



**The States' Fiscal Transparency, Accountability and Sustainability (SFTAS)
Program for Results**

2021 Annual Performance Assessment (APA) Report

ADAMAWA STATE

By:

The Office of the Auditor-General for the Federation as the SFTAS Independent Verification Agent
with support from PricewaterhouseCoopers (PwC)



FINAL REPORT

DECEMBER 2022

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1. Executive Summary

This report details the outcome of the Annual Performance Assessment (APA) conducted on Adamawa State for the 2021 year of the four-year SFTAS Program. In conducting the APA, the verification team assessed how the State performed against the Disbursement Linked Results (DLRs) listed within the SFTAS DLI Matrix, guidelines, and verification protocol.

Table 1 (below) reflects the outcome of the 2021 APA for Adamawa State and shows areas where the State was able to achieve results. In total, Adamawa State achieved 10 (Ten) DLRs out of 15 DLRs applicable to the 2021 APA of which 3 (Three) DLRs were achieved in the 2018, 2019 and 2020 APAs while 3 (Three) DLRs are Pending.

Table 1: Assessment Results

Key:	Achieved	Not Achieved	Previously Achieved
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Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
DLI 1: Improved financial reporting and budget reliability	DLR 1.1: FY21 quarterly budget implementation reports for Q1, Q2, Q3 and Q4 published on average within 4 weeks of quarter-end to enable timely budget management		
	DLR 1.2: FY21 deviation for total approved original budget expenditure is < 15%		Budget deviation was 29%
DLI 2: Increased openness and citizens' engagement in the budget process	DLR 2.1: Citizens' inputs from formal public consultations are published online, along with the proposed FY2022 budget and citizens' budget based on approved FY21 state budget published online by end April 2021 with functional online feedback mechanisms.		
	DLR 2.2: Citizen's Accountability Reports based on audited financial statements /reports are summarized and comprehensible versions of the audited statements and details of State government public consultations with citizens presenting the annual financial statements should be made available on the state official website (s) by 30th September of each subsequent financial year.		
DLI 3: Improved cash management and reduced revenue leakages through the implementation of State TSA	DLR 3: TSA, based on a formally approved cash management strategy, established and functional, and covering a minimum of 80 percent of state government finances.		
DLI 4: Strengthened Internally Generated Revenue (IGR) collection	DLR 4.1: State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency responsible for state revenue collection and accounting. Code must be approved by the state legislature and published	2019	
	DLR 4.2: 2020-2021 annual nominal IGR growth rate meets target -Basic target: 20%-39% -Stretch target: 40% or more	Stretch Target Met	

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
DLI 5: Biometric registration and Bank Verification Number (BVN) used to reduce payroll fraud	DLR 5.1: Biometric capture of at least 95 percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll		No actions were taken to remove ghost workers from the payroll
	DLR 5.2: Link BVN data to at least 95 percent of current civil servants and pensioners on the payroll and payroll fraud addressed		No actions were taken to remove ghost workers from the payroll
DLI 6: Improved procurement practices for increased transparency and value for money	DLR 6.1: Existence of public procurement legal framework and procurement regulatory agency. Said legal framework should conform with the UNCITRAL Model Law and provide for: 1) E-Procurement; 2) Establishment of an independent procurement regulatory agency; and 3) Cover all MDAs receiving funds from the state budget	2020	
	6.2 No later than June 30, 2022, implement e-procurement in at least 4 MDAs (incl. Education, Health and Public Works) publish all contract award information in OCDS format on the online portal for the 4 MDAs AND For those MDAs without e-procurement: Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available		The State did not implement the e-Registration, e-Publishing/Notification, e-Tendering and e-Evaluation/e-Awarding modules
DLI 7: Strengthened public debt management and fiscal responsibility framework	DLR 7.1: State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt; and 3) fiscal and debt rules/limits.	2018	
	DLR 7.2: Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2021 AND Annual state debt sustainability analysis and Medium-term debt management strategy published by end of December 2021.		
DLI 8: Improved clearance/reduction of the stock of domestic expenditure arrears	DLR 8: Domestic arrears as of end 2020 and end 2021 reported in an online publicly-accessible database, with verification process in place. AND Percentage decline in the verified stock of domestic arrears at end 2021 compared to end 2020 meets target and is consistent with the state's arrears clearance framework. Basic target: At least a 5 percent decline or maintain stock below 5 billion naira Stretch target: More than 20 percent decline	Basic Target Met	
DLI 9: Improved debt sustainability	Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021 AND		Total Debt Stock to Revenue is ≥ 120% by end December 2021

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	Total debt stock at end of December 2021 as a share of total revenue for FY2021 meets target: Basic target: < 120%, Stretch target: < 95%.		

We further identified several areas where the State can improve its performance, and these are set out in detail within Section 3 of this report. In summary, the State should ensure the following:

1. DLR 1.2: Expenditure outturn deviation is reduced to a level within the annual limits proposed by the programme.
2. DLR 5.1: Biometric data of all the State’s civil servants and pensioners is captured and linked with the State’s payroll to reduce fraud and identified ghost workers taken off the payroll.
3. DLR 5.2: The BVN data of all Civil servants and Pensioners is linked to the State’s payroll to address payroll fraud.
4. DLR 6.2: Implement e-procurement in all MDAs and publish contract award information in the OCDS format on the online portal for the MDAs.
5. DLR 9: Strengthened debt sustainability by achieving the levels of debt indicators that are below the thresholds established for this DLR.

The Office of the Auditor-General for the Federation (OAuGF) as Independent Verification Agent and PricewaterhouseCoopers (PwC) agree on all the results shown in this report.

2. Introduction

2.1 Overview

The Federal Government of Nigeria is implementing a four-year program to support the Nigerian States to strengthen fiscal performance and sustainability: The State Fiscal Transparency, Accountability and Sustainability (SFTAS) Program for Results (“The Program”).

The original Programme design had four Key Result Areas and nine disbursement-linked indicators with a financing agreement of US\$750 million. Following the advent of COVID-19 in 2020, the Programme was adapted to establish a transparent, accountable, and sustainable fiscal framework to enhance States’ fiscal capacity to respond to the Pandemic. The main change brought about in the restructuring was the addition of new COVID-19 responsive DLIs to the Programme and obtaining additional financing of US\$750 million to ensure results were sustained across the remaining performance years. This brought the total financing for the SFTAS Programme to US\$1.5 billion and increased the DLIs to 13 (thirteen) and the Disbursement Linked Results to 22 (twenty-two). The Program will finance activities under two components: (i) a Program for Results (PforR) component for US\$1.45 billion and (ii) a Technical Assistance (TA) component for US\$50 million.

All States can participate in the Program in each of the four years and benefit from the PforR funds by meeting set Eligibility Criteria and any or all the indicators of fiscal transparency, accountability, and sustainability.

The Auditor-General for the Federation was appointed as the Independent Verification Agent (IVA) for the SFTAS Programme and PricewaterhouseCoopers (PwC) was subsequently engaged to support the IVA. Both parties have worked together to assess the performance of the State against the Disbursement Linked Results (DLRs) for 2021. To ensure a high-quality assessment, the IVA had some input/support from the Debt Management Office (DMO), to review the returns in place in this State.

2.2 Scope

This Annual Performance Assessment (APA) Report covers the State’s performance in 2021 against the Disbursement Linked Results (DLRs) listed within the SFTAS DLI Matrix, guidelines, and verification protocol. Each State was earlier assessed against the Eligibility Criteria set in the protocol, to determine the state’s eligibility for grants under the 2021 APA.

The verification protocol was set early in the preparation for the Program and all States, implementing agencies and other key stakeholders have been continuously sensitized on the requirements of the program and the protocol for 2021. The assessment results are binary (Pass or Fail), as that is how the Program for Results was designed.

In advance of the performance assessments, all States were provided with the detailed information requirements for the assessments, a proposed itinerary for the assessment visit, and a template with which to report the results achieved. The assessments were conducted between (11/07/2022 and 15/07/2022) with a team of Six (6) persons, starting with an opening meeting where all the information requested was to be handed over. The visits were concluded with an exit meeting where initial findings were discussed, and each state was given a further opportunity to provide clarifications and/or additional information.

The draft conclusions from the work done are set out in this Report and the State is expected to revert within five working days with any comments on the results by using the free text box in Section 4.

The Office of the Auditor-General for the Federation (OAuGF) and PricewaterhouseCoopers (PwC) are grateful to the State for the cooperation enjoyed during the assessment and hope the recommendations within this Report are found valuable towards improving fiscal transparency, accountability, and sustainability in the management of the public finances and resources of the State.

