

Legal Framework & Operationalization

Financial Autonomy Not Operational

The Enugu State Audit Law enacted and amended in July 2021 provides for financial autonomy for the Office of the Auditor-General. 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”.

Also, S. 34(3) 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”

Evidence¹¹¹ received showed that the legal provisions stated above has not been implemented and the Office of the Auditor-General for Enugu State is dependent on its auditee (the Executive arm) for its finances. This gap in ensuring that the Audit Office is fiscally independent hinders performance of the foremost accountability institution in Enugu State as it is unable to implement freely and without interference its audit plans and programs.

Administrative Autonomy Not Activated

The Enugu State Audit Service Commission has not been inaugurated despite assenting to the Audit Law since July 2021. However, S.3(1 & 2) of the audit law established the Audit Service Commission while S.38 provides for its functions including to review all matters of recruitment, promotion, discipline/sanction, staff remuneration, pensions, retirement, changes to the Office administrative structure and other staff matters.

Response¹¹² collected indicated that the Commission has not been inaugurated by the Executive to begin performing its statutory functions of supporting the Office of the Auditor-General in Enugu State administratively and ensuring that human resource issues are addressed through the Audit Service Commission 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 Enugu State, it is expected that the Audit Service Commission would be 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 Enugu State as provided for in the legal framework is transparent and competitive. S.25(2) provides that “the Civil Service Commission shall widely advertise the position in at least two national newspaper, the State’s website and official gazette for a minimum period of six weeks before the recommendation”

Tenure of Office for the Auditor-General is Secured

The tenure of office for the Auditor-General in Enugu State is secured. S.25(3)(c) of the Enugu State Audit (Amendment) Law 2021 provides that “the Auditor-General shall be 56 years of age or less on the date of appointment” while S.27 states that “the Auditor-General shall remain in Office until he has attained the retirement age of 60 years”.

The legal provisions stated above provides for a minimum term of four years for the Auditor-General. Term of office for an Auditor-General must be well defined, consistent, and predictable to guarantee their independence. This will further ensure that an Auditor-General is not subjected to the direction or control of any person on the account of tenure instability.

Legal Mandate to Publish Audit Reports Online is Available

The Enugu State audit law provides the legal basis for reports of the Auditor-General to be published online for citizens to access freely. S.34(7) of the Enugu State Audit Law (as amended) provides that “The Auditor-General shall publish the annual statutory report of the State Government electronically and manually as soon as the statutory report is presented to the State House of Assembly”.

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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 Online

There's no evidence that the Office of the Auditor-General for Enugu State published an annual activity report for 2022. However, the Enugu State audit law in S.40(f) provides that the Auditor-General shall prepare and submit the following reports to the Public Accounts Committee; an annual report on the activities of the Audit Office which should also be made available to the public once submitted to the House.

An annual activity report for the Audit Office/Institution 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 Enugu State Government published its audited financial statement for 2022¹¹³ financial year electronically on a dedicated website. The report of the Auditor-General containing audit issues, observations and recommendations on the account of the Enugu State Government 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 of Audit Recommendations for 2021 Ongoing

Response¹¹⁴ received showed that the implementation of audit recommendations and House resolutions for 2021 financial year are ongoing. However, it is not evident if the Office of the Auditor-General and House of Assembly in Enugu State has effective mechanisms for monitoring implementation of audit recommendations and resolutions.

No Evidence of Performance Audit for 2022

The Office of the Auditor-General for Enugu State did not conduct performance audit on government's projects, programs 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 Published Online

The Enugu State Government published online the Citizens' Accountability Report for 2021¹¹⁵.

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

The Public Accounts Committee of Enugu State House of Assembly has not reviewed the 2022 report of the Auditor-General. Also, the PAC has not completed review of 2020 and 2021 reports of the Auditor-General.

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 the Public Accounts Committee to improve accountability in the utilization of public funds must be implemented as quickly as possible by Executive agencies. The PAC has the duty to involve civil society and media actors during review of audit reports while ensuring its resolutions reflect the experiences and feedback from citizen groups

113 https://mbp.en.gov.ng/wp-content/uploads/Enugu_State_Report_of_the_Accountant_General_for_the_year_ended.pdf

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particularly those who are victims of audit findings and other public accountability gaps.

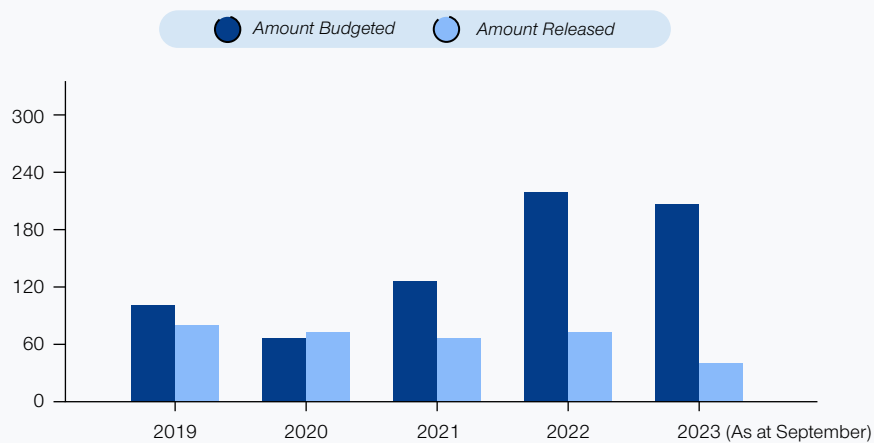
public does not contain relevant accountability information that enables civic groups to engage adequately with state actors on use of public resources.

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 Enugu State, especially because civic actors do not have electronic access to the report of the Auditor-General on the accounts of the Enugu State Government. The audited financial statement for the 2022 financial year made available to the

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)



SOURCE: OAU/IGS