

## Legal Framework & Operationalization

### Financial Autonomy Not Operational

The Imo State Audit Law enacted in June 2021 provided for financial independence of the Office of the Auditor-General. S. 36(1) states that “there shall be established, a fund for the State Audit Office and provision for the fund shall be made in the annual budget”.

S.37 states further that “the Auditor-General shall defray costs from the established fund while S. 63(3) states that “any sum appropriated to the State Audit Office by the Imo State House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as first line charge in equal installment every month of the year”.

There is no evidence indicating that the legal provisions above are operational in Imo State as officials did not provide relevant information despite repeated engagements. The Audit Office appears to be dependent on its auditee (the Executive arm) for its finances. The inability of the Executive to ensure effective implementation of the Audit Law to allow for fiscal independence for the Audit Office continues to hinder the optimal performance of the foremost accountability institution in Imo State as it is unable to implement freely and without interference its audit plans and programs.

### Administrative Independence Not Activated

There is no proof suggesting that the Imo State Audit Service Board has been inaugurated despite assenting to the Audit Law since June 2021 as officials did not respond to the SAE Index questionnaire despite repeated engagements. However, the Audit Law through S.3(1, 2 & 3) established the Audit Service Board while S.11(a & b) provides for its functions including to provide input and administrative oversight over matters of human resource management in the Office of the State Auditor-General and Auditor-General for Local Governments respectively.

The Board has not been inaugurated to begin performing its statutory functions of supporting the Office of the Auditor-General in Imo State administratively and ensuring that human resource issues are addressed through the Audit Service Board rather than the Civil Service Commission.

Administrative independence is crucial to effective functioning of Supreme Audit Institutions at subnational level and to ensure administrative autonomy for the Office of the Auditor-General for Imo State, it is expected that the Audit Service Board would have been inaugurated to 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 Imo State as provided for in the Audit Law is transparent and competitive. S.27(1) provides that “ in recommending persons for appointment as the State Auditor-General, the State Civil Service Commission shall advertise the vacancy on its website, two (2) national newspaper, the State official gazette, the procurement journal and two (2) local newspaper for a minimum period of six weeks before the date set for interview”.

### Tenure of Office for the Auditor-General Not Secured

The tenure of the Auditor-General in Imo State is secured. S.26(2)(b) of the Imo State Audit Law 2021 indicates that “the State Auditor-General shall not be less than 45 years and where in public service, with not less than six months to retire”. Furthermore, section 29(2) of the law provides that “the State Auditor-General shall not be removed from office before such retiring age (in this case 60 years) save in accordance with the provisions of this section”.

This legal provision subjects the tenure of the Auditor-General in Imo State to several inadequacies including the possibility of appointing an Auditor-General that could spend as much as fifteen years or as little as six months. Such inconsistencies could negatively impact the stability of the Office of the Auditor-General in Imo State. While there could be an age bracket in appointing the Auditor-General, the Imo State Audit Law 2021 needs to provide for a definitive term of office for the Auditor-General and such term of office should be clearly stated, consistent and predictable.

### **Legal Mandate to Publish Audit Reports Online is Available**

The Imo State Audit Law provides the legal basis for reports of the Auditor-General to be published online for citizens to access freely. S.32(6) of the Imo State audit law provides that “The State Auditor-General in the exercise of his responsibility shall publish the Annual Statutory Report of the State Government electronically and manually”.

Publishing reports of the Auditor-General online to enable citizens access freely will enhance use of audit information to demand accountability.

### **Annual Activity Report For 2022 Not Published**

There is no evidence that the Office of the Auditor-General for Imo State has either submitted its activity report for 2022 fiscal year to the State House of Assembly or published the same online. However, the Imo State audit law in S.33(30) provides that “the Auditor-General shall submit an annual activity report to the House of Assembly and the report shall be made available to the public through an electronic portal”.

An annual activity report for the Audit Office 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 Imo State Government published its audited financial statement for 2022<sup>116</sup> online. The report of the Auditor-General including audit issues, observations and recommendations was not published online. Making the audit report freely available to citizens enhances civic advocacy and investigative journalism on public finance management practices using audit information.

### **Implementation Report of Audit Recommendations for 2021 Not Available**

There is no evidence suggesting audit recommendations and House resolutions for 2021

financial year have been implemented. Also, it is not clear what effective mechanisms the Office of the Auditor-General for Ebonyi State or the State House of Assembly Public Accounts Committee has in place to monitor implementation of audit recommendations and resolutions.

### **No Evidence of Performance Audit for 2022**

The Office of the Auditor-General for Imo State did not conduct performance audit on the implementation of government programs, projects, or policies in 2022.

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.

### **Citizens' Accountability Report for 2022 Not Published**

The Imo State Government did not publish the Citizens' Accountability Report for the 2022 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 has started the review of the 2022 report of the Auditor-General on the accounts of Imo State Government. Relevant officials did not respond to the SAE Index research questionnaire despite repeated engagements.

The role of the Public Accounts Committee in ensuring timeous review of annual audit reports cannot be overemphasized and very crucial to concluding the audit action cycle for proper

116 [https://www.imostate.gov.ng/MSG/Common/Services/SFTAS\\_1?ID=2023\\_7](https://www.imostate.gov.ng/MSG/Common/Services/SFTAS_1?ID=2023_7)

accountability. Recommendations of the Public Accounts Committee to improve accountability in the utilization of public funds must also be taken seriously and implemented as quickly as possible by Executive agencies. It is equally important to ensure civic and media actors are provided the opportunity to participate in the audit report review process.

**CS/Media Actors Not Involved in the Audit Process**

Participation of Civil Society and media actors in the audit process of Imo State is poor especially because civic actors do not have electronic access

to the report of the Auditor-General on the accounts of the Imo State Government. The audited financial statement for the 2022 financial year made available to the public does not contain relevant accountability 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)**