3. Assessment Results

3.1 Findings

Table 2: Findings

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLI 1: Improved Financial Reporting and Budgeting Reliability				
DLR 1.1	Financial Year [2021] quarterly budget implementation reports published on average within [4 weeks] of quarter end to enable timely budget management		Achieved	
1	Has the State published its quarterly budget implementation report to the State official website on average within four weeks of the end of each quarter?	<p>The Quarterly Budget Implementation Reports were posted online on</p> <p>Q1- 2021 https://www.budgetoffice.ad.gov.ng/post/adamawa-state-government-budget-implementation-report-1st-quarter-2021</p> <p>Q2- 2021 https://www.budgetoffice.ad.gov.ng/post/adamawa-state-2nd-quarter-2021-budget-performance-report</p> <p>Q3- 2021 https://www.budgetoffice.ad.gov.ng/post/adamawa-state-3rd-quarter-2021-budget-performance-report</p> <p>Q4- 2021 https://www.budgetoffice.ad.gov.ng/post/adamawa-state-4th-quarter-2021-budget-performance-report</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>The State website was accessed on 11/7/2022</p> <p>Dates of online publication are as follows:</p> <ul style="list-style-type: none"> • Q1 – 26/04/2021 - 3.7 weeks (26 days) • Q2 – 28/07/2021 - 4 weeks (28 days) • Q3 – 28/10/2021 - 4 weeks (28 days) • Q4 – 28/01/2021 - 4 weeks (28 days) <p>Average days (weeks) for the online publication was computed based on the last 4 quarters, as below:</p> $\frac{26 + 28 + 28 + 28}{4}$ <p>Average = 27.5 days (3.93 weeks)</p> <p>We downloaded the quarterly budget Implementation Reports for all four quarters for the year 2021, obtained and retained evidence of the timestamp of the publications.</p>		
2	Do the reports each include, at a minimum, the approved original AND revised (if applicable) budget appropriation for the year against each organizational units (MDAs) for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and others), the actual expenditures for the quarter attributed to each MDA as well as the actual cumulative expenditures for the year to date, and balances against	<p>From our review of the Quarterly Budget Implementation Reports downloaded from the State’s website (see web links above) we observed the following:</p> <ol style="list-style-type: none"> a. The Budget Implementation Reports included the approved budget appropriation for the year against each organizational unit (MDAs) for each of the core economic classifications of expenditures. b. The Budget Implementation Reports included the actual expenditures for the quarter attributed to each MDA as well as the actual cumulative expenditures for the year to date. c. The Budget Implementation Reports included the balances against each of the revenue and expenditure appropriations. d. The State does not have an amended/revised budget or passed supplementary budgets. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	each of the revenue and expenditure appropriations.	<p>e. The State did not have an amended/revised budget or passed supplementary budget. However, the (Q2, Q3, Q4) Budget Implementation Reports format showed both the approved original budget and the approved revised budget but with the same figure.</p> <p>The reports included the approved budget appropriation for the year for each of the core economic classifications of expenditures (Personnel, Overheads, Capital, and others); the actual expenditures for the quarter, and the balances against each of the revenue and expenditure appropriations.</p>		
3	Does the report state the actual expenditures for the quarter attributed to each MDA and each expenditure classification as well as the actual cumulative expenditures for the year to date?	IVA reviewed the State's Budget Performance/Implementation Reports and confirmed that the report included the actual expenditures for each quarter attributed to each MDA, each expenditure classification, as well as the actual cumulative expenditures for the year to date.	Satisfactory	
4	Does the report state balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which will include debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications?	The State's Budget Performance reports shows the balances against each of the revenue and expenditure appropriations with balances provided on a consolidated basis across the four (4) expenditure classifications and 'Other Expenditures' which includes debt servicing, and transfers, or other expenditures not attributable to any of the other three (3) expenditure classifications.	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations												
DLR 1.2	FY [2021] deviation from total approved budget expenditure is less than 15%		Not Achieved													
1	<p>Has the State computed the difference between the Original/Approved total budgeted expenditure for the fiscal/calendar year 2021 and the actual total expenditure in the fiscal/calendar year 2021, divided by the Original approved total budgeted expenditure and expressed in positive percentage terms?</p> <p>Is the expenditure outturn deviation computed less than 15%</p>	<p>The State computed the budget deviation for 2021 to be 29%</p> <p>The IVA computed the budget deviation for this APA year. See the computation below:</p> <table border="1"> <thead> <tr> <th></th> <th>Total Approved Budget (₦)</th> <th>Actual Outturn (₦)</th> </tr> </thead> <tbody> <tr> <td>Capital Exp. (Pages 2 & 17)</td> <td>72,817,892,910.00</td> <td>25,446,521,983.53</td> </tr> <tr> <td>Rec. Exp. (Pages 2 & 16)</td> <td>67,216,516,530.00</td> <td>74,437,524,148.60</td> </tr> <tr> <td>Total</td> <td>140,034,409,440.00</td> <td>99,884,046,132.13</td> </tr> </tbody> </table> $\frac{\text{₦}140,034,409,440.00 - \text{₦}99,884,046,132.13}{\text{₦}140,034,409,440.00} \times 100 = 29\%$ <p>The budget performance deviation is 29%</p> <p>Source: 2021 Audited Financial Statement Pages 16 & 17 and Approved Budget and Actual Expenditure or Appropriation Law Page 2.</p> <p>The Cashflow Statement on the AFS includes N32bn of BTL payments. The expected Note 14 on the BTL Payments was not seen. The nature of the BTL payments is unclear, as is</p>		Total Approved Budget (₦)	Actual Outturn (₦)	Capital Exp. (Pages 2 & 17)	72,817,892,910.00	25,446,521,983.53	Rec. Exp. (Pages 2 & 16)	67,216,516,530.00	74,437,524,148.60	Total	140,034,409,440.00	99,884,046,132.13	Unsatisfactory	The State should prepare accurate budgets and reduce the budget deviation to a level below the limits set for this result.
	Total Approved Budget (₦)	Actual Outturn (₦)														
Capital Exp. (Pages 2 & 17)	72,817,892,910.00	25,446,521,983.53														
Rec. Exp. (Pages 2 & 16)	67,216,516,530.00	74,437,524,148.60														
Total	140,034,409,440.00	99,884,046,132.13														

