



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

**2021 Annual Performance Assessment (APA) Report**

**NASARAWA 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 Nasarawa 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 Nasarawa and shows areas where the State was able to achieve results. In total, Nasarawa State achieved 13 (Thirteen) DLRs out of 15 DLRs applicable to the 2021 APA of which 3 (Three) DLRs were achieved in the 2020 APA.

**Table 1: Assessment Results**

<b>Key:</b>	<b>Achieved</b>	<b>Not Achieved</b>	<b>Previously Achieved</b>
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Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
<b>DLI 1:</b> 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%		
<b>DLI 2:</b> 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.		The State did not publish online, the citizens' budget before the due date on the State website.
	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.		
<b>DLI 3:</b> 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.		
<b>DLI 4:</b> 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	2020	
	DLR 4.2: 2020-2021 annual nominal IGR growth rate meets target	Stretch Target	

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
	<p><b>-Basic target:</b> 20%-39%</p> <p><b>-Stretch target:</b> 40% or more</p>	Met	
<p><b>DLI 5:</b> Biometric registration and Bank Verification Number (BVN) used to reduce payroll fraud</p>	<p>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</p>		
	<p>DLR 5.2: Link BVN data to at least 95 percent of current civil servants and pensioners on the payroll and payroll fraud addressed</p>		
<p><b>DLI 6:</b> Improved procurement practices for increased transparency and value for money</p>	<p>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</p>	2020	
	<p>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</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>		The State did not implement e-procurement in at least 4 MDAs by the due date.
<p><b>DLI 7:</b> Strengthened public debt management and fiscal responsibility framework</p>	<p>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.</p>	2020	
	<p>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.</p>		
<p><b>DLI 8:</b> Improved clearance/reduction of the stock of domestic expenditure arrears</p>	<p>DLR 8: 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><b>Basic target:</b> At least a 5 percent decline or maintain stock below 5 billion naira</p> <p><b>Stretch target:</b> More than 20 percent decline</p>	Basic Target	

Disbursement Linked Indicators	Disbursement Linked Results	Results	Remarks
<b>DLI 9:</b> Improved debt sustainability	Average monthly debt service deduction is < 40% of gross FAAC allocation for FY2021  AND  Total debt stock at end of December 2021 as a share of total revenue for FY2021 meets target: Basic target: < 120%, Stretch target: < 95%.	Stretch Target Met	

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 2.1: The minutes of the consultation should be jointly prepared and signed with the CSOs representatives and be posted on the State's website with the proposed budget on or before the deadline for the publication of the approved annual budget.
2. DLR 6.2: e-Procurement should be implemented as soon as possible. Contract award information, above the set threshold, should be published online every month in OCDS format on the State's website. Implement e-procurement in all MDAs and publish contract award information in the OCDS format on the online portal for the MDAs.

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

## 2. Introduction

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### 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 engaged the services of experts in Taxation, Procurement, and Debt Management laws to review the legislation in place at each 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 eligibility assessment results were reported previously to each state and are included in Appendix A.

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 *(18/07/2022 and 24/07/2022)* with a team of 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
<b>DLI 1: Improved Financial Reporting and Budgeting Reliability</b>				
<b>DLR 1.1</b>	<b>Financial Year [2021] quarterly budget implementation reports published on average within [4 weeks] of quarter end to enable timely budget management</b>		<b>Achieved</b>	
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?	The Quarterly budget implementation reports were posted online on Q1- 2021 <a href="https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/Nasarawa%20Q1%202021%20BPR%20for%20Public%20ation.pdf">https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/Nasarawa%20Q1%202021%20BPR%20for%20Public%20ation.pdf</a> Q2- 2021 <a href="https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/BPR3-C%20Nasarawa%20Q2%202021%20BPR%20Publication%2023-JUL-21%20Final.pdf">https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/BPR3-C%20Nasarawa%20Q2%202021%20BPR%20Publication%2023-JUL-21%20Final.pdf</a> Q3- 2021 <a href="https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/NASARAWA%20STATE%20THIRD%20QUARTER%20(Q3)%202021%20BUDGET%20PERFORMANCE%20REPORT.pdf">https://nasarawastate.gov.ng/pdf_documents/2021%20BPR/NASARAWA%20STATE%20THIRD%20QUARTER%20(Q3)%202021%20BUDGET%20PERFORMANCE%20REPORT.pdf</a> Q4- 2021 <a href="https://nasarawastate.gov.ng/wp-">https://nasarawastate.gov.ng/wp-</a>	Satisfactory	



Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>content/uploads/2022/01/Nasarawa-Q4-2021-BPR-Publication-25-JAN-221.pdf</p> <p>The State's website was accessed on (19/7/2022).</p> <p>Dates of online publication are as follows:            Q1 – (26/4/2021 - 3.7 weeks (26 days)            Q2 – (23/7/2021) - 3.29 weeks (23 days)            Q3 – (23/10/2021) - 3.29 weeks (23 days)            Q4 – (27/1/2022) - 3.9 weeks (27 days)            Average days (weeks) for the online publication was computed based on the last 4 quarters, as below:  <math display="block">\frac{26+23+23+27}{4}</math>            Average = 24.75 days (3.54 weeks)            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 each	<p>From our review of the Quarterly Budget Implementation reports downloaded from the State's website (see web links above) we observed the following:            The Budget Implementation Report for Q1, Q2, Q3 and Q4, includes the approved budget appropriation for the year against each organizational unit (MDAs) for each of the core economic classification of expenditures.            The actual expenditures for the quarter attributed to each MDA as well as the cumulative expenditures for year to date were captured in the Quarterly (Q1, Q2, Q3 &amp; Q4) Budget Implementation Reports            The balances against each of the revenue and expenditure appropriations were captured in the Budget Implementation Reports</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	of the revenue and expenditure appropriations.	<p>The State has a supplementary budget. The Quarterly Budget Implementation Reports (Q1, Q2 &amp; Q3) shows the approved original budget only while the Q4 Budget Implementation Report shows the approved original budget and final budget. The inclusion of the final budget has taken into cognizance the supplementary budget elements.</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 Consolidated Budget Performance report 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												
<b>DLR 1.2</b>	<b>FY [2021] deviation from total approved budget expenditure is less than 15%</b>		<b>Achieved</b>													
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 17.52%</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 (pg1 &amp; pg2)</td> <td>48,285,054,925.73</td> <td>36,544,553,186.96</td> </tr> <tr> <td>Rec. Exp (pg1 &amp; pg2)</td> <td>67,437,759,617.28</td> <td>64,326,062,199.62</td> </tr> <tr> <td><b>Total</b></td> <td><b>115,722,814,543.01</b></td> <td><b>100,870,615,386.58</b></td> </tr> </tbody> </table> $\frac{\text{₦ } 115,722,814,543.01 - \text{₦ } 100,870,615,386.58}{\text{₦ } 115,722,814,543.01} \times 100 = 12.8\%$ <p>The budget performance deviation is 12.8%</p> <p><b>Source:</b> 2021 Audited Financial Statement: Recurrent Expenditure and Capital Expenditure Pg 1 and Pg 2 respectively. 2021 Approved Budget Pg 1</p> <p>IVA compared the copies of the Audited Financial Statement 2021 downloaded with that provided at the field by the state. The total figures for income, expenditure, assets, and liabilities are the same.</p>		Total Approved Budget (₦)	Actual Outturn (₦)	Capital (pg1 & pg2)	48,285,054,925.73	36,544,553,186.96	Rec. Exp (pg1 & pg2)	67,437,759,617.28	64,326,062,199.62	<b>Total</b>	<b>115,722,814,543.01</b>	<b>100,870,615,386.58</b>	Satisfactory	
	Total Approved Budget (₦)	Actual Outturn (₦)														
Capital (pg1 & pg2)	48,285,054,925.73	36,544,553,186.96														
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<b>Total</b>	<b>115,722,814,543.01</b>	<b>100,870,615,386.58</b>														

