

A CRITICAL APPRAISAL OF BUDGETING AND BUDGETARY CONTROL IN THE PUBLIC SECTOR

A CASE STUDY OF MINISTRY OF FINANCE, MAKURDI

BY

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ABSTRACT: This paper titled, A Critical Appraisal of Budgeting and Budgetary Control in the Public Sector is aimed at finding out the impact of budgeting and performance in the public sector. To ascertain the effectiveness of budgets control and the problems affecting budgeting and budgetary control. The writers used literature review as their main source of data using ministry of Finance, Makurdi as a case study and also made use of personal observations. The writers found that budgeting and budgetary control in the public sector is weak and despite the effort of government, budget and budgetary control has failed because of dependence on federation account, untrained budget staff, non-adherence to budgetary control measures, corruption, inflation and political environment. The author recommended among others that there is a need for budget culture in the public sector, sharpening the budget monitoring and implementation procedures in the public sector, sustaining greater accountability and transparency and making the need for budgeting realistic and not just a formality.

Key words: Accountability, Budgeting, Monitoring and Implementation, Transparency.



INTRODUCTION

According to Adams (2009:184), a budget could be defined as a future plan of action for the whole organization or a section thereof. Budget can also be defined as a financial and or quantitative statement prepared and approved prior of time to be pursued by the organization in order to achieve organizational goals and objective. The primary objective of budget is to measure the profitability of an organization. In other words a budget is a systematic plan for the utilization of manpower and material resources. Budget may be divided into two main classes: capital budget and operating budget. Capital budgets are directed towards proposed expenditure for new projects and often require special financing. The operating budgets are directed towards achieving short-terms operational goals of the organization, for instance, production or profit goals in a business firm. Operating budgets may be subdivided into various departmental or functional budgets. The writers aim at appraising budgeting practices and budgetary control in public sector, with particular reference to Benue State Ministry of Finance.

1.2 Statement of the Problem

Despite the presence of budget office and budget monitoring teams in public sector, the preparation and execution of budget in the public sector is ineffective. It is based on the above that the authors undertake to find out the impact of the budgeting on performance in the public sector and ascertain the effectiveness of budgetary control in the public sector.

1.3 Research Question

- i. To what extent does budgeting affect performance in the public sector.
- ii. How effective is budgetary control effective in the public sector.

1.4 Statement of Hypotheses

H_{O1} : There is no significant impact of budgeting on performance in the public sector.

H_{O2} : Budgetary control in the public sector is not effective.

1.6 Significance of the Study

1.6.1 To Government

It appraises the public sector to understand how the budgetary control is established and also how it affects organizational performance. It leads to a decrease in cost and increase in revenue which in turn leads to profit maximization. The government is on a better position to achieve her goals and execute her projects.

1.6.2 Individuals

The significance of anything much depends upon its relevance and validity. There will be no gain therefore researching into topics or problem with no expectation, the effective budgetary control help them to communicate plans between executive and those responsible for their execution. It motivates managers and employees at all levels and serve as standard for measuring performance. A good budgetary performance shows a reflection in the eyes of every person.

1.6.3 To Academics

The addition of knowledge is basically the aim of every paper and this paper which seeks to ascertain the effectiveness of budget and budgetary control

is not an exemption. Readers of this paper will stand a better chance of making contribution to the issue of budget and budgetary control in public sector.

1.7 Scope of the Study

This paper concentrates on Ministry of Finance, Makurdi. The paper covers the budgetary process and policies of the Ministry and how its performance is influenced and maximized. The study covers 3 years (2014 – 2016) of the state and ministry of finance in particular.

2.0 LITERATURE REVIEW

2.1 Introduction

By literature review, the author hopes to identify the specific finding or discovery made in previous studies. Such awareness is necessary so as to enable the writer know what answers emerged that could be used for further investigations. It is also necessary to review earlier studies in order to avoid unnecessary repetition of earlier efforts. On this premises, the writer wants to review and improve on their shortcomings as a way of restoring confidence on public sector budget and then to improve budgetary system in public sector generally and Ministry of Finance, Makurdi in particular.

