defense budgets, but such funding may also include capital and infrastructure budgets and revenue from extractive industries. If parliament is to have the ability to hold the executive accountable it must also have the authority to approve all revenue collected and all funds expended.

c. Budget Oversight: Once approved, the role of parliament is to monitor the implementation of the state budget. This detailed work is often assigned to a special committee that has expert staff and extra authority to conduct inquiries and obtain documents. In Westminster parliaments this committee is often known as the Public Accounts Committee (PAC). In other systems the committee may be known as the Budget & Finance Committee. In some parliaments, all functional committees (i.e. – health committee on health issues, agriculture committee on agriculture) have jurisdiction to monitor the collection of revenue and expenditures of funds for their assigned government department or area of interest.

In a modern government the collection and dispersal of funds is very complex, as is the tax code and related legislation that provides authority for such actions. The parliamentary monitoring of these actions by government are generally seen as the most complex done by a parliament. Therefore, it is seen as a best practice that extra resources, staff and powers be assigned to one committee to enable the members of that committee to gather the information and documents required to effectively scrutinize the collection of revenue and the expenditure of funds.
Conceptual Model of the Study

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Control components</td>
<td>Accountability</td>
</tr>
</tbody>
</table>

The conceptual model on which this study was built is shown above. The independent variable is financial control mechanisms while the dependent variable is Accountability. The model equally contains proxies for the dependent variables which is Effective monitoring of public fund while the proxies for the independent variable are, Financial infringement, audit process, Legislatives oversight functions and Performance of formal institutions of financial control.

Material and Method

Research Design

Research design is the framework or plan for study that is used as a guide in collecting and analyzing data. According to Asika (1999) is the structuring of investigation aimed at identifying variables and their relationships to one another. This study is based on the use of survey method through self-designed questionnaire to generate data from the selected institutions. This study adopted a descriptive research design with the use of questionnaire to find out the impact of financial control and accountability in public sector with specific interest in the Ogun state health sector.

Sources of Data

This research entails the uses of primary and secondary data. Primary data is defined as the information collected by the researcher from the field of study (Asika 1999). These include data collected through the use of questionnaire issued out to Ogun State General Hospital Ota and Ilaro. The administration of questionnaire, personal observation and oral interviews constituted the principal sources for obtaining primary data. The questionnaire for this research is divided into three (3) sets. Set “A” of the questionnaire was designed for employees of the selected Ogun State General Hospital who are directly involved in accounting duties, section ‘B’ involved financial control mechanisms, section ‘C’ is on performance of formal institutions and accountability. This set of questions evaluated the role of treasury staff in financial record keeping and reporting. The secondary data for this study was obtained from government publications, and the offices of the Accountant, the internal Auditor and Director of Finance and control of the hospital Management Board. Specifically, the secondary data collected included budgeted and Actual spending during democratic periods and audit queries raised and responded to.
Population and Sampling

The population of this study comprises the employees of State Hospital Ota and Ilaro, of the Hospital Management Board Ogun State. The Hospital Management board is a parastatal under the Ministry of health that oversees other Parastatal such as the Primary Health Care Development Board, Olabisi Onabanjo University teaching Hospital and Ogun State Action Committee on AIDS. However, each parastatal is independent with their Permanent Secretary’s and Directors.

For the purpose of this study, the researcher focused on Hospital Management Board where the hospital controls thirty nine (39) Health care centres that cut across the twenty local government of the state. However, five (5) Hospitals namely, State Hospital Ota, State Hospital Ilaro, State Hospital Ijaye in Abeokuta, State hospital Isara in Ijebu Remo and State Hospital Ijebu-Ode. Each of these Hospitals were granted autonomy to generate revenue and expend it where necessary with a limitation due to the volume of transactions and personnel and patronage. Also, for each hospital, their accounting department has over Fifty staff each but for State Hospital Ilaro, there are forty two (42) staff of the audit and accounting department while state Hospital Ota has fifty eight (58) staffs both in audit and accounting department. A census study was carried out by the researcher for primary data where no sample size determination was required (Waithaka et al, 2012). The total working population which equals the sample frame of one hundred (100) audit and accounting employees in Ota and Ilaro was adopted as the sample size in order to make the work more robust, improve the quality of the results and the ability to generalize the findings. Also, the researcher’s place of residence is closer to the case study. Hence, reasons for using the case study and the whole elements of one hundred (100) employees in Ogun State hospital management Board Ota and Ilaro as the working population for primary data collection.