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>IVA also compared the budgeted figures in the downloaded copy of the Audited Financial Statement 2021 against the 2021 Original Budget and the following discrepancies were identified:</p> <p><b>Recurrent revenue:</b>            AFS - N83,612,808,361            Original budget - N83,613,808,360.89            Difference - N999,999.89            IVA raised the APA issue and sent it to the State requesting for explanation. State responded by confirming that the difference which represents investment income was not recognized in AFS as an oversight.</p> <p><b>Capital revenue:</b>            AFS - N15,056,500,000            Original budget - N27,602,798,162.27            Difference - N12,546,298,162.27            IVA has raised the APA issue and sent it to the State requesting for explanation. State responded by confirming that the figure of N 15,056,500,000 as picked in Statement No.4 is an error and the correct amount is N 15,356,500,000. The State also confirmed that the domestic/foreign loan amount of N 14,455,798,162.7 is part of their budgeted capital revenue and the aggregate amount for budgeted capital revenue is N29,812,298,162.70. Consequently, the difference between the budget amount stated in the AFS and that of the original budget is as a result of the supplementary budget.</p> <p><b>Recurrent expenditure:</b>            AFS - N69,033,909,618            Original budget - N67,437,759,617.28            Difference - N1,596,150,000.72</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		IVA has raised the APA issue and sent it to the State requesting for explanation. The State responded by confirming that the differences of N1, 596,150,000 was as a result of some formula which was not linked with some cells in the Budget while in the AFS, items were picked individually to arrive at N69, 033,909,618. The financial statement figures or values published online on the State's website are one and the same with the AFS 2021 Hard Copy obtained.		
<b>DLI 2: Increased Openness and Citizens' Engagement in the Budget Process</b>				
<b>DLR 2.1</b>	<b>Citizens' inputs from formal public consultations are published online, along with the proposed FY [2022] budget AND Citizens' budget based on approved FY21 state budget published online by end April 2021 with functional online feedback mechanisms</b>		<b>Not Achieved</b>	
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?	IVA obtained and reviewed Communique issued at the End of Town Hall Meeting, Minutes of Meetings held in each geo-political zones of the State, Attendance List of the participants and pictures taken at the consultative fora. <ul style="list-style-type: none"> <li>a) Some of the LGAs that were in attendance were: Keffi, Nasarawa Eggon, Toto, Lafia, Akwanga and Doma.</li> <li>b) Some of the Citizens, Citizens groups, state-based CBOs, state-based CSOs representatives in attendance were: Some of the Citizens Present: <ul style="list-style-type: none"> <li>i. Mr Isaac Ukpoju - 08060907722</li> </ul> </li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<ul style="list-style-type: none"> <li>ii. Mr Salisu Ibrahim - 08038830497</li> <li>iii. Habiba Abdullahi - 08035970650</li> <li>iv. Ibrahim Aliyu Elayo - 08104893496</li> <li>v. Joshua Jonathan - 08065555562</li> <li>vi. Ajegena Bernard S. - 08033794761</li> <li>vii. Hauwa Usman - 09066644591</li> <li>viii. Yerima Esson A. - 09033407527</li> <li>ix. Nyapzak Panshak S. - 07037774337</li> <li>x. Eche Helen O. 08103583827</li> </ul> <p>State-based CBOs in attendance:</p> <ul style="list-style-type: none"> <li>i. Kwararafa Women Association, Lafia</li> <li>ii. Women for Safety Environment, Lafia</li> <li>iii. Association of Small Scale Agro-Producer in Nigeria (ASSAPIN), Lafia</li> <li>iv. CS-SUNN Lafia.</li> <li>v. Azuba Community Development Forum</li> </ul> <p>State-based CSOs in attendance:</p> <ul style="list-style-type: none"> <li>i. Christian Association of Nigeria (CAN)</li> <li>ii. News Agency of Nigeria (NAN)</li> <li>iii. Federation of Muslim Women Association of Nigeria (FOMWAN)</li> <li>iv. YMCA</li> <li>v. Oklo Multi-purpose Cooperative Society Limited.