



Operationalization of Financial Autonomy for the Office of the Auditor-General

The legal framework governing public audit functions in Abia State is The Abia State Audit Law 2021³ signed by Governor Okezie Ikpeazu on 9th November 2021. The law provides for appointment of the State Auditor-General and the Auditor-General for Local Governments and for other matters connected therewith.

S.20(1) (b) and (c) of The Abia State Audit Law 2021 states 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.

There is no evidence that the legal provision stated above and contained in the Abia State Audit Law 2021 has been operational since November 2021 when the law was signed by Governor Okezie Ikpeazu. This is despite the issuance of letter of instructions⁴ by the Secretary to the State Government - Barr. Chris Ezem on 11th November 2021 directing agencies of government to commence implementation of the law. Financial autonomy and operational independence for Supreme Audit Institutions especially at subnational level are foundational pillars of achieving public accountability. It is crucial that the Executive arm in Abia State fully comply with this provision of the law to ensure that the Auditor-General remains independent, able to perform his/her statutory functions and not subjected to the direction or control of any individual or authority due to financial constraints.

Partial Clarity of Tenure for the State Auditor-General

S. 6(1) of the Abia State audit legal framework indicates that “the tenure of a 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”. However, 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”.

These legal provisions did not provide for a definite term

of office for State Auditor-Generals 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 Auditor-Generals appointed from the State Public Service and such term of office should be clearly stated, consistent and predictable.

Audit Mandate Execution

Beyond the annual financial audit, the Auditor-General for Abia State should conduct other types of audits such as compliance audit and performance audit. This would ensure adherence to fiscal and procurement regulations by government agencies and guarantee value for money on programs and projects implemented by the state government.

³ <https://abiastate.gov.ng/wp-content/uploads/2021/11/ABIA-AUDIT-LAW-No-20.-2021.pdf>

⁴ <https://abiastate.gov.ng/wp-content/uploads/2021/11/INSTRUCTION-FOR-THE-IMPLEMENTATION-OF-FINANCIAL-AUTONOMY.pdf>



Lack of Electronic Access to Reports of the Auditor-General

S. 14(1) of the Abia State Audit Law 2021 states 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.

S.11(5) indicates further that “the State Auditor-General shall also in a Public Audit Forum, attended by audited entities present details of outstanding routine or special annual accounts, audit queries and follow-up report status of matters raised in previous audits.

Nothing in the two provisions stated above or other provisions of the Abia State Audit Law 2021 guarantees unrestricted public access to reports of the State Auditor-General through electronic means.

Effectiveness of Public Accounts Committee

There are no indications the Public Accounts Committee of the House of Assembly in Abia State has reviewed the 2020 report of the Auditor-General for Abia State. It is equally not clear how much backlogs of reports the Committee is yet to review. The effectiveness of the Public Accounts Committee in reviewing audit reports on the accounts of Abia State and making recommendations to correct public finance management gaps could not be ascertained during this research exercise as relevant

officials did not provide required information 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 accountability. Recommendations of Public Accounts Committee to improve accountability in the utilization of public funds must also be taken seriously and implemented as quickly as possible.

Citizens' Participation in the Audit Process

There's no evidence the full audit report of Abia State Auditor-General for 2020 financial year has been published for citizens access. However, the audited financial statement of the state for 2020⁵ is accessible to the public. Lack of access to the complete report of the Auditor-General can be the reason for low participation of citizens in the audit process of Abia State especially in using audit information to demand accountability or engagement with the office of the Auditor-General and Public Accounts Committee. There's no indication Civil Society Organizations in Abia State are involved in the Abia State audit process. The Abia State Auditor-General

as well as the Public Accounts Committee of the House of Assembly needs to do more in ensuring that citizens are adequately engaged when audit reports are published and when they are being reviewed by the Public Accounts Committee. It is important that citizens who are mostly affected by audit issues and public finance management gaps are able to 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 Parliament.

⁵ <https://abiastate.gov.ng/wp-content/uploads/2021/07/2020-Audited-Financial-Statements.pdf>