Research Instrument and Administration

The research instrument used in carrying out this research work was the “questionnaire”. The questionnaire was designed to measure the effect of financial control on accountability in the public sector with specific interest in Ogun State hospital management board. The questionnaire was made up of three parts: Section “A” focused on personal data of the respondents while section “B” and section ‘C’ focused on relevant variables in the study. Section B contained six (6) questions designed to measure the independent variables while Section C consists of ten (10) questions designed to measure the dependent variables.

The questionnaire was self-administered to the respondents who are working in Accounting Department and Internal Auditing department of the two General Hospital that is, state Hospital Ilaro and State Hospital Ota in Ogun State. For some of the respondents a return visit was necessary to collect the completed questionnaire while for others the questionnaire was returned immediately.

Method of Data Analysis

To analyse the data collected, descriptive statistics including tables, frequency counts and percentage were used in presenting the various responses. Hypotheses were tested using regression analysis aided by the Statistical Package for Social Science (SPSS) 20.0 version for the analysis in order to enhance accuracy of the figures.

Model Specification

Accountability as a concept entails the installation of some control measures as well as compliance with some standard procedures. In the main, it borders on control over public finance, audit process and Legislatives accountability of public funds, all of which form its major components (Anyafo 2006). To corroborate this, some authors are of the opinion that fraud prevention and control should be a
collaborative effort involving government and its agencies, management and staff members as well as the general public.

Prominent among the protagonists of this idea are: Ovuakporie (1994), Iduze (1996), Adekanye (1986) Sanusi (1986) Musa (19086), Syaney (1986) and Shongotola (1994). According to them, an effective preventive measure to eradicate or reduce the incidence of fraud can be treated by diligent application of the tenets of the attributes of accountability.

Theoretically, the model showed that Accountability in the public sector depends on financial control of formal institutions.

Thus the functional relationship is:

\[ Y = f(X) \]

Where; \( Y = \text{Accountability ( Dependent variable)} \)

\( X = \text{Financial control(Independent variable)} \)

thus;

\[ Y = f(x_1, x_2, x_3, x_4) \]

\( x_1 = \text{Extent of financial infringement} \)

\( x_2 = \text{Effectiveness of audit process} \)

\( x_3 = \text{Effectiveness of Legislative oversight functions} \)

\( x_4 = \text{Performance of formal institutions} \)

Data Presentation, Analysis and Interpretation

Presentation of Descriptive Frequencies

With reference to the instruments, the researcher’s was able to analysis the questionnaire and the results are hereby stated below:

<table>
<thead>
<tr>
<th>GENDER</th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>75</td>
<td>75.0</td>
<td>75.0</td>
<td>75.0</td>
</tr>
<tr>
<td>Valid</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>25</td>
<td>25.0</td>
<td>25.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researcher’s Data Analysis Result, 2016

The total number of respondents is 100 as shown in table above out of which only 75(75%) respondents are male while 25(25%) are female. The implication of the above distribution suggest that the staff in this category are male and could have more time to attend to the office work than the female due to enormous domestic work of the female.
Age Status

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>18-26 years</td>
<td>16</td>
<td>16.0</td>
<td>16.0</td>
<td>16.0</td>
</tr>
<tr>
<td>27-40 years</td>
<td>52</td>
<td>52.0</td>
<td>52.0</td>
<td>68.0</td>
</tr>
<tr>
<td>above 41 years</td>
<td>32</td>
<td>32.0</td>
<td>32.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Researcher’s Data Analysis Result, 2016

From the table above, those who were above 41 years old among the respondents were 32(32%); 27-40 years were 52(52%) and 18-26 years were 16(16%). The implication of the age distribution is that those age bracket 27-40 years constituted majority of the respondents. This age group was considered matured enough to volunteer reliable responses.