2.2 Theoretical Framework

Budget has been defined by Reeve J.M & Warren C.S (2008) as an accounting device used to plan and control resources of Operational Departments of Governments and Divisions. These definitions and explanations of budget are alike but this paper adopted the concept of budget defined by Omolehinwa, Ade (2005) as a financial and/or quantitative statement, prepared and approved prior to a defined period of time, of the policy to be pursued during that period for the purpose of attaining a given objective. According to Abijime (2008:55), a government budget is a financial plan which describes its intention and policies that it would like to pursue in the coming period along with their cost implications. Such a plan describes in detail the estimated receipts and proposed spending under different heads. Indeed, the word 'budget' comes from the French word: *bougette* which is a small leather bag or wallet containing spending money along with the spending purpose.

2.3 Conceptual Clarification

According to **Abdullahi A M, Angus O. U (2012)** national budget has to be well design, effectively and efficiently implements and adequately monitor; its performance must be effectively evaluated. He argued, if administered wisely, budgeting drives management planning, provides best framework for judging performance, and promotes effective communication and coordination among various segments of business organizations. The above view reflects process character of budgeting in private-public business organizations. As Nigeria's budgetary systems as could be expected, there is a sharp contrast between budgeting under a military regime which formerly took place on an arbitrary basis and budgeting under civilian administration subject to scrutiny at various stages by the executive and legislative arms of government before it is finally approved. Nigerian budgetary system is always being abused. Complaints frequently relates to non-release, partial release or delay in release of approve funds for budgeted expenditure. The above attitudes have negative implication for institutional planning and management control process as well overall performance of National budgeting on developmental programmes and welfare of citizenry. According to Amey (1979) and Bremser (1988) and Douglas (1994) and Yang (2010) budgeting in business organizations serves multiple purposes and functions but attention is given to two basic roles of budgetary systems, financial planning and control process, the so-called dual purpose. From the foregoing, *public budget* is viewed as a comprehensive document outlining what economic and non-economic activities a government intend to execute or undertake within a fiscal year with special focus on policies, strategies and corrective actions in the case

that negative variances occur, and for accomplishments that are substantiated with public revenues and expenditures projections. These multiple functions of as established in previous research and its application to large private-public business organizations in both developed and developing countries budgeting process very invaluable. This has to do with the relevance of budgetary control in the public sector and their accession. As earlier discussed in the introduction, every establishment be it public or private is deemed necessary to prepare a budget and institute some controls for the purpose of translating policies, coordinating as well as financial control in order to achieve the desired result.

Oshasami (1992) in *Government Accounting and Financial Control* argued that, since resources available are not always sufficient to serve the needs and opportunities, which the Government would like to serve or seize, budgeting remains the tactical instrument for both decision-making as well as allocation of resources. Awoyemi (1989) states “Broadly the purpose and associated features of public sector ‘Budget’ may be considered in terms of a fool of accountability, management and economic policy”. Oshasami (1992), *Planning and programming budgeting* is a process designed primarily to make government and public cooperation and activities more effective and more efficient. These in operational terms involve the following activities: planning, programming, budgeting, implementation, monitoring and evaluation.

2.3.1 Budget Process

The budget process is shown below, highlighting the distinct steps in public sector application of the budget tool: The first step in the budget cycle is the preparation of budget. The next distinct step is the legislative approval, third

is budget implementation, the fourth cycle is the budget reporting process, finally, is the post audit process, which is carried out by the legislative arm through its public account committee and the executive arm through the office of the auditor general.

The accounting department of each ministry or extra ministerial department is entrusted with the detailed record keeping involved in the financial operation of the ministry. It is usually the duty of ministry of finance through the office of the accountant general to direct and supervise the maintenance of such records and account.