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>whether the payments are included as part of the total expenditure outturn for the year. The 5 year summary on page 15 of the AFS suggests the BTL payments should be counted as part of the total outturn.</p> <p>The State is required to clarify the nature of the BTL payments and whether they are to be included as part of the total expenditure outturn for the year. That is, state why the BTL expenditures are excluded from the Total expenditure Outturn. Are they budgeted expenditure outflows or not?</p> <p>The State responded to the IVA’s findings as follows: “I wish to forward here that below the line (BTL) Receipts and Payments are statutory and non-statutory deductions made from gross amounts of payment of salaries, pensions and contracts such as union dues, national housing fund and other deductions.</p> <p>The amounts deducted are made at source and held for payments to the relevant beneficiary agencies and unions. Therefore recognizing them as part of expenditures in our records may lead to double counting in treatment of the transactions.</p> <p>However, BTL payments are recognized and detailed in the 2021 Financial statements under “Note 13” as additional explanations”</p> <p>IVA reviewed the State’s submission as well as the Statement of Cashflow and observed that the BTLs (Expenditure) is in Note 13 to the AFS. The transactions shown in Note 7 and 13 appears to be accounts maintained for specific items where the debits and credits are reported from there on annual basis.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		The amended annual budget figures shown in the AFS do not differ from the signed amended budget/appropriation. The AFS values used for the calculations are available both online and in hard copy.		
DLI 2: Increased Openness and Citizens' Engagement in the Budget Process				
DLR 2.1	<p>Citizens' inputs from formal public consultations are published online, along with the proposed FY [2022] budget</p> <p>AND</p> <p>Citizens' budget based on approved FY21 state budget published online by end April 2021 with functional online feedback mechanisms</p>		Achieved	
1	Did the State conduct at least one "town-hall" consultation before the proposed budget is drafted with the participation of local government authorities and State-based CSOs?	<p>The documents obtained and reviewed include the attendance register, pictures, minutes of consultative meetings, questionnaires, etc.</p> <p>a. The LGAs that were in attendance are Yola South, Yola North, Furore, Girei, etc.</p> <p>b. IVA confirmed that the Citizens, Citizens groups, state-based CBOs and state-based CSOs were in attendance: Dzarmah Giladye (CAN), Saaid Mohammed Gobbo (Mushin Council), Koungu Thompson Ali (NGYA), Mohammed Yola (Youth Leader), Asabe Gawaniel (Women Leader),</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>Umar Bappi Ahmed (N.L.C), Daniel Markus (Security), John Audu (Mobilization Officer) etc.</p> <p>c. Conclusions were drawn from evidence obtained including minutes, attendance, report, questionnaires and pictures. This evidence has been retained in the assessment file.</p> <p>d. The date and venue of the consultation are: 7/10/2021 and Nyako Centre, State Secretariat Complex, Yola.</p> <p>e. IVA called 10 attendees from different LGAs and confirmed their attendance at the public consultation. The evidence has been retained in the assessment file.</p> <p>f. The budget was drafted on 4th November 2021. IVA obtained a Cover letter on Budget presentation to the House of Assembly.</p> <p>g. IVA compared the date of the consultation 7/10/2021 and the date of the draft of the draft budget 4/11/21. The consultation was done first.</p> <p>h. The date of online publication of the proposed budget was 4th November 2021.</p> <p>i. The proposed budget was published on 4th November 2021 before the 31st January 2022 deadline.</p> <p>j. The web link for the publication of the proposed budget is: https://www.budgetoffice.ad.gov.ng/post/ada-mawa-state-2022-draft-proposed-budget. IVA accessed it on 12//7/2022.</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
2	Were the minutes of the public consultations jointly prepared with CSO representatives (shown by their signature to the minutes) and posted on the official State website, alongside the proposed annual budget on or before 31 January 2022 to enable citizens to find the inputs easily?	<ul style="list-style-type: none"> a) One of the CSO that co-signed the Minutes is Aminu Mallum. A copy of the signed minutes has been retained on file. b) The title and date of the Minutes is “Report on Citizen Engagement Input’ held at Nyako Centre, State Secretariat Complex, Yola on 7th October 2021 – Town hall Meeting for Yola North, Yola South, Fufore and Girei LGAs”. c) The signatories represented are Network Adamawa State and Non-Governmental Organization. d) The web link to the publication is https://www.budgetoffice.ad.gov.ng/post/2022-citizen-engagement-input-report. The date of publication was 03/11/2021. IVA accessed it on 11/07/2022. e) The published minute was adequately sign-posted on the State’s website. 	Satisfactory	
3	Has the State published online, on the State website(s) a Citizens Budget based on the Approved Budget (2021) not later than 30 April 2021?	<ul style="list-style-type: none"> a) The Citizens Budget based on the Approved Budget 2021 was published on 4/03/2021 before the due date via https://www.budgetoffice.ad.gov.ng/post/adamawa-state-citizen-budget-2021-english-version accessed on 11/07/2022. b) A comparison of the Approved Budget 2021 with the Citizens Budget was done and there were no discrepancies. c) The Citizen’s Budget was prepared in the format suggested to the States in the Citizen Budget User Manual and Excel Template and IVA confirmed there were no discrepancies: <ul style="list-style-type: none"> i. Simple explanation of the annual approved budget/citizen’s budget: Page 2 ii. The sources of revenues: Page 6 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> iii. Sources of domestic and foreign grants, domestic loans, and other financing sources: Pages 7-15 iv. Total expenditure by economic classifications: Page 17 v. The total revenue and grants, total expenditures, budget deficit, budget financing, and financing gap. Page 4 vi. Disclosure of Budget deficit (if any) and how it will be financed. Page 8 vii. Sectoral Allocation (by MDAs). Page 21 viii. Top Projects to be financed (at least 5). Page 20 <p>d) The minimum required budget information outlined above (extracted from the Citizen Budget User Manual and Template) have been included.</p>		
4	Is the Citizens Budget a comprehensible (to citizens) summary of the approved FY21 state budget?	We confirmed that the approved FY21 state budget was summarised in a comprehensible manner to the Citizens in the Citizens budget.	Satisfactory	
5	Does the State website have functional feedback and response online mechanisms?	<ul style="list-style-type: none"> a) IVA confirmed that the State has established a functional feedback and response online mechanism on its website. b) The type of feedback mechanism established on the State website is an online feedback submission form that makes information such as email address, name, message, subject, and location. c) The State's feedback mechanism provides at a minimum: <ul style="list-style-type: none"> i. Acknowledgement of receipt of comments/feedbacks from citizens. IVA confirmed that a message pops up after using the textbox and it states: "Thanks for getting in touch... Thank you for contacting the Adamawa State Ministry of Finance and Budget. Your 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>message is important to Us. We will get back to you as soon as possible."</p> <p>ii. State's responses to comments/feedbacks. A screenshot of a mail showing receipt of the feedback message was obtained from the State.</p> <p>iii. Display of timeframe and the State's government contact details. The government contact details are https://www.budgetoffice.ad.gov.ng/contact</p> <p>IVA obtained evidence of all of the above e.g., screenshot of items i to iii)</p> <p>d) IVA conducted a user acceptability test to ascertain the functionality of the feedback mechanism by completing and submitting the online feedback form. The details filled included full names, email addresses, locations, subjects, and messages. The result was the pop-up message stated above.</p> <p>e) A demonstration was done by the State Ministry of Finance to provide further evidence to demonstrate how the State had responded to the feedback submitted online. IVA sent a message through the feedback mechanism and the State responded. Screenshots of the response are retained in the assessment file.</p> <p>f) The State's feedback mechanism is functional.</p> <p>g) The web link for the State feedback page is https://www.budgetoffice.ad.gov.ng/contact</p>		
DLR 2.2	Citizen's Accountability Report based on audited financial statements/report published online for FY2020 not later than 30th September,2021.		Achieved	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Did the State prepare the Citizens Accountability Report to explain the full Annual Audit Report in a summarized form?	<ul style="list-style-type: none"> a) IVA downloaded the Citizens Accountability Report FY2020. b) A review was done on the downloaded Citizens Accountability Report. c) The Citizen’s Accountability Report was published before September 30, 2021 and a copy has been retained on the file. d) IVA compared the full Annual Audit Report for FY2020 with the Citizens Accountability Report and there were no areas of discrepancies found. e) IVA obtained and reviewed the evidence of public consultation with citizens explaining the FY2020 financial statement. 	Satisfactory	
2	Has the State published a Citizens Accountability Report based on the Annual Financial statements/ Audit Report for FY 2020 not later than 30 September 2021?	<ul style="list-style-type: none"> a) The Citizens Accountability Report based on the Annual Audit Report (2020) was published before the deadline on 29/09/2021 via https://www.budgetoffice.ad.gov.ng/post/adamawa-state-citizens-accountability-report and accessed by IVA on 11/07/2022. b) IVA compared the Annual Audit Report FY20 with the Citizens Accountability Report 2020 and there were no any areas of discrepancies. c) IVA confirmed that the Citizen’s Accountability Report was prepared according to the Template provided to the State and there were no discrepancies. <ul style="list-style-type: none"> i. Simple explanation of the Citizens Accountability Report and Executive Summary. Pages 2-3 ii. The Budget Outturn. Pages 4-6 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> iii. The Revenue Outturn. Pages 7-9 iv. The Expenditure Outturn. Pages 10-12 v. The Audit Findings. Pages 13-14 vi. The Audited Financial Statements. Pages 15-17 vii. Top Sectoral Allocations. Pages 18-23 viii. Top Value Capital Projects. Pages 24-26 ix. Citizens-Nominated Projects-Implementation Status Report. Pages 27-29 d) The minimum required citizen’s accountability report information outlined above (extracted from the Template) have been included. e) IVA confirmed that a different format was not used. 		
3	Is the Citizens Accountability Report a comprehensible (to citizens) summary of the FY20 Annual Audit Report?	<ul style="list-style-type: none"> a) The Citizen’s Accountability Report presents in a summarized manner the Audited Financial Statement FY2020. b) The Citizens Accountability Report included a concise explanation of the key components of the FY2020 Audited Financial Statements. c) The evidence and details of the public consultation obtained is the copy of minutes of public consultation held with the citizens. This included a presentation of the annual financial statements (i.e., the Citizen’s Accountability Report for 2020) and the copy has been retained by the IVA. d) We confirmed that the FY20 Annual Audit Report or Audited Financial Statement was summarised in a comprehensible manner to the Citizens in the Citizens Accountability Report. We further confirmed that the CAR 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		was published online before the deadline and presented at a public consultation held on September 29, 2021.		
DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA				
DLR 3.0	Improved cash management and reduced revenue leakages through the implementation of State TSA		Achieved	
1	Has the State established a functional State-level TSA?	<p>a. The State has established a functional state-level TSA.</p> <p>b. The State operates multiple accounts that sweeps into the TSA/FAAC Account as follows:</p> <ul style="list-style-type: none"> • IGR Main Account: Adamawa State Internal Collection Fidelity Bank 5030103898 • IGR 2: Adamawa State Integrated Account Fidelity Bank 5030100811 • FAAC Account: Adamawa State Govt (SRA) Main Account Zenith Bank 1011247792 • VAT Account: Adamawa State VAT Allocation Account Zenith 1011247747 	Satisfactory	
2	<p>Is there a formally approved cash management strategy in place?</p> <p>The Strategy should cover the processes through which the State Ministry of Finance or Budgets/Economic Planning can forecast cash commitments and requirements and provide</p>	<p>The State has a Cash Management Strategy.</p> <p>a. The document's name is Adamawa Cash Management Strategy.</p> <p>b. The document was produced on December 24th, 2020 and was signed by the Adamawa State Governor.</p> <p>c. The Clause Number and Page where the Strategy showed that it covered the processes of cash commitment forecast can be found on Sections 7.1 to 7.1.3(Page 29).</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	reliable information on the availability of funds.	<p>d. The strategy stipulates monthly cash sweeping into the TSA which is on page 33 of the Strategy.</p> <p>e. There was evidence of implementation of processes described in the cash management strategy to forecast cash commitments and requirements and provide reliable information on the availability of funds.</p>		
3	Does the TSA have a system of cash management that allows for a central view of cash balances in bank accounts on a single electronic dashboard (based on the approved cash management strategy)?	<p>The State has a computer application where the State can view the cash balances in the bank account(s).</p> <p>a. The computer application name is REMITA and the name of the producer is System's Spec.</p> <p>b. It is in line with the approved cash management strategy.</p> <p>c. The application was deployed on August 8th,2021.</p>	Satisfactory	
4	Does the TSA have one consolidated revenue treasury account for State revenues? Revenues collected by MDAs such as service fees no longer sit in individual MDA accounts at different commercial banks but are brought into the consolidated revenue account as part of the TSA.	<p>a) IVA visited 4 MDAs which included:</p> <p>(i) Ministry of Transportation</p> <p>(ii) Urban Planning and Development Authority.</p> <p>(iii) Ministry of Lands and Survey.</p> <p>(iv) Office of the Surveyor-General Adamawa State.</p> <p>From IVA's interaction with the various heads of these MDA's, IVA confirmed that their fees or levies are paid directly into the State Consolidated IGR account with Fidelity Bank (5030103898). Also, the balances in this account are later moved into IGR 2 (Adamawa State Integrated Treasury Single Account) with Fidelity Account 5030100811.</p> <p>IVA selected and interviewed some fees payer who had made payments into these MDAs in the year 2021 and</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																		
		<p>confirmed that their payments were made into the State IGR consolidated with Fidelity Bank using invoice number generated on the IGR portal (adamawaibr.org)</p> <p>b) The State operates a TSA account with Zenith Bank with number 1011247792.</p> <p>c) All Government monies go through this TSA account.</p> <p>d) Government monies do not sit in the other revenue collecting banks.</p> <p>e) The TSA bank Statement with Zenith Bank was obtained.</p>																				
5	Does the TSA cover a minimum of 80% of the State Government's finances?	<p>The IVA computed the total cash inflow and outflow from the TSA account against the total government finances inflows and outflows as contained in the Cash flow Statement for the year ended 2021.</p> <p>See the computation below:</p> <table border="1"> <thead> <tr> <th></th> <th>Total Inflows (₦)</th> <th>Total Outflows (₦)</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statement</td> <td>89,041,793,909.48</td> <td>93,310,513,178.28</td> </tr> <tr> <td>Government Finances*</td> <td>94,208,535,954.27</td> <td>99,884,046,132.13</td> </tr> <tr> <td>Percentage</td> <td>94%</td> <td>93%</td> </tr> </tbody> </table> <p>The average percentage computation is:</p> $\frac{94\% + 93\%}{2} = 94\%$ <p>IVA reviewed the inflows and outflows as shown on the TSA Statements to identify spurious items that increase the year-end totals for no justifiable reason.</p> <table border="1"> <thead> <tr> <th>Details</th> <th>Inflow (₦)</th> <th>Outflow (₦)</th> </tr> </thead> <tbody> <tr> <td>Bank Statement</td> <td>89,041,793,909.48</td> <td>93,310,513,178.28</td> </tr> </tbody> </table>		Total Inflows (₦)	Total Outflows (₦)	TSA Bank Statement	89,041,793,909.48	93,310,513,178.28	Government Finances*	94,208,535,954.27	99,884,046,132.13	Percentage	94%	93%	Details	Inflow (₦)	Outflow (₦)	Bank Statement	89,041,793,909.48	93,310,513,178.28	Satisfactory	
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Disbursement Linked Indicators (DLIs) and Tests	Findings			Conclusion	Recommendations	
		Reversals	301,272,663.60	301,272,663.60		
		Adj TSA Statement	88,740,521,245.88	93,009,240,514.68		
		See the computation below:				
			Total Inflows (₦)	Total Outflows (₦)		
		TSA Bank Statement	88,740,521,245.88	93,009,240,514.68		
		Government Finances*	94,208,535,954.27	99,884,046,132.13		
		Percentage	94.2%	93.1%		
		The average percentage computation is:				
		$\frac{94.2\% + 93.1\%}{2} = 94\%$				
		The TSA covered 94% of the State's finances.				
		<p>* Sources: 2021 Audited Financial Statement Cash flow Statement Pg.16 to 17 and the TSA Statement from Zenith Bank for 01/01/2021 to 31/12/2021.</p>				
		<p>The Cashflow Statement on the AFS includes N32bn of BTL payments. The expected Note 14 on the BTL Payments was not seen. The nature of the BTL payments is unclear, as is whether the payments are included as part of the total expenditure outturn for the year. The 5 year summary on page 15 of the AFS suggests the BTL payments should be counted as part of the total outturn.</p>				
		<p>The State is required to clarify the nature of the BTL payments and whether they are to be included as part of the total expenditure outturn for the year. That is, state why the BTL</p>				