Academic Qualification

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th>Percent</th>
<th>Valid Percent</th>
<th>Cumulative Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCA/ACA/ANAN</td>
<td>11</td>
<td>11.0</td>
<td>11.0</td>
<td>11.0</td>
</tr>
<tr>
<td>BSc/HND</td>
<td>65</td>
<td>65.0</td>
<td>65.0</td>
<td>76.0</td>
</tr>
<tr>
<td>DIPLOMA</td>
<td>24</td>
<td>24.0</td>
<td>24.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Total</td>
<td>100</td>
<td>100.0</td>
<td>100.0</td>
<td></td>
</tr>
</tbody>
</table>

In the table, respondents with ACCA/ACA/ANAN were 11(11%) while those with Bsc/HND results were 65(65%) which means about that over half of the respondents possessed the Bsc/HND certificate and they are graduate. 24(24%) of the respondents are Diploma holder. The implication here is that the graduate with the higher percentage have sound knowledge of expressing their view.

Hypothesis Testing

Test of Hypothesis One

Research Objective One

To determine the effect of financial infringement on accountability in Ogun State hospital management Board.

Research Question One

To what extent does financial infringement affect accountability of Hospital management Board in Ogun state?
Hypothesis One
There is no significant relationship between the extent of financial infringement and accountability.
Question 8 and question 17

Results of regression analysis

<table>
<thead>
<tr>
<th>Model Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>1</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Payment not supported by payment voucher, Payment without authorization

<table>
<thead>
<tr>
<th>Coefficients(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>(Constant)</td>
</tr>
<tr>
<td>1 Payment without authorization</td>
</tr>
<tr>
<td>Payment not supported by payment voucher</td>
</tr>
</tbody>
</table>

\(^a\) Dependent Variable: Monitoring of public funds
\(^b\) Predictors: (Constant), Payment not supported by payment voucher, Payment without authorization
\(^c\) Interpretations

<table>
<thead>
<tr>
<th>ANOVA(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Model</td>
</tr>
<tr>
<td>-------</td>
</tr>
<tr>
<td>Regression</td>
</tr>
<tr>
<td>1 Residual</td>
</tr>
<tr>
<td>Total</td>
</tr>
</tbody>
</table>

\(^a\) Dependent Variable: Monitoring of public funds

Result
This hypothesis was tested using regression analysis. The dependent variable is “monitoring of public funds” and the explanatory variables (independent variables) are; ‘payment not supported by payment voucher’, ‘payment without authorization’.

Table b is the ANOVA Table which indicates significant value of 0.039 and F-value of 3.366. This shows that the model is significant since the P-value is less than 0.05. Hence the alternative hypothesis will be accepted. We conclude that there is significant relationship between the extent of financial infringement and accountability.

The correlation coefficient is 0.255 and R\(^2\) (coefficient of determination) is 0.065 (6.5%). This indicates that there is a weak positive relationship between monitoring of public fund and other two explanatory variables used (payment not supported by payment voucher and payment without authorization) with only 6.5% variation in monitoring of public funds explained by the independent variables.

However, the two independent variables contribute negatively to the model (Table c) with only ‘payment without authorization’ being significant with significant value of 0.027.
Test of Hypothesis Two

Research Objective Two

To determine the relationship between the effectiveness of audit process and accountability in the public sector.

Research Question Two

To what extent does the effectiveness of audit process affect accountability in the public sector?

Hypothesis Two

There is no significant relationship between effectiveness of audit process and accountability of public fund.

Question 9 and 17

(d) Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.127</td>
<td>.016</td>
<td>.006</td>
<td>.639</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Absence of prepayment audit
b. 

e. ANOVA

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>.654</td>
<td>1</td>
<td>.654</td>
<td>1.603</td>
<td>.208</td>
</tr>
<tr>
<td>Residual</td>
<td>39.986</td>
<td>98</td>
<td>.408</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>40.640</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds
b. Predictors: (Constant), Absence of prepayment audit

(f) Coefficients

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Constant)</td>
<td></td>
<td></td>
<td>8.294</td>
<td>.000</td>
</tr>
<tr>
<td>Absence of prepayment audit</td>
<td>.999</td>
<td>.078</td>
<td>1.266</td>
<td>.208</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds

Interpretations

The dependent variable used for the analysis is ‘Monitoring of public funds’ with the independent variable ‘absence of prepayment audit’. Table d shows that there is a very weak relationship between the two variables with R-0.127 and R² is 0.016 (1.6%); indicating that only 1.6% variation in “monitoring of public funds” can be explain by absence of prepayment audit. Moreover, Table 4.3e shows significant value of 0.208 and F-value of 1.603 which is an indication that the model is not significant, hence null hypothesis will be accepted. Also, the predictor variable ‘absence of prepayment audit’ is also not significant; because the significant value is 0.208 (Table f) which is greater than 0.05. Therefore we conclude that there is no significant relationship between effectiveness of audit process and accountability of public funds

Test of Hypothesis 3
Research Objective Three

To determine the relationship between the effectiveness of legislative oversight functions and accountability in the public sector.

