



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

The Enugu State Audit Law 2021⁷⁰ signed by Governor Ifeanyi Ugwuanyi on 16th July 2021 is the principal audit law of the State. The principal law has been amended through the Enugu State Audit (Amendment) Law 2021⁷¹ was assented to by the Governor on the 30th July 2021. This provides for the establishment of the Audit Service Commission, the office, powers and functions of the Auditor-General of Enugu State, Auditor-General for Local Governments and for Connected Purposes.

S.34(1) of the law states that “the Office shall establish and maintain a fund from which shall be defrayed all expenditure incurred by the office and provision for the fund shall be made in the annual budget of the State.”

S. 34(3) also indicates that “the recurrent and capital expenditure of the Office shall be a charge on the Consolidated Revenue Fund of the State”. Furthermore, S. 34(4) provides that “any amount standing to the credit of the Office in the Consolidated Revenue Fund of the State shall be paid directly to the fund”

There is no evidence that the legal provisions stated above and contained in the Enugu State Audit Law 2021 has been operational since July 2021 when the law was signed by Governor Ifeanyi Ugwuanyi. This is despite the issuance of letter of instructions⁷² by the Secretary to the State Government - Prof. Samuel Uchenna Ortuanya on 30th July 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 Enugu State fully comply with the provisions 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.

No Clarity of Tenure for the Auditors-General

Amendment of S.27 of the principal law states that “the Auditor-General shall remain in Office until he has attained the retirement age of 60 years” This legal provision did not specify the term of office for the Auditor-General either from within or outside the Civil Service thereby subjecting the tenure of the Auditor-General in Enugu State to varying degrees of inadequacies as successive Auditor-Generals are likely to have

inconsistent number of years in service. Such inconsistencies could negatively affect policy implementation at the Office of the Auditor-General in Enugu State. While the retirement age the Auditor-General could be specified the Enugu State Audit Law 2021 need to provide for a definitive term of office for the Auditor-General and such term of office should be clearly stated, consistent and predictable.

Audit Mandate Execution

Further to the annual financial audit, the Auditor-General for Enugu State should conduct other types of audits including compliance audit and performance audit. This would ensure adherence to fiscal and procurement regulations by government agencies and guarantee efficiency, effectiveness, and economy of public spending on programs and projects implemented by the government of Enugu State.

⁷⁰ <https://www.enugustate.gov.ng/wp-content/uploads/2021/07/ENUGU-STATE-AUDIT-LAW-2021.pdf>

⁷¹ <https://www.enugustate.gov.ng/wp-content/uploads/2021/07/Audit-Amendment-Law-2021.pdf>

⁷² <https://www.enugustate.gov.ng/wp-content/uploads/2021/07/Audit-Amendment-Law-2021.pdf>



Effectiveness of Public Accounts Committee

There are no indications the Public Accounts Committee of the House of Assembly in Enugu State has reviewed the 2020 report of the Auditor-General for Enugu State. It is equally not clear how much backlog of reports the Committee is yet to review. The effectiveness of the Public Accounts Committee in reviewing audit reports on the accounts of Enugu 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.

However, it is important to highlight S. 38(1) of the Enugu State Audit Law 2021 which provides that “the report of the Auditor-General to the Public Accounts Committee and Public Accounts Committee’s report after consideration of audited accounts are public documents and shall be published on the website of the Auditor-General and House of Assembly”. This legal provision is progressive and exemplary as it provides citizens access to recommendations of the Public Accounts Committee in order to monitor its implementation. The Committee should adhere strictly to this legal provision.

Citizens' Participation in the Audit Process

Although the 2020 report⁷³ of the Auditor-General for Enugu State is accessible to the public, there's no evidence that citizens or Civil Society Organizations in Enugu State are engaging with the State audit process whether in using audit information to demand accountability or post audit interaction with the Office of the Auditor-General and Public Accounts Committee. The Enugu 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 involved when audit reports are produced 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.

⁷³ <https://www.enugustate.gov.ng/wp-content/uploads/2021/08/REPORT-OF-THE-AUDITOR-GENERAL-ON-THE-ACCOUNT-OF-THE-GOVERNMENT-OF-ENUGU-STATE-OF-NIGERIA-FOR-2020.pdf>