</li> </ul> <p>c) The sources of information from which our conclusions were drawn include Communique Issued at the End of Public Consultations, minutes from public consultation held in three geo-political zones, attendance list, pictures and questionnaires.</p> <p>d) The dates of the Public Consultation were 13th, 27th and 29th April, 2021, and the venue of the consultation on the budget proposal were Isa Mustapha Agwai Polytechnic, Lafia (Nasarawa</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>South Senatorial zone), Nasarawa State University, Keffi (Nasarawa West Senatorial zone) and College of Education Akwanga (Nasarawa North Senatorial zone).</p> <p>e) IVA called 10 attendees to confirm their attendance at the public consultation.</p> <p>f) The budget was drafted on 9th December, 2021. The Governor's Speech has been retained in the file as evidence. IVA compared the date of the public consultation and the date of the draft budget. Public Consultation was held before the draft budget.</p> <p>g) The date of online publication of the proposed budget was 23rd November, 2021.</p> <p>h) It was published before the deadline of 31 January 2022.</p> <p>i) The web link for the publication of the proposed budget:  <a href="https://nasarawastate.gov.ng/download/nasarawa-state-2022-proposed-budget/">https://nasarawastate.gov.ng/download/nasarawa-state-2022-proposed-budget/</a>. This was accessed on 18/07/2022.</p>		
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?	<p>a) The name of at least one CSO that co-signed the Minutes was Oklo Farmers Multipurpose Cooperative Society Limited. A copy of the signed minutes has been retained in the assessment file.</p> <p>b) The title of the Minutes is "COMMUNIQUE ISSUED AT THE END OF THE TOWNHALL MEETINGS ON CITIZEN'S BUDGET ORGANIZED BY THE NASARAWA MINISTRY OF FINANCE, BUDGET AND PLANNING ACROSS THE THREE SENITORIAL ZONES HELD ON 13<sup>TH</sup>, 27<sup>TH</sup> ND 29<sup>TH</sup> APRIL, 2021</p> <p>c) The signatories represented Kwararafa Women Association (CSO) and State representatives.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>d) The web link to the publication is inserted:  <a href="https://nasarawastate.gov.ng/download/communiq-ue-of-town-hall-meetings-on-citizens-budget/">https://nasarawastate.gov.ng/download/communiq-ue-of-town-hall-meetings-on-citizens-budget/</a>  and date of publication (30/09/2021).  This was accessed on (18/07/2022).</p> <p>e) The published minutes were adequately sign-posted on the website.</p> <p>IVA observed that the Townhall meeting for the 2022 budget was held in April 2021 when the 2021 budget had not been significantly implemented.</p>		
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?	<p>a) The Citizens budget based on the Approved Budget (2021) was published on 13/04/2021( according to the backend timestamp) before the due date via <a href="https://nasarawastate.gov.ng/download/nasarawa-state-2021-citizens-budget-report-2/">https://nasarawastate.gov.ng/download/nasarawa-state-2021-citizens-budget-report-2/</a> which was accessed on (18/07/2022). However, the State website shows a publication (create) date of 31 May 2022 and the document properties showed the document was created on 7<sup>th</sup> April 2021. The IVA observed that these dates do not corroborate one another and therefore considered this unsatisfactory.</p> <p>b) A comparison of the <b>Approved</b> Budget 2021 with the Citizens Budget was done and there were no significant areas of discrepancies.</p> <p>c) IVA confirmed that the Citizen’s budget was prepared in the format suggested to the States in the Citizen Budget User Manual and Excel Template by reviewing if any discrepancies exist among the following:</p> <p>i. Simple explanation of the annual approved</p>	Unsatisfactory	The State should ensure they publish online, on the State website, the citizens’ budget based on the full Annual Budget before the due date. Failing that, it should be published as soon as possible thereafter.



Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>budget/citizen's budget. Page 18</p> <ul style="list-style-type: none"> <li>ii. The sources of revenues. Pages 3-5</li> <li>iii. Sources of domestic and foreign grants, domestic loans, and other financing sources. Page 3</li> <li>iv. Total expenditure by economic classifications. Pages 7 and 8</li> <li>v. The total revenue and grants, total expenditures, budget deficit, budget financing, and financing gap. Page 9</li> <li>vi. Disclosure of Budget deficit (if any) and how it will be financed.</li> <li>vii. Sectoral Allocation (by MDAs). Page 10</li> <li>viii. Top Projects to be financed (at least 5). Page 11 and 23</li> </ul> <p>d) The minimum required budget information outlined above (extracted from the Citizen Budget User Manual and Template) has been included.</p> <p>e) The State used the same format and there was no area of significant difference identified.</p>		
4	Is the Citizens Budget a comprehensible (to citizens) summary of the approved FY21 state budget?	<p>a) The Citizens Budget included an explanation of the key components /information in the Approved FY21 Budget.</p> <p>We confirmed that the approved FY21 state budget was summarized in a comprehensible manner to the Citizens in the Citizens budget.</p> <p><b>There was no inconsistency between the Citizen Budget and FY21 State budget.</b></p>	Satisfactory	
5	Does the State website have functional feedback and response online mechanisms?	<p>a) The State has established functional feedback and response online mechanisms on its website.</p> <p>b) The type of feedback mechanism established on the</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>State website was online feedback form and WhatsApp feedback mechanism.</p> <p>c) The State's feedback mechanism provides at a minimum:</p> <ul style="list-style-type: none"> <li>i. Acknowledgement of receipt of comments/feedbacks from citizens</li> <li>ii. State's responses to comments/feedbacks</li> <li>iii. Display of timeframe and the State's government contact details.</li> </ul> <p>IVA obtained screenshot as evidence of all of the above i to iii.</p> <p>d) IVA tested the feedback mechanisms to confirm its functionality or otherwise. IVA requested the State personnel for a guide in understanding the procedure on the feedback mechanism. IVA sent an email (info@nasarawa.gov.ng) and WhatsApp number (09067996844) messages to the channels. An auto responder message was received from the email channel and also an immediate response from the WhatsApp platform.</p> <p>e) A demonstration was done by the Bureau of Information and Communication Technology to provide further evidence to demonstrate how the State has responded to feedback submitted online. IVA sent an email (info@nasarawa.gov.ng) and WhatsApp number (09067996844) messages to the channels. An auto responder message was received from the email channel and an immediate response from the WhatsApp platform.</p> <p>f) IVA concluded that the State's feedback mechanism is functional.</p> <p>g) The web link is inserted thus:  <a href="https://nasarawastate.gov.ng/contacts/">https://nasarawastate.gov.ng/contacts/</a>  The Link gives indication that "Malicious Site Blocked"</p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		which shows that the website is susceptible to attacks, which will discourage users.		
<b>DLR 2.2</b>	<b>Citizen's Accountability Report based on audited financial statements/report published online for FY2020 not later than 30th September,2021.</b>		<b>Achieved</b>	
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"> <li>a) The Citizen's Accountability Report has been downloaded.</li> <li>b) A review was done on the downloaded Citizens Accountability Report</li> <li>c) The Citizen's Accountability Report was published before September 30, 2021. A copy is retained in the assessment file.</li> <li>d) IVA compared the full Annual Audit Report for the year 2020 with the Citizen's Accountability Report and there was no discrepancy.</li> <li>e) IVA obtained and reviewed the evidence of public consultations with Citizens to explain the FY2020 financial statement.</li> </ul>	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"> <li>a) The Citizens Accountability Report based on the Annual Audit Report (2020) was published before the date on (17/09/2021) via <a href="https://nasarawastate.gov.ng/download/nasarawa-state-draft-citizens-accountability-report/">https://nasarawastate.gov.ng/download/nasarawa-state-draft-citizens-accountability-report/</a> and accessed by IVA on (18/07/2022).</li> <li>b) A comparison of the Annual Audit Report FY20 with the Citizens Accountability Report 2020 was done and there were no areas of discrepancy.</li> <li>c) The Citizen's Accountability Report was prepared according to the Template provided to the State by</li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>confirming if any discrepancies exist among the following:</p> <ul style="list-style-type: none"> <li>i) Simple explanation of the Citizens Accountability Report and Executive Summary. Page 2 and 3.