Types of Budgeting Systems

Budgets are generally of two types: the **revenue budget and capital budget**, which is referred to as line item budget, Widavsky (1975). “Any outlay which is of value to the authority in the provision of services beyond the end of the year of account should be recorded as a capital asset, provided there is no legal constraint”, The Chartered Institute of Public Finance and Accountancy (1985).

2.4 Empirical Review

Kazeem O. F, Hakeem O. F, and Reuben O. O, (2014) on the topic “Budgetary and Management Control System for Improved Efficiency in Public Sector” drew information from a wide array of national and international primary and secondary sources: they were able to justify the principal changes that the radical budgetary reforms introduced. They were able to show that the Nigerian budgetary reforms have been geared

to achieving aggregate fiscal discipline and enhancing technical efficiency and that formal mechanism for transparency and accountability have been central to these reforms. The information further reveal that our measures are correlated with expenditure outcomes i.e. reduction in fiscal discipline and unit costs of service delivery. Using our findings, we are able to critique recent initiatives being undertaken in Nigerian public sector, and propose reform experiments that can improve incentives within government as well as between government and donors. Monitoring and evaluating these reform experiments constitutes a principal element of the proposed agenda for further studies. They recommend that diversification of public funds should be based on a scientific reckoning of actual needs of different sectors, that governing body should adopt sound accounting techniques, procedures, and robust corrective measures in the event that negative variance occurs. There should be budgetary and financial discipline, while public officials should spend funds lawfully for the purposes provided by law otherwise face impeachment or dismissal and also made to bear the full brunt of the law. Finally, that free and fair democratization and economic independence be established in all ramifications.

Marcormick and Hardcastle (2011) carried out a study on budgetary control and organizational performance in government parastatals in Europe. A sample of 40 government parastatals were used for establishing the relationship between budgetary control and organizational performance, secondary data was used and a period of ten

years was reviewed. A regression model was used for data analysis and the results of data analysis revealed a positive relationship between budgetary control and organizational performance of government parastatals. This is supported by Serem (2013) who explains that there is a weak positive effect of budgetary control on performance of Non-Governmental Organization's in Kenya measured by R square at 14.3%. The research recommends that employees need to be sensitized on budgetary controls and the effect on performance of the organization. From the above literature little has been done in relation to budgetary control and effectiveness of nongovernmental organizations, this is however geared to establish whether there is any relationship between budgetary control and effectiveness of nongovernmental organizations.

The Nigerian worker feels cheated, used and abused, he works but others receive the benefits. He therefore regards the system with constant mistrust and antagonism. It suits his personal economic position to sabotage government development effort for private ends, he does so with impunity.

3.0 METHODOLOGY

3.1 Introduction

In this paper, we used literature review as our main source of data. We took the Benue State budget for three years and made a comparison (2014 – 2016) to be able to appraise the budgetary control in the public sector. These help us to answer our questions formulated in the study. The answers have agreed with our

hypotheses. The study examines how budget and budgetary control can impact on the performance of the public sector.

3.2 Design

3.2.1 Benue State Government Budget 2014

The 2014 Budget spelt out very clear objectives, which reflect our administrations' developmental policies as enunciated in our development blue print- Our Benue, Our Future.

A total of one hundred and eight billion, six hundred and four million, eight hundred and twenty-one thousand, nine hundred and three naira (N108,604,821,903) only was appropriated into law as expenditure for 2014.

Performance of State Government Expenditure 2014

On the recurrent expenditure side, Government spent a total sum of twenty-five billion, three hundred and thirty-four million, five hundred and seventy-five thousand, one hundred and seventy-six naira (N25,334,575,176) only on personnel costs as at the end of 2014. This represent 83% of 2014 approved personnel cost.