Research Question Three

To what extent does the effectiveness of legislative oversight functions affect accountability in the public sector?

Hypothesis Three

There is no significant relationship between the effectiveness of legislative oversight functions and accountability of public funds.

Question 15 and 17

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.039*</td>
<td>.002</td>
<td>-.019</td>
<td>.647</td>
</tr>
</tbody>
</table>

(a) Predictors: (Constant), Rate the effectiveness of the checks and balances on public funds., How would you rate the performance of the state legislative in performing its financial oversight function over the executive?

(h) ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Regression</td>
<td>.062</td>
<td>2</td>
<td>.031</td>
<td>.075</td>
</tr>
<tr>
<td>1</td>
<td>Residual</td>
<td>40.578</td>
<td>97</td>
<td>.418</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>40.640</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds
b. Predictors: (Constant), Rate the effectiveness of the checks and balances on public funds.; How would you rate the performance of the state legislative in performing its financial oversight executive?

(i) Coefficients*

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.327</td>
<td>.305</td>
<td>7.641</td>
</tr>
<tr>
<td></td>
<td>How would you rate the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>performance of the state</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>legislative in performing</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>its financial oversight</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>function over the</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>executive?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Rate the effectiveness</td>
<td>.029</td>
<td>.081</td>
<td>.037</td>
</tr>
<tr>
<td></td>
<td>of the checks and</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>balances on public</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>funds.</td>
<td>.009</td>
<td>.089</td>
<td>.011</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds

Interpretations
The dependent variable used for the hypothesis is “Monitoring of public funds” against the independent variables ‘How would you rate the performance of the state legislative in performing its financial oversight function over the executive and rate the effectiveness of the checks and balances on public funds’.

Table g shows that there is a very weak positive relationship between joint effect of the independent variables and the dependent with R-value of 0.039 and $R^2$ of 0.002 (0.2%) coefficient of determination.

The ANOVA TABLE in table h shows that the model is not significant with significant value of 0.928 and F-value of 0.075. We then accept the null hypothesis and state that there is no significant relationship between the effectiveness of legislative oversight functions and accountability of public funds.

Also, none of the independent variable is significant; and their contribution to monitoring of funds is very minimal.

Test of Hypothesis Four.

Research Objective Four

To determine the relationship between the effectiveness of performance of formal institutions of financial control and accountability in the public sector.

Research Question Four

To what extent does the performance of formal institutions of financial control affect accountability?

Hypothesis Four

There is no significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public funds.

Question 14 and 17

(i) Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.149a</td>
<td>.022</td>
<td>.012</td>
<td>.637</td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), How do you rate the performance of the public account committed (PAC) in controlling public funds?

(j) ANOVA*

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>.903</td>
<td>1</td>
<td>903</td>
<td>2.226</td>
<td>.139b</td>
</tr>
<tr>
<td>Residual</td>
<td>39.737</td>
<td>98</td>
<td>.405</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>40.640</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds
b. Predictors: (Constant), How do you rate the performance of the public account committed (PAC) in controlling public funds?

(k) Coefficients*


How do you rate the performance of the public account committed (PCA) in controlling public funds?

<table>
<thead>
<tr>
<th>Model</th>
<th>Unstandardized Coefficients</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>B</td>
<td>Std. Error</td>
<td>Beta</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>(Constant)</td>
<td>2.656</td>
<td>.158</td>
<td>16.800</td>
</tr>
<tr>
<td></td>
<td>How do you rate the performance of the public account committed (PCA) in controlling public funds?</td>
<td>-0.098</td>
<td>.065</td>
<td>-0.149</td>
</tr>
</tbody>
</table>

a. Dependent Variable: Monitoring of public funds

Interpretations

This hypothesis was tested using regression analysis. The dependent variable is “monitoring of public funds” and the explanatory variables (independent variables) public account committed (PAC).

