

Legal Framework & Operationalization

Financial Autonomy Not Operational

The Abia State Audit Law 2021¹⁰¹ signed by Governor Okezie Ikpeazu on 9th November 2021 provides for financial autonomy for the Office of the Auditor-General. S.20(1) (b) and (c) of the Audit Law 2021 provides that “the State Auditor-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year the estimates of revenues and expenditure for inclusion in the State budget and operational, administrative and capital expenses of the State Audit office including salaries, allowances, gratuities and pension payable to staff”.

S. 20(5) states further that “any sum appropriated to the State Audit office by the House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as a first line charge in equal installments every month of the year”.

Although an implementation instruction¹⁰² dated 11th November 2021 was issued by the Abia State Government, there is no evidence the legal provisions stated above are being implemented. Also, none of the officials from the Office of the Accountant-General, Office of the Auditor-General and House of Assembly responded to the SAE Index questionnaire despite repeated engagements. Effectively implementing the audit law to allow for fiscal autonomy as provided for in the legal framework for public auditing in Abia State is necessary to enhance the optimal performance of the foremost accountability institution and enable it to implement freely and without interference its audit plans and programs.

Administrative Independence Not Activated

There is no proof to show that the Audit Service Board of Abia State has been inaugurated since assenting to the audit law in 2021 as relevant officials did not respond to the SAE Index questionnaire. However, S.48 (1) of the State Audit Law established the Audit Service Board with powers to confirm the selection and appointment of persons recruited by the Auditor-General, subject any staff of the offices of the State Auditors-General to disciplinary processes and impose sanctions based on the recommendations of the Auditors-General among others.

A fully functional Audit Service Board would

guarantee administrative independence for the Office of the Auditor-General for Abia State and limit reliance on the Civil Service Commission of the State for all human resource matters relating to recruitment, discipline, promotion, and remuneration for staff of the Office of the Auditor-General.

Appointment Procedure for the State Auditor-General is Transparent

The process for appointing the Auditor-General in Abia State as provided for in the Audit Law is transparent and competitive. S.4(3) provides that “in recommending person(s) for appointment as State Auditor-General, the State Civil Service Commission shall advertise the vacancy on the State’s website, in two national newspapers, the official Gazette and Procurement journal for a minimum period of six weeks before the date set for interview”.

Tenure of Office for the Auditor-General is Partially Secured

The Abia State Audit Law provides for a partially secured tenure for the State Auditor-General. S.6(1) of the Law indicates that “the tenure of the State Auditor-General appointed from outside the Public Service shall be four (4) years which may be renewed for another term of four (4) years and no more”.

Also, S.6(2) states that “appointees from the Public Service shall compulsorily retire at the age of sixty (60) years or after thirty-five (35) years of service (whichever comes first), and shall continue in the post until retirement”.

The legal provisions stated above did not provide for a definite term of office for State Auditor-General appointed from the Public Service of the State which could impact negatively on the stability of the office as tenure of successive Auditors-General will be inconsistent. While there could be an age limit to how long an Auditor-General can stay in office, the Abia State Audit Law 2021 ought to have provided for a definitive term of office for an Auditor-General appointed from the State Public Service and such term of office should be clearly stated, consistent and predictable.

Term of office for Auditor-General must be well defined to guarantee independence. This will further ensure that an Auditor-General, whether appointed from within the Civil Service or Private

101 <https://abiastate.gov.ng/wp-content/uploads/2021/11/ABIA-AUDIT-LAW-No-20-.2021.pdf>

102 <https://abiastate.gov.ng/wp-content/uploads/2021/11/INSTRUCTION-FOR-THE-IMPLEMENTATION-OF-FINANCIAL-AUTONOMY.pdf>

Sector, is not subjected to the direction or control of any person or authority on the account of tenure instability.

Legal Mandate to Publish Audit Reports Online not Specific

The Abia State Audit Law 2021 did not mandate the State Auditor-General to publish his/her reports online as soon as it is submitted to the State House of Assembly.

S.14(1) of the Abia State Audit Law 2021 provides that “the State Auditor-General shall within ninety (90) days of receiving the Accountant-General's financial statement and annual accounts of the State, submits his report to the House of Assembly and the House of Assembly shall cause the report to be considered by the Public Accounts Committee of the House of Assembly.