A total of five billion, seven hundred and sixty-two million, fourteen thousand, seventy-seven naira (N5,762,014,077) only was expended as overhead cost. This represents 32% of proposed expenditure as at December 30, 2014. Pension and Gratuity payments amounted to two billion, four hundred and forty-five million, five hundred and thirty-eight thousand, nine hundred and sixty-nine naira (N2,445,538,969) only over the fiscal period. Expenses by parastatals

amounted to two billion, seven hundred and ninety-seven million, fifty thousand, three hundred and eighty-eight naira (N2,797,050,388) only.

A total sum of eight billion, eight hundred and two million, four hundred and ninety-seven thousand, eight hundred and twelve naira (N8,802,497,812) only was spent on capital expenditure as at December 30,2014. This represents 16% of expected capital expenditure in 2014 Budget.

Benue State Government's N5 billion seven-year fixed rate bond

In the course of this fiscal year, our administration approached relevant agencies and authorities in the capital market to raise funds. The bond will be used to fund the following critical projects:

- a. Reticulation and Upgrading of Water Works at Makurdi, Otukpo and Katsina-Ala,
- b. Up-grading/Rehabilitation of Daudu-Gbajimba 48.50km Road,
- c. Rehabilitation of Township Roads,
- d. Construction of Wannune-Ikpa-Igbor Road,
- e. Construction of Oshigbudu-Ogbagaji 10.0km (additional work to completion),
- f. Construction of Oju-Obusa-Utonkon 51.48km Road (additional works to completion),
- g. Construction of Taraku-Naka-Agagbe 61km Road (additional works to completion) and,
- h. Completion of Rural Electrification Projects (across the State).

3.2.2 Benue state Government Approved Estimates 2015

Total aggregate revenue estimates for the 2015 budget to the sum of one hundred and ten billion, eight hundred and ninety-two million, four hundred and seventy-six thousand, eight and fifteen naira (N110,892,476,815.00) only. This figure was made up of sixty-three billion, two hundred and thirty-five million, five hundred and ninety-nine thousand, eight hundred and fifty-three naira (N63,235,599,853.00) only as our share of statutory allocation, nine billion, three hundred and forty-seven million naira (N9,347,000,000.00) only is internally generated revenue (IGR) and twenty-five billion, three hundred and sixty-nine million, five hundred and twenty six thousand, four hundred and fifty naira (N25,369,526,450.00) only from other receipts.

This total sum was appropriated into recurrent expenditure of fifty-nine billion and seventy-five million, one hundred and seventy thousand, two hundred and eighty naira (N59,075,170,280.00) only and capital expenditure of thirty-eight billion, eight hundred and seventy-six million, nine hundred and fifty-six thousand, twenty-three naira (N38,876,956,023.00) only respectively.

There was however, the need for additional supplementation to take care of provision for bailout on salaries, critical infrastructure and agricultural development as offered by the Federal Government to support state economy across the country. A supplementary request of twenty-four billion, five hundred and three million, four hundred and thirty-nine thousand, seven hundred and eighty-seven naira, twenty-eight kobo (N24,503,439,787.28) for consideration and appropriation. This will bring the 2015 budget of Benue State Government to a total of one hundred and thirty-five billion, three hundred and ninety-five million, nine hundred and sixteen thousand, six hundred and two naira (N135,395,916,602.00) only.

Performance of Revenue Receipts in 2015

Due to earlier mentioned challenges, the revenue projection for 2015 budget performed poorly. The total revenue collected was sixty-nine billion, four hundred and forty-seven million, eighty thousand, six hundred and forty-nine naira, ninety kobo (N69,447,080,649.90). Out of this amount, our total actual collection from Federation Account as at 31st December, 2015 was thirty-six billion, two hundred and sixty-seven million, seven hundred and eighty-eight thousand, three hundred and twelve naira, twenty-six kobo (N36,267,788,312.26) only representing 57.35% of our revenue projection from this source for 2015 and eleven billion, five hundred and forty-eight million, three hundred and fifty-six thousand, five hundred and fifty-eight naira, eighty-one kobo (N11,548,356,558.81) only from other sources. A total deficit financing of forty-five billion, two hundred and thirteen million, three hundred and sixteen thousand, seven hundred and forty-nine naira (N45,213,316,749.00) only is now provided to finance the budget during the year including the bailout, infrastructure and agriculture value chain development funds offered by the Federal Government through the Central Bank of Nigeria.