Table (k) The correlation coefficient is 0.149 and R² (coefficient of determination) is 0.022(2.2%). This indicates that there is a weak positive relationship between the monitoring of public fund and the public account committed. Only 2.2% variation in monitoring of public fund is explained by the explanatory variable (public account committed) i.e. Independent variable Table (j) is the ANOVA TABLE it reveals that the F-cal is 2.226 and the P-value is 0.139. Since the P-value is greater than 0.05, Hence we accept the Null hypothesis and conclude that there is no significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public funds.

Discussions

The outcome of the findings suggested a negative and no significant relationship exist between the role of financial control and accountability in Ogun State Hospital management board. This is confirmed by this research. However, the personal interview granted by the director of finance in the state ministry has confirmed this, The researcher could also confirm this via this study.

Decisions on Acceptance or rejection of the stated Hypotheses.

<table>
<thead>
<tr>
<th>S/N</th>
<th>HYPOTHESES</th>
<th>DECISION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>H01:- There is no significant relationship between the extent of financial infringement and accountability.</td>
<td>Rejected</td>
</tr>
<tr>
<td>2</td>
<td>H02:- There is no significant relationship between effectiveness of audit process and accountability of public fund.</td>
<td>Accepted</td>
</tr>
<tr>
<td>3</td>
<td>H03:- There is no significant relationship between the effectiveness of legislative oversight functions and accountability of public funds.</td>
<td>Not rejected</td>
</tr>
<tr>
<td>4</td>
<td>H04:- There is no significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public funds.</td>
<td>Not rejected</td>
</tr>
</tbody>
</table>

Summary of Findings

This research identified the roles of financial control and accountability in the Public Sector where Ogun State Ministry of health was considered with specific emphasis on the Hospital management board that oversee and control all hospital under it. The State Hospital Ilaro and Ota was used with the distribution of questionnaire to forty two and fifty eight staff of the account and audit department respectively. Based on data analysed and results, the following are the findings of the study. Firstly, there is significant relationship between the extent of financial infringement and accountability in the Ogun State Hospital management Board which implies that at any particular point in time where rules and
regulations are not followed, corruptions and embezzlement may likely occurred. Secondly, the results also shows that there is no significant relationship between effectiveness of audit process and accountability of public fund of Ogun State Hospital Management Board this also implies that despite audit, the due process are not followed when dealing with the fund of the sector. Moreover, there is no significant relationship between the effectiveness of legislative oversight functions and accountability of public funds of Ogun State Hospital Management Board. The legislative oversight functions that clearly states that parliament should make sure that approval and all other functions such monitoring are clearly followed. While also, There is no significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public funds of Ogun State Hospital Management Board.

Conclusion

The outcome of this research has empirically shown that (i) There is significant relationship between the extent of financial infringement and accountability of Ogun State Hospital management Board, (ii) There is no significant relationship between effectiveness of audit process and accountability of public fund of Ogun State Hospital Management, (iii) There is no significant relationship between effectiveness of legislatives oversight functions and accountability of public fund of Ogun State Hospital Management Board and (4) there is no Significant relationship between the effectiveness of performance of formal institutions of financial control and accountability of public fund of Ogun State Hospital Management Board. This simply means that financial control in the public Sector is hardly affected with accountability mostly in Ogun State Hospital Management Board. It was also evident from the results of the study that despite all rules and regulations set by the formal institutions of finance, executives seldom followed it. Funds are spent without due process or legislative authority. Moreover, where voted funds fall short of budget, the spending agent failed to apply for supplementary appropriation provisions and obtain legislative approval for such additional expenditure before incurring them. Therefore, from the empirical analysis carried out, financial controls which ought to be a tool for accountability are not adhered to at the Hospital Management Board of Ogun State.

Recommendations

This study examined the role of financial control in accountability in the Public Sector with emphasis on Hospital Management Board of Ogun State. Based on the finding in the study, the following recommendations are made. First, The Legislative arm of the government should ensure that approval granted on budgets are strictly followed and periodically, investigations are conducted to ascertain the level of compliance with the approval and rules that guides public spending. Secondly, Spending without authorisation should be discouraged while approval should be given before virement of public fund is undertaken. The requirement of the law should be followed at all time when dealing with public funds. Lastly, the management of the board should carefully study the guidelines on public fund to avoid corruption and fraud.

References


