



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

The Imo State Audit Law 2021⁷⁸ signed by Governor Hope Uzodinma on 29th June 2021 repealed the Imo State Audit Law No17 of 2016 and established the Audit Service Board, Offices of the Auditor-General for the State and Auditor-General for Local Governments for the purpose of ensuring and guaranteeing transparency and accountability in the use of public funds and other related matters.

Part IV of the Imo State Audit Law 2021 specifies how the State Auditor-General's office will be funded. 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's no evidence that the Imo State government has begun implementation of this legal provisions to ensure financial autonomy to the State Auditor-General. Although, feedback⁷⁹ from the Imo State House of Assembly indicate that there's been budgetary allocation to reflect implementation of the legal provisions, there's no proof the financial autonomy clause was implemented between July and December 2021. It is important for the Imo State government to begin full implementation of this legal provisions and ensure costs to the Office of the Auditor-General for Imo State are charged on the first line to the Consolidated Revenue Fund of the State.

No Clarity of Tenure for the Auditors-General

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 age bracket in appointing the Auditor-General, the Imo 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

Beyond the annual financial audit, the Auditor-General for Imo 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 Imo State.

⁷⁸ https://axxpoint.imostate.gov.ng/pdf/IMSG_Law_Audit_5_2021.pdf

⁷⁹ SAE index 2021 Research Survey



Effectiveness of Public Accounts Committee

The Public Accounts Committee of Imo State House of Assembly claimed⁸⁰ to have reviewed the report of the Auditor-General for 2020 and made three recommendations to the Executive to correct audit anomalies. It is not evident if the recommendations made by the Public Accounts Committee bother on fiscal abuses and financial management gaps. Feedback received indicates that one of the recommendations forwarded to the Executive arm is the renovation/construction of the State House of Assembly Complex which is now being implemented. The duty of the Public Accounts Committee is to improve public finance management practices and by extension achieve accountability in the utilization of public

funds in Imo State. 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. It is not clear what the three recommendations from review of the 2020 audit report by the Public Accounts Committee of Imo State House of Assembly are and if all three have been implemented.

Citizens' Participation in the Audit Process

The Imo State Auditor-General's report for 2020 financial year is in public domain⁸¹ and accessible to citizens. This notwithstanding, participation in the audit process of Imo State through use of audit information to demand accountability or engagement with the Office of the Auditor-General and Public Accounts Committee is poor and requires improvement. Civil Society Organizations in Imo State considered⁸² themselves not to be involved in the audit process of the State and the Imo 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.

⁸⁰ SAE Index 2021 Research Survey

⁸¹ <https://www.imostate.gov.ng/IMSG/Common/Services/Reports?ID=3>

⁸² https://docs.google.com/forms/d/11MTI9X0Zi_bTJHhUXAPuXMi3wyuhdqr4vEpUaJU2sk/edit#responses