3.2.3 Proposed 2016 Revenue Estimates

The Benue State Governor said his administration in line with commitment to fiscal responsibility and budget discipline hereby proposes a total sum of one hundred and thirty-three billion, three hundred and ninety-four million, ninety-two thousand and six hundred and ten naira (N133,394,092,610.00) only as estimated total revenue from all sources in fiscal year 2016.

4.0 DISCUSSION AND FINDING

4.1 Correlation Analysis

Kazeem O. F, Hakeem O. F and Reuben O. O, (2014), Marcormick and Hardcastle (2011), Serem (2013) and others, carried out studies on Budgetary and Management Control System for Improved Efficiency in Public Sector, budgetary control and organizational performance in government parastatals in Europe, and budgetary control on performance of Non-Governmental Organization's in Kenya respectively used questionnaire and observations and their results at various dates are the same. Here the authors chose to use physical budgets and actual result/performance. The two variables were correlated to identify if there existed a relationship between them. Comparing the three budgets (2014, 2015 and 2016) in the public sector we still discovered that they are beautifully prepared but are not followed.

4.2 Hypotheses Testing

In this study, hypotheses were tested. In other to test for the effectiveness of budgeting as a control measure in Nigeria, the hypothesis of no connection between budget and actual results were formulated. The hypotheses were stated as: Ho1: There is no significant impact of budgeting on performance in the public. This study also hypothesised that Ho2: Budgetary control in the public sector is not effective.

4.3 Interpretation of Results

That the revenue projections of 2014 performed poorly, so also was the revenue projections of 2015. If one is opportune to go through the budgets of all the previous years, one will observe that their performance is always poor. You will see from last paragraph under 3.2.1 all the projects mentioned are neither done, nor completed. You will see more from **appendix 'A' and 'B'**. This is not consistent with the evidence from the developed countries that budget is strongly

associated with performance Markweek and Hardcastle (2011). Furthermore, Horngren *et al.*, (2008) stated that, in a survey carried out in the North America, budget was rated the highest cost management tool for cost reduction and control. This study therefore contributes to the existing literature on budgeting that in the developing nations, budgeting is effective for control but not as it were in the developed countries due to some environmental challenges.

5. FINDINGS OF THE ANALYSIS

The topic for the report work is “A Critical Appraisal of Budget and Budgetary Control in the Public Sector”, with emphasis at Ministry of Finance Makurdi. In the first four parts, the authors looked at the problems and what they hypothesized to be the causes of the problem. They in no small way received relevant literatures concerning budget in the public sector of the economy. All through the work, public sector of the economy was the main focus with the ministry of finance Makurdi to be specific. The authors found that budgeting and budgetary control in the public sector is weak and despite the effort of the government institutions, budget and the control instituted by management has failed due largely to weakness in budgeting and its control, local government and states depending on federal allocation, corruption, inflation, economic and political factors.

6. CONCLUSION

In our statement of hypothesis H_{01} there is no significant impact of budgeting and performance in the public sector and H_{02} also states that budgetary control in the public sector is not effective. Controls of the budget should be made ethically paramount and spending outside the budget must obtain the consent of the executive. Independent body is expected to check, monitor, and investigate the execution of budget of every tiers of

government as it is done elsewhere like UK, USA, and developed nations of the world. Fiscal Responsibility Commission should be given high degree of independence to oversee the implementation and execution of the budgets of government at all the three tiers of government. This can be done by enforcing rule of law of budget implementation any unauthorized spending should be reported to the appropriate authority for disciplinary action. Our study has agreed with these. The findings of this work shows that the public sector generally failed to curb excess expenditure and lacks accounting and financial controls. Ministries and departments of government use the budgeting exercise only for seeking funds therefore, they are reactive rather than proactive in budgeting every year. One of the major results of this inefficient and ineffective budgeting is that National and State Economic Landscape is heavily littered with uncompleted project.