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>expenditures are excluded from the Total expenditure Outturn. Are they budgeted expenditure outflows or not?</p> <p>The State responded to the IVA’s findings as follows: “I wish to forward here that below the line (BTL) Receipts and Payments are statutory and non-statutory deductions made from gross amounts of payment of salaries, pensions and contracts such as union dues, national housing fund and other deductions.</p> <p>The amounts deducted are made at source and held for payments to the relevant beneficiary agencies and unions. Therefore recognizing them as part of expenditures in our records may lead to double counting in treatment of the transactions.</p> <p>However, BTL payments are recognized and detailed in the 2021 Financial statements under “Note 13” as additional explanations”</p> <p>IVA reviewed the State’s submission as well as the Statement of Cashflow and observed that the BTLs (Expenditure) is in Note 13 to the AFS. The transactions shown in Note 7 and 13 appears to be accounts maintained for specific items where the debits and credits are reported from there on annual basis.</p>		
DLI 4: Strengthened Internally Generated Revenue (IGR) Collection				
DLR 4.1	State implementing a consolidated state revenue code covering all state IGR sources and stipulating that the state bureau of internal revenue is the sole agency		Achieved in 2019 APA	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																																				
	responsible for state revenue collection and accounting. Code must be approved by the state legislature and published																																							
DLR 4.2	Annual nominal IGR growth rate meets target		Achieved Stretch Target Met																																					
1	<p>Has the 2021-2020 annual nominal IGR growth rate met the basic or stretch targets?</p> <p>Basic Target: 20% - 39%</p> <p>Stretch Target: 40%</p>	<p>a. The State adopted cash basis of accounting for revenue reporting in 2020 and 2021 from the Audited Financial Statements or State Auditor-General’s report.</p> <p>b. The IVA computed the annual nominal IGR growth rate for this year’s APA. See the computation below:</p> <table border="1" data-bbox="688 841 1444 1409"> <thead> <tr> <th>REPORTING TEMPLATE: OPTION B</th> <th>₦</th> <th>₦</th> <th>% GROWTH</th> </tr> <tr> <th>Item</th> <th>2020</th> <th>2021</th> <th></th> </tr> </thead> <tbody> <tr> <td>1. Reported IGR in AFS (Before Adjustments)</td> <td>7,739,814,375</td> <td>13,011,611,228</td> <td>68%</td> </tr> <tr> <td>3. INVALID items to be deducted IF reported as part of IGR</td> <td>38,620,049</td> <td>3,220,324</td> <td></td> </tr> <tr> <td>Savings</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Investment Income (e.g. dividends)</td> <td>9,278,876</td> <td>29</td> <td></td> </tr> <tr> <td>Interest Earned</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Miscellaneous</td> <td>29,341,173</td> <td>3,220,296</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	REPORTING TEMPLATE: OPTION B	₦	₦	% GROWTH	Item	2020	2021		1. Reported IGR in AFS (Before Adjustments)	7,739,814,375	13,011,611,228	68%	3. INVALID items to be deducted IF reported as part of IGR	38,620,049	3,220,324		Savings				Investment Income (e.g. dividends)	9,278,876	29		Interest Earned				Miscellaneous	29,341,173	3,220,296						Satisfactory	
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Disbursement Linked Indicators (DLIs) and Tests		Findings			Conclusion	Recommendations				
		<p>3. "Adjusted IGR" for DLI 4.2 Calculation (A OR B)</p> <table border="1"> <tr> <td>Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)</td> <td>7,701,194,326</td> <td>13,008,390,904</td> <td>69%</td> </tr> </table> <p>*Please Unpack the Miscellaneous from the notes to the Account</p> $\frac{\text{₦}13,008,390,904 - \text{₦}7,701,194,326}{\text{₦}7,701,194,326} \times 100 = 69\%$ <p>The annual nominal growth was 69%</p> <p>Source: 2021 Audited Financial Statement Page 16.</p>	Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)	7,701,194,326	13,008,390,904	69%				
Take reported total IGR and deduct any INVALID items i.e. (1) minus (2)	7,701,194,326	13,008,390,904	69%							
DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud										
DLR 5.1	Biometric capture of at least [95] percent of current civil servants and pensioners completed and linked to payroll, and identified ghost workers taken off the payroll				Not Achieved					
1	Has the State used Biometrics to reduce payroll fraud through a completed biometric exercise for 95% of the current civil servants and pensioners on the State payroll?	<p>The State commenced the Biometric data capture of the Civil Servant and pensioners in 2021.</p> <ol style="list-style-type: none"> It was outsourced to Torch Bearers Consultants Nigeria Limited. The total number of Civil Servants is 28,816 The total number of Pensioners is 11,092. 			Satisfactory					

