



**MINISTRY OF FINANCE GOMBE STATE**

Adjacent Government House, GRA Gombe  
PMB 087, Gombe State-Nigeria.

05th August, 2022

MOF/BUD/OFF/S/247/VII

The Permanent Secretary, Government House,  
The Permanent Secretary, Deputy Governor's Office,  
The Clerk, Gombe State House of Assembly,  
The Chief Registrars, High Court/Sharia Court of Appeal,  
The Secretary to the State Government,  
The Head of Civil Service,  
Auditors General for State and Local Government,  
All Permanent Secretaries,  
All Directors General,  
All Heads of Extra Ministerial Departments,  
All Chief Executives of Higher Institutions of Learning,  
World Bank Project Finance Management Unit (PFMU) and;  
CSOs/NGOs

**GOMBE STATE GOVERNMENT 2023 BUDGET CALL CIRCULAR.**

In accordance with the provision of the 1999 Constitution as amended, Section 121 sub-section 1 & 2, which confers on the Governor the responsibility to prepare and submit to the Honourable House of Assembly at any time before the beginning of each Financial year, an appropriation bill, which contains details of expected revenue and expenditure for the coming year; I am pleased to invite you to submit your advance proposals for the year 2023 with the details of revenue, recurrent and capital expenditure estimates to be defended later during the bilateral discussions with the Budget Office.

2. This call circular sets out instructions and seeks to provide guidance to Honourable Commissioners, Accounting Officers and other Officers charged with the responsibility for budget preparation who are hereby advised to read this circular carefully. All are enjoined to comply with the instructions and guidelines on the formulation and submission of the 2023 budget proposals of their respective Ministries, Departments and Agencies (MDAs).

The preparation of budget estimates by MDAs should take into consideration the policies and strategies embedded in the Gombe State 2021 – 2030 Development Plan (DEVAGOM) as well as the 2023 - 2025 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP) which is the pre-budget statement of the State Government.

However, it should be noted that this administration has invested so much to reform the Public Financial Management (PFM) system in the state, in line with best global practice, as entrenched in the State Fiscal Transparency, Accountability and Sustainability (SFTAS) programme. In this regard the preparation of the 2023 Budget proposals must be transparent and involve all stakeholders in the process.

### 3. PRIORITIES OF GOVERNMENT FOR 2023

The major policy thrust of this administration is the completion of all on-going projects/programmes that have direct bearing on the people, stimulate the economy, create jobs, and extend protection of the poor and vulnerable among the population. Prominence should be accorded to human capital development especially in the areas of Agriculture, Education, Health and infrastructure.

Therefore, only on-going projects and exceptionally critical new ones approved by His Excellency, the Governor should be included in the budget.

### 4. PRINCIPLES UNDERPINNING THE 2023 BUDGET

All spending proposals for the 2023 budget must ensure that they are guided by the principles of fiscal discipline, transparency, accountability, and prudent utilization of scarce resources. Quantifying projects must also clearly indicate costing methodology before amount focusing on service delivery and demonstrating value for money (vfm).

### 5. GENERAL GUIDELINES

#### (i) Key Performance Indicator (KPIs) and Targets.

All spending proposals for Capital projects and programmes in the 2023 budget must incorporate the KPIs that will enable Government to monitor the outputs and outcomes of the projects and programmes. These KPIs should be made publicly available in order to increase the level of transparency and accountability within Government.

#### (ii) Revenue/Expenditure Projections.



Submissions of revenue and expenditure projections must be properly articulated and shall be defined in the following order: -

- (a) Salaries, wages, allowances of employees must make full provision for promotions, annual increments, pension and gratuities;
- (b) Make realistic provisions for all revenue and recurrent expenditure items;
- (c) Provide for capital expenditure after making provisions for (a) and (b) expenditure items;
- (d) Personnel costs should be computed from nominal roll of MDAs. A hard copy of the nominal role should be signed by the Chief Executive of each MDA and forwarded to the Budget Office. MDAs should bear in mind that no fund will be set aside for shortfalls in payroll or overhead in 2023;
- (e) All budgetary proposals (recurrent and capital) must be defended during bilateral discussions with the Budget Office.

(iii) Multilateral and Bilateral Assistance

All MDAs that coordinate multilateral/bilateral assistance for the State should submit along with their budget estimates details of receipts in cash and/or kind from such assistance for January – September, 2022 as well as the plan of action for the 2023 fiscal year.

(iv) Consultations

It is expected that MDAs will, as usual, prepare their proposal in consultation with their respective thematic area Civil Society Organizations (CSOs).

For the purpose of emphasis, it is pertinent to note that Budget Office will not accept budget proposals from any MDA that did not provide evidence (attendance list) that the proposals have undergone consultations with relevant NGOs & CSOs to their projects in order to meet global best practice and to leverage on available funding and/or assistance from partners in support of Government projects/programmes.