7. **RECOMMENDATIONS**

The following recommendations are considered relevant for effective budgeting and budgetary control system:

There is need for a new budget culture in the public sector. Feedback is an essential ingredient of the budgetary process. Government should pursue realistic and functional policy objectives and should be consistent but amenable to economic and political dynamics. There should be adequate fund and expenditure control in the public sector so that what is collected gets into the coffers of government at the least possible cost and reduce uncompleted/abandoned projects.

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Appendix 'A'

SCHEDULE 2015:

S/NO	MINISTRY, DEPARTMENT AND AGENCY (MDA)	TOTAL RECURRENT
1.	Ministry of Finance	2,337,800,000

S/NO	MINISTRY, DEPARTMENT AND AGENCY (MDA)	DEVELOPMENT FUND
S/NO	Ministry of Finance	700,000,000

Source: *Benue State Budget 2015*

EXPENDITURE 2015:

CLASSIFICATION CODE	MINISTRY OF FINANCE	SECTORAL DETAILS
022000100100		
2	Expenditure	3,037,800,000
21	Personnel cost	140,000,000
2101	Salary	120,000,000
210101	Salaries and wages	120,000,000
2102	Allowances and social contribution	20,000,000
2202	Overhead cost	2,197,800,000
220201	Travel and transport-General	783,000,000
22020101	Local travel and transport: Training	3,000,000
22020102	Local travel and transport: Others	80,000,000
22020103	International travel and transport:	400,000,000

	Training	
22020104	International travel transport: Others	300,000,000
220202	Utilities-General	21,900,000
22020201	Electricity Charges	1,300,000
22020203	Internet Access Charges	20,000,000
22020205	Water Rates	500,000
22020206	Sewage Charges	100,000
220203	Materials and Supplies	25,850,000
22020301	Office Stationaries/Computer Consumables	15,000,000
22020302	Books	550,000
22020303	Newspapers	200,000
22020305	Printing of non-security documents	10,000,000
22020309	Uniforms and Others Clothing	100,000
220204	Maintenance Service-General	6,000,000
22020401	Maintenance of Motor Vehicle/Transport Equipment	3,000,000
22020402	Maintenance of Office Furniture	1,000,000
22020404	Maintenance of Office/IT Equipment	1,500,000
22020405	Maintenance of Plant/Generator	500,000
220205	Training-General	105,000,000
22020501	Local Training	5,000,000
22020502	International Training	100,000,000
220206	Other Services-General	500,000
22020606	Cleaning and Fumigation Services	500,000

220207	Consulting and Professional Services	60,000,000
22020701	Financial Consulting	30,000,000
22020702	Information Technology Consulting	20,000,000
22020703	Legal Services	10,000,000
220208	Fuel and Lubricants-General	5,550,000
22020801	Motor Vehicle Fuel Cost	1,800,000
22020802	Other Transport Equipment Fuel Cost	150,000
22020803	Plant/Generator Fuel Cost	3,600,000
220209	Financial-Charges-General	175,000,000
22020901	Bank Charges (Other than interest)	50,000,000
22020902	Insurance Premium	25,000,000
22020904	Other CRF Bank Charges	100,000,000
220210	Miscellaneous Expenses-General	1,015,000,000
22021002	Honorarium & Sitting Allowances	10,500,000
22021003	Publicity & Advertisements	1,000,000
22021004	Medical Expenses	3,000,000
22021006	Postages & Courier Services	500,000
22021007	Welfare Packages	1,000,000,000
23	Capital Expenditure	
	TOTAL CAPITAL PROJECT	700,000,000
	ONGOING PROJECTS (OTHERS)	700,000,000
23050101	State Computerization	300,000,000
23010119	Supply of Generating Plats	300,000,000