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>d. The total number of Civil Servants and Pensioners on Nominal roll is 39,908 and on the Payroll is 39,908</p> <p>e. Biometric data capturing commenced in the State in 2021, therefore there was no figure obtained in the previous year report for comparison</p> <p>f. The State has captured the biometrics for 37,979 Civil Servants and Pensioners</p> <p>g. The document obtained for this conclusion is a one-page report on the verification and biometric exercise of State Civil Servants and Pensioners</p> $\frac{37,979}{39,908} \times 100 = 95.2\%$ <p>The State had captured 95.2% biometrics of the State's Civil Servants and Pensioners on its payroll.</p>		
2	Has the State linked the biometrics data to the State payroll to identify ghost workers?	<p>a) The State commenced the Biometric data capture of the Civil Servant and Pensioners in 2021.</p> <p>b) A total number of 37,979 Civil Servant and Pensioners biometric data have been linked to the payroll</p> <p>c) The biometric validation exercise is ongoing and as at 31 December, a total of 535 workers were said to be unverified and taken out of the payroll. Furthermore, a total of 1,394 pensioners were unverified as well.</p> <p>d) There were no ghost workers detected, therefore, there was no amount saved.</p> <p>e) There were in-year changes to the civil servant and pensioner payrolls (as a result of starters, leavers, deaths, etc.)</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>f) There are procedures in place for ensuring timely (within 3 months of the event) updates to the payroll to reflect leavers, retirees, and deaths. The document obtained is the summary of verification.</p> <p>g) There were changes to the Civil Servant and Pensioner payrolls during the fiscal year (as a result of starters, leavers, deaths, etc.).</p> <p>h) These changes were captured by the biometric exercise.</p> <p>i) There are Procedures are in place to identify and remove ghost workers.</p>		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) The biometric validation exercise is ongoing and as at 31 December 535, workers were said to be unverified and taken out of the payroll. Furthermore, a total of 1,394 pensioners were unverified as well.</p> <p>b) A one-page report on Summary of Verification and Biometric exercise was obtained.</p> <p>The Report of the State Accountant General seen on file states that 535 workers were identified from the biometric exercise and deleted from payroll. The State is to verify whether the deletion was done within the expected timeframe.</p> <p>IVA also observed that 1,394 pensioners were noted as unverified but the report does not state that they were deleted from payroll.</p> <p>The State was required to provide conclusive evidence of the timing of the deletion/removal of these unverified staff and pensioners.</p> <p>In responding to IVA's findings, the State responded as follows:</p>	Unsatisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>There was a reduction in payroll with the sum of N21,964,366.46. This reduction cannot be seen on the December payroll due to recruitment of 30 Medical Doctors, 200 Nurses, 10 Pharmacists, 10 Laboratory Staff and other Health workers.</p> <p>Coupled with the above, there was implementation of promotions and upgrading within the period March - December.</p> <p>PENSION</p> <p>There was a reduction on the pension payroll of N12,162,670.96.”</p> <p>The State’s response is not in tandem with the requests made and thus, it is unsatisfactory.</p>		
5.2	Link BVN data to at least [95] percent of current civil servants and pensioners on the payroll and payroll fraud addressed		Not Achieved	
1	Has the State linked the Bank Verification Number data to 95% of its current Civil Servants and pensioners on the State payroll?	<p>The State commenced the linkage of BVN data of the civil servant and pensioners in 2021</p> <p>a. It was outsourced to Torch Bearers Consultants Nigeria Limited. The 2020 APA Report states that the BVN data capture and linkage was done by Systems Spec.</p> <p>b. The State is required to explain what changed and why. i.e. did System Spec not complete the exercise? 2020 APA report says 100% was done. Was the exercise repeated in 2021 and why?</p>	Unsatisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>c. The total number of Civil Servants and Pensioners is 39,908</p> <p>d. The total number of civil servants and pensioners on the State Nominal roll is 39,908</p> <p>e. The State has linked BVN data to the payroll for 37,979 Civil Servants and Pensioners</p> <p>f. The documents obtained as evidence is a one-page report on Summary of the biometric report.</p> $\frac{37,979}{39,908} \times 100 = 95.2\%$ <p>The State has linked 95.2% of the State’s Civil Servants and Pensioners’ BVN data to the payroll.</p> <p>Note the 2020 APA Report states that there were 10,432 pensioners at the time and 100% had their BVN linked to payroll.</p> <p>Also note that the Report of the State Accountant General seen on file states that 1,394 pensioners were noted as unverified.</p> <p>The State is to clarify how it was possible to have 100% of pensioners BVN linked to payroll in 2020 but find 1,394 unverified pensioners in 2021.</p> <p>Also note the report of the State AG did not state that the unverified pensioners were deleted from payroll. The State was required to provide conclusive evidence of the true number of pensioners, the number covered by the BVN exercise, and the timing of the deletion/removal of unverified staff and pensioners.</p> <p>The State responded as follows:</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>“There was a reduction in payroll with the sum of N21,964,366.46. This reduction can not be seen on the December payroll due to recruitment of 30 Medical Doctors, 200 Nurses, 10 Pharmacists, 10 Laboratory Staff and other Health workers.</p> <p>Coupled with the above, there was implementation of promotions and upgrading within the period March - December.”</p> <p>IVA notes the State’s response as well as the State’s supporting documents showing the list of the unverified pensioners and Staff.</p> <p>IVA however observed that the State did not respond to the Audit’s findings on the numbers of pensioners that were found as unverified despite executing 100% Biometrics capture in 2020 APA.</p> <p>Thus, the State’s response is unsatisfactory.</p>		
2	Has the State taken steps to identify payroll fraud?	<p>a) Civil servants and pensioners with BVN data are 28,281 and 9,698 respectively while Civil servants and pensioners without BVN data is 1,929.</p> <p>b) The biometric validation exercise is ongoing and as at 31 December, a total of 535 workers were said to be unverified and taken out of the payroll. Furthermore, a total of 1,394 pensioners were unverified as well.</p> <p>c) The source of this information is from the one-page report obtained from the State.</p> <p>The Report of the State Accountant General seen on file states that 535 workers were identified from the biometric exercise and deleted from payroll. The State is to verify whether the deletion was done within the expected timeframe.</p>	Unsatisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>Also note that 1,394 pensioners were noted as unverified but the report does not state that they were deleted from payroll. The State is to provide conclusive evidence (including reports from the firms/consultants engaged by the State) of the timing of the deletion/removal of these unverified staff and pensioners.</p> <p>The State responded as follows:</p> <p>“There was a reduction in payroll with the sum of N21,964,366.46. This reduction can not be seen on the December payroll due to recruitment of 30 Medical Doctors, 200 Nurses, 10 Pharmacists, 10 Laboratory Staff and other Health workers.</p> <p>Coupled with the above, there was implementation of promotions and upgrading within the period March - December.”</p> <p>IVA notes the State’s response as well as the State’s supporting documents showing the list of the unverified pensioners and Staff.</p> <p>IVA observed that the State did not respond to the Audit’s findings on the numbers of pensioners that were found as unverified despite executing 100% Biometrics capture in 2020 APA.</p> <p>Thus, the State’s response is unsatisfactory.</p>		
DLI 6: Improved Procurement Practices for Increased Transparency and Value for Money			

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 6.1	<p>Existence of a public procurement legal framework and a procurement regulatory agency. Said legal framework should conform with the UNCITRAL Model Law and provide for: 1) e-Procurement; 2) establishment of an independent procurement regulatory agency and 3) cover all MDAs receiving funds from the State budget</p>		<p>Previously Achieved</p> <p>In</p> <p>2020 APA</p>	
DLR 6.2	<p>No later than June 30, 2022, implement e-procurement in at least 4 MDAs (incl. Education, Health and Public Works) publish all contract award information in OCDS format on the online portal for the 4 MDAs</p> <p>AND</p> <p>For those MDAs without e-procurement: Publish contract award information above a threshold set out in the State's procurement law/regulation every month in OCDS format on the state website or online portal if available.</p>		<p>Not Achieved</p>	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
1	Has the State achieved open contracting component of the DLI by publishing online, contract award information for all contracts awarded during the fiscal year (2021) that are above the threshold (as defined in the State procurement law or the State procurement regulation(s), in line with the Open Contracting Data Standards (OCDS)?	<p>a) IVA obtained a schedule of all contracts awarded during the year under assessment.</p> <p>b) IVA compared the procurements listed in the schedule of contracts awarded in the year that was provided by the State and the procurements published online by the State and confirmed that the schedule is complete and comprehensive.</p> <p>Also, IVA compared the total amount awarded in 2021 as ₦11,106,190,777.18 (Below threshold- ₦624,070,707.55 and Above threshold- ₦10,482,120,069.63) with the CAPEX as ₦25,446,521,983.53 and identified difference of ₦14,340,331,206.35. IVA communicated with the State and they responded:</p> <p>“The difference between the comprehensive schedule of contracts and the actual capital expenditure was due to:</p> <ol style="list-style-type: none"> The schedule of contracts consist only amounts of new contracts awarded in 2021 financial year. While, The total actual capital expenditure paid in 2021 as reported in the AFS consists of payments for both old and new contracts. Old contracts are contracts awarded in prior years, some of which are rolled over due to the nature of the contracts, e.g roads and building construction. They do not form part of the schedule of contracts awarded in 2021 and the payments for these contracts are made based on certified milestones. Hence, the discrepancy between actual payments for capital expenditure reported in the State AFS and the comprehensive schedule of contracts awards in 2021” <p>IVA concluded that the schedule is complete and comprehensive.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>c) The State published the information on all contracts awarded for the year under assessment above the threshold online. The Procurement Threshold:</p> <p>For Goods- N50million and above</p> <p>For Works- N60million and above</p> <p>For services- N20million and above</p> <p>d) The list of contracts published online is complete based on a review against the schedule of all contracts provided.</p> <p>e) The data published is in line with the Open Contracting Data Standards (OCDS).</p> <p>f) The source of publication is https://ocds.bpp.ad.gov.ng/Projects</p> <p>IVA searched the State’s procurement website where transactions of contracts were published under projects, IVA went through all the contract information published to ascertain that all contract information published are above the threshold online and are in line with the OCDS format. IVA concluded that the State published all contract information online and is in line with the OCDS.</p> <p>g) The minimum contract award information that was published are as follows:</p> <ul style="list-style-type: none"> (i) Project name, (ii) Awarding institution, (iii) Award date, (iv) Name of contractor, and (v) The contract amounts 		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>h) The items from (g) above were published.</p> <p>i) The weblink of publication is https://ocds.bpp.ad.gov.ng/Projects</p> <p>j) The contract award information published on the State official procurement website was accessible to the public.</p>		
2	<p>Has the State implemented e-Procurement in at least 4 MDAs (including Education, Health, and Public Works) by June 30, 2022. The e-Procurement for the 2021 results DLI is the implementation of at least five modules: e-Registration, e-Publishing/Notification, e-Procurement Plan, e-Tendering and e-Evaluation/e-Awarding?</p>	<p>a) The State has implemented e-Procurement in four (4) MDAs namely: Ministry of Works, Ministry of Health, Ministry of Education and Ministry of Finance by 30th June 2022. The e-procurement link is https://ocds.bpp.ad.gov.ng/Projects</p> <p>b) IVA obtained a report on all transactions for the four MDAs during the period 1 January 2022 to 30 June 2022 directly from the e-procurement systems.</p> <p>c) IVA obtained a separate report of procurements for all four MDAs for the period 1 January 2021 to 30 June 2022 from the Accountant General.</p> <p>d) The go-live date for e-procurement at the 4 MDAs was on 12th August 2021. The State conducted a go-live session with all stakeholders to demonstrate the e-Procurement portal using a demo site. The date for the first project registered in the e-procurement portal for each of the 4 MDAs were:</p> <p>Ministry of Works: 24/02/2022 Ministry of Health: 21/09/2021 Ministry of Finance: 16/02/2022 Ministry of Education: 16/02/2022</p> <p>However, IVA obtained a screenshot for each of the 4 MDAs showing the five expected minimum functionalities.</p>	Unsatisfactory	The State should ensure implementation of the e-Registration, e-Publishing/Notification, e-Tendering and e-Evaluation/e-Awarding modules