6. PERSONNEL COSTS

(i) Personnel cost should be presented in three (3) categories viz: Basic salaries, allowances and leave grant, and it must be supported by an up-to-date staff disposition list, including salary grade level of each staff.

(ii) MDAs must provide evidence of clearance from Establishment and Service Matters, Office of the Head of Civil Service, of any increase in personnel cost

due to new employment and or promotions. Note that such costs as NYSC allowances, casual labour costs etc should not be included in personnel costs.

(iii) In 2023, Government will prioritize capacity building, training, refresher course and staff development for all staff. MDAs must put in place a realistic framework for this and agree with the Office of the Head of Civil Service and the Budget Office on a programme and timetable for staff development and capacity building.

#### 7. OVERHEAD COST

(i) This administration in the year 2023 will continue to reduce the cost of running Government business because of its desire to undertake critical projects that have direct bearing on the citizens. Therefore, MDAs should endeavor to scale down their overhead costs, as only areas of need will be considered. Proposals for overhead cost (other charges) must be submitted with actual expenditure profile for January – August 2022.

(ii) It is to be noted that the Budget Office will not accede to any request for additional overhead that is not successfully defended during bilateral discussions.

(iii) Any new economic code to be introduced in the 2023 budget proposal should be left blank in the proposals. It is the Budget Office that shall provide new economic codes in order to align them with the IPSAS and the new National Chart of Accounts (NCoA).

#### 8. CAPITAL EXPENDITURE

The advance proposal for capital projects/programmes for 2023 should be in line with the Medium-Term Expenditure Framework (MTEF) 2023 – 2025 which must be consistent with priorities of the Government.

(i) In this regard, MDAs should note that all capital projects should have prior approval of His Excellency, the Governor. The total costs of projects, completion period and location must be clearly indicated. It should also be made clear if the projects/programmes are to be executed in phases;

(ii) No new projects/programmes will be accepted in proposals except those that have expressly attached approval of His Excellency for the 2023 fiscal year. Such must be accompanied by a statement of cost-benefit analysis as well as the risks and opportunities associated with the projects/programmes;



(iii) In the 2023 proposals, capital expenditure proposals of on-going projects/programmes must be given utmost priority;

(iv) All agencies executing loans or grants financed projects should provide full details as regards the size, drawdown, utilized and un-drawn amounts and counterpart funding requirements/outstanding where applicable. Note that counterpart funding of all World Bank Projects and other Development partners is centralized in the Budget, Planning and Development Partner Coordination Office (BP&DPCO).

9. INTERNALLY GENERATED REVENUE (IGR)

(i) Part 6, section 33 of the Gombe State Fiscal Responsibility Law, 2012 (as amended) mandates all revenue collecting MDAs to remit all revenues collected on behalf of the State to the designated accounts, and makes it an offence for such MDAs to spend revenues without appropriation. The automation of the State Internal Revenue Service and the subsequent implementation of the Treasury Single Account (TSA) makes it easier for MDAs to remit all revenues as and when due. Accordingly, all collecting MDAs must make sufficient provisions for their operational costs which they must defend during bilateral discussion with the Budget Office;

(ii) In line with this administration's desire to fully tap and maximize IGR in order to complement the dwindling monthly federal statutory allocations, all MDAs must ensure that revenue projections in the 2023 budget are fully realizable. To ensure accountability and transparency, all MDAs including the Gombe State Internal Revenue Service and other revenue generating agencies must put in place a machinery to enhance revenue generation and collection efficiency.

10. PREPARATION AND SUBMISSION OF MDAs PROPOSALS

(i) Accounting Officers are requested to pay personal attention to the preparation of 2023 advance proposal, which must be in accordance with this administration's policy thrust of accountability, transparency, and the rule of law. All estimates should be submitted in IPSAS format or as may be directed by the Budget Office;

(ii) It should be noted that any proposal for the 2023 budget that did not meet the guidelines in paragraph 5 (i-iv) will not be accepted;

later than 09<sup>th</sup> September 2022, while two (2) copies of detailed personnel cost should be forwarded to the Establishment and Service Matters Department, Office of the Head of Civil Service, before the commencement of bilateral discussions.

11. BUDGET BILATERAL DISCUSSIONS

Upon submission of MDAs' proposal, the budget office will review the submissions to ensure compliance with this circular and other relevant guidelines. Subsequently, bilateral meetings will be arranged to finalise these submissions with the respective MDA officials.

Schedule/Timetable of bilateral discussions between MDAs and the Budget Office will be communicated in due course.

The Budget Office is fully prepared to respond to the needs of MDAs and will always be ready to provide guidance on this call circular as required. Please refer to pages 50 – 52 of the attached Medium-Term Expenditure Framework (MTEF) document. Kindly adhere to the ceilings.

Do not hesitate to contact us for any further clarifications, please.

12. Accept the assurances of the Permanent Secretary's highest regards.

  
Abubakar Dauda Gadam  
For: PERMANENT SECRETARY