23020119	Others	100,000,000
	Knowledge Economy	

Source: *Benue State Budget 2015*

Appendix 'B'

SCHEDULE 2016:

S/NO	MINISTRY, DEPARTMENT AND AGENCY (MDA)	TOTAL RECURRENT
1	Ministry of Finance	2,649,700,000

S/NO	MINISTRY, DEPARTMENT AND AGENCY (MDA)	DEVELOPMENT FUND
1	Ministry of Finance	3,850,000,000

Source: *Benue State Budget 2016*

EXPENDITURE 2016:

CLASSIFICATION CODE	MINISTRY OF FINANCE	SECTOR DETAILS
022000100100		
2	Expenditure	6,499,700,000
21	Personnel cost	129,550,000
2101	Salary	113,550,000

210101	Salaries and wages	113,550,000
2102	Allowances and social contribution	16,000,000
2202	Overhead cost	2,520,150,000
220201	Travel and transport-General	583,500,000
22020101	Local travel and transport: Training	3,500,000
22020102	Local travel and transport: Others	80,000,000
22020103	International travel and transport: Training	200,000,000
22020104	International travel transport: Others	300,000,000
220202	Utilities-General	10,850,000
22020201	Electricity Charges	500,000
22020203	Internet Access Charges	10,000,000
22020205	Water Rates	250,000
22020206	Sewage Charges	100,000
220203	Materials and Supplies	20,650,000
22020301	Office Stationaries/Computer Consumables	10,000,000
22020302	Books	350,000
22020303	Newspapers	200,000
22020305	Printing of non-security documents	10,000,000
22020309	Uniforms and Others Clothing	100,000
220204	Maintenance Service-General	4,200,000
22020401	Maintenance of Motor Vehicle/Transport Equipment	1,500,000
22020402	Maintenance of Office Furniture	1,000,000
22020404	Maintenance of Office/IT Equipment	1,200,000

22020405	Maintenance of Plant/Generator	500,000
220205	Training-General	130,000,000
22020501	Local Training	55,000,000
22020502	International Training	75,000,000
220206	Other Services-General	250,000
22020606	Cleaning and Fumigation Services	250,000
220207	Consulting and Professional Services	22,500,000
22020701	Financial Consulting	10,000,000
22020702	Information Technology Consulting	10,000,000
22020703	Legal Services	2,500,000
220208	Fuel and Lubricants-General	5,550,000
22020801	Motor Vehicle Fuel Cost	1,800,000
22020802	Other Transport Equipment Fuel Cost	150,000
22020803	Plant/Generator Fuel Cost	3,600,000
220209	Financial-Charges-General	225,000,000
22020901	Bank Charges (Other than interest)	25,000,000
22020902	Insurance Premium	130,000,000
22020904	Other CRF Bank Charges	70,000,000
220210	Miscellaneous Expenses-General	1,517,650,000
22021002	Honorarium & Sitting Allowances	9,000,000
22021003	Publicity & Advertisements	5,000,000
22021004	Medical Expenses	3,000,000
22021006	Postages & Currier Services	650,000

22021007	Welfare Packages	1,500,000,000
23	Capital Expenditure	
	TOTAL CAPITAL PROJECT	3,850,000,000
	ONGOING PROJECTS (OTHERS)	3,850,000,000
2301	Fixed Assets Purchased	
23050101	State Computerization	350,000,000
23010119	Supply of Generating Plats	200,000,000
23050107	Service Wide Capital	3,000,000,000
	Knowledge Economy	300,000,000

Source: *Benue State Budget 2016*

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