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>IVA compared the system generated report for all four MDAs after go-live with all transactions after go-live stated in the Accountant General's report for the period 1 January 2022 to 30 June 2022 and confirmed that they were conducted through the e-procurement system.</p> <p>f) IVA conducted a walkthrough of the 5 transactions from each MDAs. Four (4) categories of expenditure were selected from Goods and one (1) category of expenditure was selected from Works for Ministry of Education. Two (2) categories of expenditure were selected from Goods and Works and one (1) category of expenditure was selected from Services for Ministry of Finance. One (1) category of expenditure was selected from Goods and four (4) categories of expenditures were selected from Works for Ministry of Health and Ministry of Works.</p> <p>Note that for Ministry of Health and Ministry of Works, three (3) categories of expenditures for Works were divided into either 3,4 or 10 Lots and awarded to different contracts, each of these Lots were processed through the e-Procurement portal.</p> <p>g) The State had processed all of its procurement transactions at the 4 MDAs through the five minimum required modules after go-live for the period of 1 January 2022 to 30 June 2022 (and for a minimum of six months within that period.</p> <p>h) IVA obtained screenshots of transactions for the 4 MDAs that were processed through the five minimum required modules after go-live for the period of 1 January 2022 to 30 June 2022</p> <p>No tenders or bids (past or current) were seen on the portal (the section for publications holds no such information). This suggests the e-publication module is not in use.</p>		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>The State is to clarify why no tenders or bids (past or current) were seen on the portal.</p> <p>In responding to IVA’s report, the state noted the following: “The state E-procurement portal contain the Tenders or Bids that are open competitive tenders. See link below https://bpp.ad.gov.ng/advert.xhtml</p> <p>However the others are limited restricted tenders issued to specific vendors hereby tenders are not available on public domain</p> <p>However, for further verification find login credentials to view details of all tenders for the four (4) pilots MDAs within the period January to June, 2022.</p> <p>review@bpp.health.gov.ng review@bpp.works.gov.ng review@bpp.education.gov.ng review@bpp.finance.gov.ng</p> <p>All password welcome”</p> <p>IVA reviewed the bidding list and observed that there were no bids seen on the portal. Instead, it only indicated a total of 55 New Bid Document and 3 Approved for Ministry of Works (3 contracts in 2022).</p> <p>There were 7 Approved in Ministry of Health (3 contracts in 2022 and 4 contracts in 2021)</p> <p>Ministry of Education (11 contracts in 2022).</p> <p>The portal appears to require log in access to view any information. (screenshot retained). It was not possible to review the use of the expected modules (except perhaps e-</p>		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>publication which should have been covered through notices/publications on the home page - see below).</p> <p>It is unclear that a portal that is not accessible without log-in details meets the transparency requirement for this DLR.</p> <p>Note the following requirement from the VP: "States will have to have an online portal established to record and publish data on all the various processes in the procurement cycle, for all contracts awarded through e-Procurement after the go-live during the fiscal year that are in line with the Open Contracting Data Standards (OCDS)."</p> <p>The link provided shows an e-procurement portal with contract award information only. No procurement plans, Tender notifications or award notifications were seen.</p> <p>The State provided Login details to the E-procurement website. This is contrary to the requirements of the verification protocol for States to "publish data".</p> <p>Note that the report on file from the State Accountant General (ACC.GEN.pdf) holds printouts from the bidding of the web portal, and not from the new e-procurement portal/link provided. It is unclear whether the State has two e-procurement portals, albeit neither meets the requirements for this DLR.</p> <p>In response, the State noted as follows: "Adamawa state have only one e-procurement portal with a different output links R2cow.biddingo.com for MDA solicitation activities, saas.biddingo.com/adsbpp for vendors registration AND bpp.ad.gov.ng for main portal. Meanwhile</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		the accountant general office have written a new report dated 26th October, 2022.”		
DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework				
DLR 7.1	State implementing state-level debt legislation, which stipulates: 1) responsibilities for contracting state debt; 2) responsibilities for recording/reporting state debt, and 3) fiscal and debt rules/limits.		Previously Achieved in 2018 APA	
DLR 7.2	Quarterly state debt reports accepted by the DMO on average two months or less after the end of the quarter in 2021 AND Annual state debt sustainability analysis and Medium-term debt management strategy published by end of December 2021		Achieved	
1	Has the State produced quarterly State Domestic Debt Reports (SDDR), which are	We obtained evidence that the State produced approved quarterly SDDRs, which were submitted and received by the DMO as follows:	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	approved by the DMO on average two months after the end of the quarter in 2021?	<ul style="list-style-type: none"> • Q1 submitted on 04/05/2021 34 days, • Q2 submitted on 03/08/2021 34 days, • Q3 submitted on 08/11/2021 39 days and • Q4 submitted on 08/02/2022 39 days. $\frac{34+34+39+39}{4}$ <p>Average = 36.5 days (5.2 weeks)</p> <p>The SDDR were submitted within an average of 1.1 months (average of 36.5 days).</p>		
2	<p>Note: Have you reviewed for accuracy and completeness from the DMO:</p> <p>The State Domestic and External Debt Report (SDEDR) along with all underlying data and supporting documents including the DMO templates and guidelines and standard internal protocols and data from CBN, DMO, and FMOF Home Finance used by the DMO to cross-check the state’s domestic debt figures.</p>	<p>a) IVA obtained the Quarterly State Domestic Debt Reports (SDDR) from the Federal DMO, CBN, and FMOF, along with all underlying data and supporting documents.</p> <p>b) We reviewed the DMO’s Report on State Domestic and External Debt Report (SDEDR) with the Adamawa State Debt Domestic Report along with all underlying data.</p> <p>i) There were no differences noted during the above review.</p> <p>ii) We reviewed the DMO report and the DMO report confirmed the accuracy and completeness of the State Domestic Debt Report.</p> <p>A wider review was undertaken of the information and supporting schedules submitted by the DMO, and several clarifications and adjustments were made to correct errors and</p>	n/a	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>omissions in the state’s submission to the DMO. Conclusions reached in this report are based on the amended DMO data.</p> <p>c) The Quarterly State Domestic Debt Reports (SDDR) submitted by the State have been compared with the State Audited Financial Statement.</p> <p>d) The debt stock figures reported in the SDDR has been compared with that of the State’s Audited Financial Statement</p> <p>e) There were any discrepancies noted during the comparison.</p> <p>i. SDDR Figure: ₦99,546,925,536.22</p> <p>ii. AFS Figure: ₦99,546,925,536.22</p> <p>iii. Difference: Nil</p> <p>f) There were no discrepancies identified therefore no actions were taken.</p> <p>g) IVA compared the State Domestic and External Debt Report (SDEDR) from the Federal DMO with the Quarterly State Domestic Debt Reports (SDDR) submitted by the State.</p>		
3	Has the State published online the State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) by 31 December 2021?	<p>a) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published on the State official website.</p> <p>b) The date of publication is December 23rd, 2021.</p> <p>c) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published by 31 December 2021. Evidence of screenshots taken from the IT back end of the State’s website showing the date of online publication was obtained.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		d) The web link is https://www.budgetoffice.ad.gov.ng/post/adamawa-state-debt-sustainability-analysis-and-debt-management-strategy .		
4	Does the SDSA - DMSR include the following: 1) medium-term budget forecasts; 2) detailed and adequate description of the debt portfolio and borrowing options; including a summary analysis of the projections of performance indicators used to assess Debt Management Strategy, and their implications for cost-risk profile of State debt portfolio in 2025; and 3) adequate analysis of the debt and fiscal figures in the preceding calendar year?	<p>Upon review of the SDSA -DMSR, it included the following:</p> <p>(1) Adequate presentation of medium-term budget forecasts, including:</p> <ul style="list-style-type: none"> a) Presentation of MTB forecasts in either a table OR chart(s) (OR both table and chart(s)) with projected annual figures from 2021 to 2024. b) Description of assumptions underpinning the MTB forecasts from 2021 to 2024: either a table with assumptions OR corresponding explanations in writing (OR both) c) A summary analysis of MTB forecasts and their implications for fiscal and debt policies throughout the period 2021-2024 d) The presentation and analysis in the entire forecast period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt stock; contradictory or illogical statements or arguments, etc.) <p>(2) A detailed and adequate description of the debt portfolio and borrowing options, including:</p> <ul style="list-style-type: none"> a) Presentation of debt and borrowing projections in the baseline scenario either using a table OR charts (OR both) with projected figures from 2021 to 2030. b) Description of assumptions underpinning the borrowing options presented: either a table with assumptions OR corresponding explanations in writing (OR both). 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<ul style="list-style-type: none"> c) A summary analysis of the debt projections and their implications for debt sustainability and fiscal policies throughout the period 2021-2030. d) A summary analysis of the projections of performance indicators used to assess DMS throughout the period 2021-2025, and their implications for the cost-risk profile of the State debt portfolio in 2025. e) The presentation and analysis in the entire forecast period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt and borrowing projections; contradictory or illogical statements or arguments, etc.) <p>(3) Adequate presentation and analysis of the debt and fiscal figures position in the preceding calendar year, which contains the following;</p> <ul style="list-style-type: none"> (a) Presentation of revenue, expenditure, budget balance, and debt information, at least for 2020: either a table OR charts (OR both table and chart(s)) with historical figures for at least 2020 (b) A summary analysis of the information presented on revenue, expenditure, budget balance, and debt in 2020: analysis (in writing) of fiscal and debt situation in 2020. (c) The presentation and analysis over the entire historical period need to be of adequate quality, and do not contain illogical statements (e.g. negative figures for debt and borrowing projections; contradictory or illogical statements or arguments, etc.) 		
<p><i>DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears</i></p>			