Also, S.10(6) indicates that “in reporting the result of the audit work, the State Auditor-General shall be free to publish and disseminate the reports, once they have been formally submitted to the House of Assembly”.

The Abia State Audit Law 2021 not mandating electronic access to audit reports negates the notion that annual reports of the Auditors-General is considered a public document. Best practice requires the legal framework to mandate the Auditor-General to publish annual audit reports on an electronic portal as soon as it is submitted to the House of Assembly for citizens to access freely, especially because audit reports are public documents.

Annual Activity Report for 2021 not Submitted to HoA

There is no evidence the Office of the Auditor-General for Abia State submitted an annual activity report for the 2022 financial year to the State House of Assembly. However, S.20(1)(a) provides that “the State Auditor-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year a draft annual plan that describes the State Auditor-General proposed work programme for the incoming year, which will include the interim report for the current financial year”.

The annual activity report for the Office of the Auditor-General should include the specific

initiatives and activities undertaken during the previous/outgoing calendar year to strengthen the office and improve its performance as well as any impacts (financial and non-financial) that were achieved through audit.

Audited Financial Statement for 2022 Published Online

The Office of the Auditor-General for Abia State produced and published audited financial statement for 2022¹⁰³ financial year electronically on a dedicated website. The full audit report on the account of the Abia State Government and domestic report containing audit issues, observations and recommendations was not published online. Making audit information including audit issues, observations and recommendations freely available to citizens enhances civic advocacy and investigative journalism on public finance management practices using audit data.

Implementation Status of Audit Recommendations for 2021 Not Available

The status of implementation of audit recommendations and House resolutions for the 2021 financial year was not provided as state officials did not respond to the SAE Index questionnaire. Also, it is not evident if the Office of the Auditor-General and House of Assembly in Abia State has effective mechanisms for monitoring implementations of audit recommendations and resolutions.

No Evidence of Performance Audit for 2022

There is no evidence to show that a performance audit was conducted in 2022 on Government's projects, programs or policies by the Office of the Auditor-General for Abia State.

Performance audit refers to an independent examination of a program, function, operation or the management systems and procedures of a governmental entity to assess whether the entity is achieving economy, efficiency, and effectiveness in the employment of available resources.

103 <https://abiastate.gov.ng/abia-state-report-of-the-accountant-generals-financial-statements-for-the-year-ended-31st-december-2022/>

Citizens' Accountability Report for 2022 Not Published Online

The Abia State Government did not publish online the Citizens' Accountability Report for 2021 financial year.

A Citizens' Accountability Report (CAR) is a series of graphic and tabular illustrations of the contents of the Audited Financial Statements prepared by a government agency on behalf of the government to the citizens to ensure accountability of public funds. This report details the government's performance in carrying out the duties assigned to it and the utilization of funds in the coffers of the government.

PAC Review of 2022 Audit Report Not Started

There is no proof the Public Accounts Committee of Abia State House of Assembly has been effective in performing its statutory functions of considering reports of the Auditor-General and making recommendations based on those considerations. The PAC did not respond to the SAE Index questionnaire despite repeated engagements. There's also no indication the PAC has any mechanism for monitoring implementation of its resolutions.

The PAC is encouraged to improve its effectiveness and ensure reports of the Auditor-

General for 2022 and other pending audit reports are given expeditious consideration. The PAC should also involve civil society and media actors when reviewing audit reports and ensure its resolutions reflect the experiences and feedback from citizen groups particularly those who are victims of audit findings and other public accountability gaps.

CS/Media Actors Not Involved in the Audit Process

There is no indication that civil society and media actors are involved in the audit process of Abia State, especially because civic actors do not have access to the 2022 report of the Auditor-General on the account of the Abia State government and domestic report containing audit issues, observations and recommendations. Only the audited financial statement is accessible to citizens and this document did not provide the required comprehensive information that enables civic groups to engage adequately with state actors on use of public resources.

It is important that civic groups who are mostly affected by audit issues and public finance management gaps can engage with the Office of the Auditor-General and Public Accounts Committee to ensure their opinions and experiences reflect in planning and executing audit functions as well as the oversight role of the State's Parliament.

SAI Budgets and Releases (NGN'm) (2019 - 2023)