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
DLR 8.0	<p>Domestic arrears as of end 2020 and end 2021 reported in an online publicly accessible database, with verification process in place.</p> <p>AND</p> <p>Percentage decline in the verified stock of domestic arrears at end 2021 compared to end 2020 meets target and is consistent with the state's arrears clearance framework.</p> <p>Basic Target: At least a 5 percent decline or maintain stock below 5 billion naira</p> <p>Stretch Target: More than 20 percent decline</p>		Achieved (Basic Target Met)	
1	Has the State established an Arrears Clearance Framework (ACF)?	<ul style="list-style-type: none"> a) The State has established an Arrears Clearance Framework (ACF) b) IVA obtained a copy of the ACF from the State c) The ACF occurred by June 2021. d) The ACF was established on 22nd December 2020 and updated December 2021 which is adequate time for the implementation of the ACF. 	Satisfactory	
2	Does the ACF contain:	<ul style="list-style-type: none"> a) The ACF contains planned actions to settle arrears and an explicit prioritization of expenditure arrears to be settled. 	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	<p>b) Page 26 contains planned actions or clearance of Adamawa State domestic expenditure arrears, while 2.2.4 contains prioritization of arrears for clearance.</p> <p>A schedule of arrears cleared in the year was obtained and mandates raised by the Accountant General to clear a sample size of the arrears were also obtained. The arrears cleared were in line with the prioritization principles contained in the ACF.</p>		
3	Has the ACF been published on a State official website?	<p>a) The ACF was published on a State official website</p> <p>b) IVA downloaded a copy for validation.</p> <p>c) The web link is https://www.budgetoffice.ad.gov.ng/post/adamawa-state-arrears-clearance-framework-december-2021-1</p> <p>IVA obtained a screenshot of the IT back end and is retained in the assessment file.</p>	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	<p>The clearance of domestic expenditure arrears is consistent with the ACF</p> <p>Some payment vouchers of arrears cleared in the year 2021 were obtained from the Ministry of Finance which showed that the arrears were cleared during the year.</p>	Satisfactory	
5.	Has the State established an Internal Domestic Arrears Database?	<p>(a) The State has established an Internal Domestic Arrears Database</p> <p>(b) The Internal Domestic Arrears Database includes the following:</p> <p>a. The aggregate and individual amounts of contractors' arrears. - ₦2,8712,019,767.23</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>b. The aggregate amount of pension and gratuity arrears. - ₦19,847,262,901.73</p> <p>c. The aggregate amount of salary arrears and other staff claims. - ₦3,222,330,864.62</p> <p>d. The aggregate amount of other types of domestic arrears - Nil</p> <p>(c) A verification process is in place for the arrears in the database</p> <p>(d) IVA confirmed through the SARVCR provided by the State that the State has conducted verification of arrears balances.</p> <p>(e) IVA conducted tests to ascertain the accuracy of the figure in the internal domestic arrears database, including cross-checking with State account balances, payroll records, underlying contract data, etc.</p> <p>The state submitted to the IVA the annual state arrears recording, verification, and clearance report (SARVCR)</p>		
6	Has the State published online elements of the internal domestic arrears database for the FY 2020 and FY 2021 reported on a State official website, which constitutes the online publicly accessible arrears database?	<p>a) The State published online the required elements of the Internal Domestic Arrears Database as at the end of 2020 and 2021.</p> <p>b) IVA compared the aggregate and individual information available on the online publicly accessible arrears database with the information in the internal domestic arrears database and verified the consistency and accuracy of the information on the online publicly accessible arrears database.</p> <p>c) The website supporting the online publicly accessible arrears database contains an electronic link that permits any potential contractor creditor whose individual claim is</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>not listed in the database to communicate this exclusion to the State Ministry of Finance, by filling a confidential form online and attaching supportive evidence of his/her claim. If the State Ministry of Finance confirms the validity of this claim, it shall be added to the internal domestic arrears database and included as relevant in the online publicly accessible arrears database.</p> <p>d) IVA confirmed that the online web pages included a facility for contractors with arrears (creditors) to report any omissions to the State.</p> <p>e) The request was successfully submitted via portal, and a response was received</p> <p>f) Records obtained showed citizens were not using the feedback facility as appropriate, they sent in various requests that had nothing to do with contract complaints. Further inquiries showed the Contractors still prefer writing formally to the Debt Office, rather than engaging the portal.</p> <p>g) No valid omissions were submitted through the portal nor included in the internal domestic arrears database.</p> <p>The weblink to the online publicly accessible arrears database is https://www.budgetoffice.ad.gov.ng/adamawa-state-sarvc-2020</p> <p>h) No records were made available to the IVA, further interaction with DMO personnel revealed that the feedback facility is not appropriately utilized; the</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations								
		Contractors still prefer writing formally to the Debt Office, rather than engaging the portal.										
7.	<p>Does the online publication include?</p> <p>1) the aggregate amount of contractors' arrears;</p> <p>2) the aggregate amount of pension and gratuity arrears;</p> <p>3) the aggregate amount of salary arrears and other staff claims;</p> <p>4) other types of domestic arrears and</p> <p>5) a list of names of contractors with recognized arrears exceeding ₦20 million and information for contractors to be able to verify that their claims are being accurately reported in the database.</p>	<p>(a) The aggregate amount of contractors' arrears is stated as ₦2,8712,019,767.23</p> <p>(b) The aggregate amount of pension and gratuity arrears is stated as ₦19,847,262,901.73</p> <p>(c) The aggregate amount of salary arrears and other staff claims is stated as ₦3,222,330,864.62</p> <p>(d) The aggregate amount of other types of domestic arrears. Nil</p> <p>The online publication contains a list of names of contractors with recognized arrears exceeding 20 million naira and information for contractors to be able to verify that their claims are being accurately reported in the database</p> <p>https://www.budgetoffice.ad.gov.ng/post/contractor-list-2021-n20m-and-above</p>	Satisfactory									
8.	<p>Has the State met the following?</p> <p>(i) Percentage decline in the verified stock of domestic arrears at end 2021 compared</p>	<table border="1"> <thead> <tr> <th>Aggregate Amount of:</th> <th>2021 (₦)</th> <th>2020 (₦)</th> <th>Diff. %</th> </tr> </thead> <tbody> <tr> <td>Contractors Arrears</td> <td>2,871,019,767.23</td> <td>7,413,442,783.62</td> <td></td> </tr> </tbody> </table>	Aggregate Amount of:	2021 (₦)	2020 (₦)	Diff. %	Contractors Arrears	2,871,019,767.23	7,413,442,783.62		Satisfactory	
Aggregate Amount of:	2021 (₦)	2020 (₦)	Diff. %									
Contractors Arrears	2,871,019,767.23	7,413,442,783.62										

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
<p>to end 2020 meets target and is consistent with the state's arrears clearance framework.</p> <p>Basic target: At least a 5 percent decline or maintain stock below 5 billion naira</p> <p>Stretch target: More than 20 percent decline</p> <p><i>The clearance/reduction of domestic expenditure arrears (contractors, pension and gratuity arrears, salary arrears, and other staff claims) is defined as the decline in the nominal stock of total domestic expenditure arrears at the end of the year, compared to the previous year, expressed in percentage terms.</i></p>	Pension and Gratuity arrears	19,847,262,901.73	16,531,607,943.62			<p>a. We obtained the Domestic arrears figure from the State Internal Domestic Arrears (SIDA) database, and confirmed it was the same as the balances stated within the SDDR and the AFS for 2021</p> $\frac{\text{N}27,163,996,503.98 - \text{N}25,740,613,533.58}{\text{N}25,740,613,533.58} \times 100 = 5\%$ <p>The percentage decline is 5%</p> <p>Source: State internal domestic expenditure arrears database</p>	
	Salary arrears and Staff claims	3,022,330,864.62	3,218,945,776.74				
	Judgment Debt						
	Other types of domestic expenditure arrears						
	Total Domestic Arrears	25,740,613,533.58	27,163,996,503.98	5%			
DLI 9: Improved Debt Sustainability							

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations																
DLR 9.0	<p>Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021</p> <p>AND</p> <p>Total debt stock at end of December 2021 as a share of total revenue for FY 2021 meets target:</p> <p>-Basic target: < 120%</p> <p>-Stretch target: < 95%</p>		Not Achieved																	
1	<p>Has the State met:</p> <p>(i) the ratio of total debt stock at end-of-year (31st December 2021) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1st January to 31st December 2021)?</p> <p>-Basic target:< [120%] -Stretch target: < [95%]</p> <p>(ii) Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021.</p>	<p>The following tables show the calculations and adjustments made to arrive at the appropriate figures for this comparison.</p> <p>Total Public Debt*</p> <table border="1"> <thead> <tr> <th></th> <th>Financial Statements (₦)</th> <th>DMO/ SDEDR Figures (₦)</th> </tr> </thead> <tbody> <tr> <td>Total Domestic Debts</td> <td>99,546,925,540.22</td> <td>103,242,896,814.04</td> </tr> <tr> <td>Total External Debts</td> <td>33,133,389,134.28</td> <td>33,133,389,134.28</td> </tr> <tr> <td>Total Public Debts</td> <td>132,680,314,674.50</td> <td>136,376,285,948.32</td> </tr> </tbody> </table> <p>Total Annual Revenue</p> <table border="1"> <tbody> <tr> <td>2021 Adjusted IGR (see DLI 4.2)</td> <td>13,008,390,904.00</td> </tr> <tr> <td>Gross FAAC Allocation**</td> <td>62,921,907,564.00</td> </tr> </tbody> </table>		Financial Statements (₦)	DMO/ SDEDR Figures (₦)	Total Domestic Debts	99,546,925,540.22	103,242,896,814.04	Total External Debts	33,133,389,134.28	33,133,389,134.28	Total Public Debts	132,680,314,674.50	136,376,285,948.32	2021 Adjusted IGR (see DLI 4.2)	13,008,390,904.00	Gross FAAC Allocation**	62,921,907,564.00	Unsatisfactory	The State should reduce its debt to revenue ratio and ensure debt is sustainable. As a general guide, debt should not be more than 95% of Revenues and should ideally be much less.
	Financial Statements (₦)	DMO/ SDEDR Figures (₦)																		
Total Domestic Debts	99,546,925,540.22	103,242,896,814.04																		
Total External Debts	33,133,389,134.28	33,133,389,134.28																		
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Disbursement Linked Indicators (DLIs) and Tests	Findings		Conclusion	Recommendations						
		<table border="1" data-bbox="716 233 1367 399"> <tr> <td data-bbox="716 233 1108 289">Grants</td> <td data-bbox="1108 233 1367 289">4,438,868,968.78</td> </tr> <tr> <td data-bbox="716 289 1108 344">Other Revenues</td> <td data-bbox="1108 289 1367 344">00.00</td> </tr> <tr> <td data-bbox="716 344 1108 399">Total Revenue</td> <td data-bbox="1108 344 1367 399">94,208,535,954.27</td> </tr> </table> <p data-bbox="688 456 1430 591">a. The State’s domestic debt stock figure in the Federal DMO State Domestic and External Debt Report for 2021 is at the end of Q4 2021. We have computed the total debts stock / Revenue percentage for the 2021 year, as follows:</p> <p data-bbox="688 651 1020 675">DMO DEBT COMPUTATION</p> $\frac{\text{₦}136,376,285,948.32 \times 100}{\text{₦}94,208,535,954.27} = 144.76\%$ <p data-bbox="688 873 1003 898">AFS DEBT COMPUTATION</p> $\frac{\text{₦}132,680,314,674.50 \times 100}{\text{₦}94,208,535,954.27} = 140.83\%$ <p data-bbox="709 1122 1423 1187">We have computed the total debt service deduction / Gross FAAC Allocation percentage for the 2021 year, as follows:</p> $\frac{\text{₦}5,492,106,649.00 \times 100}{\text{₦}62,921,907,564.00} = 8.73\%$ <p data-bbox="699 1373 1434 1438">b. The debt stock stated in the Federal DMO State Domestic and External Debt Report was compared with the debt</p>	Grants	4,438,868,968.78	Other Revenues	00.00	Total Revenue	94,208,535,954.27		
Grants	4,438,868,968.78									
Other Revenues	00.00									
Total Revenue	94,208,535,954.27									

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>stock stated in the Audited Financial Statement (as shown in the table above)</p> <p>Sources:</p> <p>i. For Total Revenue 2021 Audited Financial Statement, Page 11.</p> <p>ii. For Total Public Debt from DMO* as at December 31, 2021</p> <p>iii. NBS/OAGF (FAAC)</p> <p>*Table 3(i) below holds a breakdown of the Total Debt.</p> <p>** Refer to the FAAC table on DLI9 provided.</p>		

TABLE 3(i): DLI 9 31 DECEMBER 2021 STATE DEBT STOCK TABLES FOR ADAMAWA STATE

S/N	ADAMAWA STATE	2021 - AMOUNT (₦)
1	BUDGET SUPPORT LOAN (SOURCE FMOF)	22,021,729,672.49
2	BAIL OUT (SALARIES) (SOURCE CBN)	9,188,714,003.55
3	RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	10,548,861,856.50
4	EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,655,540,242.65
5	STATE BONDS	11,585,618,869.72
6	COMMERCIAL BANK LOANS	5,734,006,097.28

S/N	ADAMAWA STATE	2021 - AMOUNT (₦)
7	CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	12,421,085.56
8	ACCELERATED AGRIC DEVELOPMENT SCHEME LOAN	-
9	BAIL-OUT (INFRASTRUCTURE)	-
10	CBN DIFFERENTIATED CASH RESERVE REQ LOAN	-
11	HEALTHCARE DEDUCTIONS	-
12	BRIDGE FINANCE FACILITY	3,053,241,757.40
13	FAMILY HOMES FUND	4,958,605,545.00
14	ANCHOR BORROWERS PROGRAMME	743,544,150.32
15	OTHER FGN INTERVENTIONS	-
16	MICRO SMALL MEDIUM ENTERPRISE DEVELOPMENT FUND (MSMEDF)	-
17	JUDGEMENT DEBTS	-
18	GOVT - GOVT DEBTS	-
19	CONTRACTORS' ARREARS	2,871,019,767.23
20	PENSION AND GRATUITY ARREARS	19,847,262,901.73
21	SALARY ARREARS AND OTHER CLAIMS	3,022,330,864.62
22	OTHER DEBTS	-
	TOTAL DOMESTIC DEBT (TDD)	103,242,896,814.04
	TOTAL EXTERNAL DEBT (TED)	33,133,389,134.28
	TOTAL PUBLIC DEBT (TED+TDD)	136,376,285,948.32

TABLE 3(ii): DLI 9 31 DECEMBER 2021 - ADJUSTED REVENUE TABLES FOR ADAMAWA STATE

TEMPLATE: OPTION A	₦
Item	2021
1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)	62,921,907,564
1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)	41,927,861,930
1.1.1 Gross statutory allocation	35,167,470,058

1.1.2 Derivation	
1.1.3 Other FAAC transfers (also known as Distribution) such as excess PPT savings account, Forex equalization, excess bank charges, exchange rate gain, augmentation, others	6,760,391,872
1.2 VAT	20,994,045,634
2. Internally Generated Revenues (IGR) - Adjusted	13,008,390,904
3. Grants (internal and external)	4,438,868,969
4A. Other revenues (4.1 + 4.2 + 4.3)	-
4.1 Investment Income (e.g. dividends)	
4.2 Interest Earned	
4.3 Miscellaneous	
Total Revenues and Grants Calculations	
A) Total Revenues and Grants is (1+2+3+4A)	80,369,167,437

4. **Response from the State**

The State should please use the table below for their response.

S/N	State Response to the draft report	IVA Follow-up, response, treatment
1	<p>DLR 5</p> <p>SALARIES</p> <p>There was a reduction in payroll with the sum of N 21,964,366.46. This reduction can not be seen on the December payroll due to recruitment of 30 Medical Doctors, 200 Nurses, 10 Pharmacists, 10 Laboratory Staff and other Health workers.</p> <p>Coupled with the above, there was implementation of promotions and upgrading within the period March - December.</p> <p>PENSION</p> <p>There was a reduction on the pension payroll of N 12,162,670.96.</p>	<p>IVA notes the State's response as well as the State's supporting documents showing the list of the unverified pensioners and Staff, however note that the State did not respond to the Audit's findings on the numbers of pensioners that were found as unverified despite executing 100% Biometrics capture in 2020 APA.</p> <p>Thus, the State's response is unsatisfactory.</p>
2	<p>DLR 6.2</p> <p>Response to observation number one (1)</p> <p>The state E-procurement portal contain the Tenders or Bids that are open competitive tenders. See link below https://bpp.ad.gov.ng/advert.xhtml</p> <p>However the others are limited restricted tenders issued to specific vendors hereby tenders are not available on public domain</p>	<p>IVA Notes the State's response.</p> <p>The State provided login details. However, the transparency requirements of the SFTAS programme wants Citizens to be able to gain unhindered access to State's publications, which the password</p>

S/N	State Response to the draft report	IVA Follow-up, response, treatment
	<p>However, for further verification find login credentials to view details of all tenders for the four (4) pilots MDAs within the period January to June, 2022.</p> <p>review@bpp.health.gov.ng</p> <p>review@bpp.works.gov.ng</p> <p>review@bpp.education.gov.ng</p> <p>review@bpp.finance.gov.ng</p> <p>All password welcome</p> <p>welcome Response to observation number two (2)</p> <p>Find links to the state portal for various publications below.</p> <p>https://bpp.ad.gov.ng/publications/procurement_plans_by_mda.xhtml?faces-redirect=true (state procurement plan link)</p> <p>https://bpp.ad.gov.ng/advert.xhtml (State procurement tender link)</p> <p>https://bpp.ad.gov.ng/medias/others/2022/5/1656427056707_Details-of-contracts-awarded-above-threshold-from-January-to-June-2022.pdf (ocds publication link)</p> <p>However, for further details on process activities IVA can access system through credentials provided via the URL R2cow.biddingo.com</p> <p>review@bpp.health.gov.ng</p> <p>review@bpp.works.gov.ng</p> <p>review@bpp.education.gov.ng</p>	<p>restricts and it will be difficult for the citizens to have access to the password.</p>

S/N	State Response to the draft report	IVA Follow-up, response, treatment
	<p>review@bpp.finance.gov.ng</p> <p>All password</p> <p>Response to observation number three (3)</p> <p>Find links to the state portal for various publications below.</p> <p>https://bpp.ad.gov.ng/publications/procurement_plans_by_mda.xhtml?faces-redirect=true (state procurement plan link)</p> <p>https://bpp.ad.gov.ng/advert.xhtml</p> <p>(State procurement tender link)</p> <p>https://bpp.ad.gov.ng/medias/others/2022/5/1656427056707_Details-of-contracts-awarded-above-threshold-from-January-to-June-2022.pdf</p> <p>(ocds publication link)</p> <p>Response to observation number three (4)</p> <p>Adamawa state have only one e-procurement portal with a different output links R2cow.biddingo.com for MDA solicitation activities, saas.biddingo.com/adsbpp for vendors registration AND bpp.ad.gov.ng for main portal. Meanwhile the accountant general office have written a new report dated 26th October, 2022.</p> <p>Find attached accountant general separate report for your scrutiny</p>	

S/N	State Response to the draft report	IVA Follow-up, response, treatment
2	<p>DLR 1.2</p> <p>“I wish to forward here that below the line (BTL) Receipts and Payments are statutory and non-statutory deductions made from gross amounts of payment of salaries, pensions and contracts such as union dues, national housing fund and other deductions.</p> <p>The amounts deducted are made at source and held for payments to the relevant beneficiary agencies and unions. Therefore recognizing them as part of expenditures in our records may lead to double counting in treatment of the transactions.</p> <p>However, BTL payments are recognized and detailed in the 2021 Financial statements under “Note 13” as additional explanations”</p>	<p>IVA notes the State’s response. This has been included in the report.</p>
3		
4		