</li> <li>ii) The Budget Outturn. Page 4 and 5.</li> <li>iii) The Revenue Outturn. Page 6 to 8.</li> <li>iv) The Expenditure Outturn. page 9 and 10.</li> <li>v) The Audit Findings. Page 11 and 12.</li> <li>vi) The Audited Financial Statements. Page 13 and 14</li> <li>vii) Top Sectoral Allocations. Page 15 and 20.</li> <li>viii) Top Value Capital Projects. Page 21 - 22</li> <li>ix) Citizens-Nominated. Projects-Implementation Status Report. Page 23 and 24</li> <li>x) The minimum required citizen's accountability report information outlined above (extracted from the Template) has been included.</li> <li>xi) The suggested format was used in the Citizen Accountability Report. Hence, there were no discrepancies.</li> </ul>		
3	Is the Citizens Accountability Report a comprehensible (to citizens) summary of the FY20 Annual Audit Report?	<ul style="list-style-type: none"> <li>a) The Citizen's Accountability Report presents in a summarized manner the Audited Financial Statement FY2020.</li> <li>b) The Citizens Accountability Report included a concise explanation of the key components of the FY2020 Audited Financial Statements.</li> <li>c) The State held a public consultation to explain details of the Audited Financial Statement to the Citizens. The Meeting which was held on 16th September 2021 at the Conference Hall of the Ministry of Local Government and Chieftaincy Affairs was attended by representatives of LGs,</li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>CSOs, CBOs, People Leaving with Disability, Farmers Associations etc. The Meeting was basically for the presentation of Annual Audited Financial Statement 2020.</p> <p>a) We confirmed that the FY20 Annual Audit Report or Audited Financial Statement was summarized in a comprehensible manner to the Citizens in the Citizens Accountability Report. We further confirmed that the CAR was published online by the deadline and presented at a public consultation held on 16th September 2021.</p>		
<b><i>DLI 3: Improved Cash Management and reduced Revenue Leakages through Implementation of State TSA</i></b>				
<b>DLR 3.0</b>	<b>Improved cash management and reduced revenue leakages through the implementation of State TSA</b>		<b>Achieved</b>	
1	Has the State established a functional State-level TSA?	<p>[Tests Nos. 2-5 below were first concluded and based on our findings IVA responded to test No. 1]</p> <p>a. The State has established a functional state-level TSA.</p> <p>b. The State operates multiple accounts. The account details are as follows:</p> <ul style="list-style-type: none"> <li>● IGR Main Account: Account name: Nasarawa state IGR pool account Account number: 2033340223 Bank name: First bank of Nigeria Plc</li> <li>● FAAC Monthly Allocation (TSA Account): Account name: Nasarawa state consolidated revenue fund account Account number: 1023704812</li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>Bank name: United Bank for Africa Plc</p> <ul style="list-style-type: none"> <li>VAT Monthly Allocation through FAAC: Account name: Nasarawa State Government VAT account Account number: 0817669766 Bank name: Access bank Plc</li> </ul> <p>These three (3) accounts operated by Nasarawa State Government are all linked together and can be viewed from a single electronic dashboard. The FAAC Account is the TSA main account with balances of other accounts being swept off intermittently into it.</p>		
2	<p>Is there a formally approved cash management strategy in place? 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 reliable information on the availability of funds.</p>	<p>The State has a cash management strategy.</p> <ol style="list-style-type: none"> <li>The document's name is: Nasarawa State Government Cash Management Strategy.</li> <li>It was produced in June 2020 and signed by the Commissioner of Finance, State Accountant-General and the Executive Governor of Nasarawa State.</li> <li>The clause number and page where it showed that it covered the processes through which the State Ministry of Finance or Budget/Economic Planning is able to forecast cash commitments and requirements are pages 22(5.2.1) and 24 (5.2.9).</li> <li>In terms of cash sweeping, the Cash Management Strategy states that it should be done monthly (page 24).</li> <li>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. The State provided their Cash Plan which showed the existence of cash commitments and</li> </ol>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		requirements forecasts at monthly intervals.		
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 for Inflows is Central Billing and Tax Administration System (CBS), the producer of the application is Fourcore Technology Solution Ltd. For outflows, the computer application name is Remita, the producer is System Specs Ltd.</p> <p>b) It is in line with the approved Cash Management Strategy page 24 (5.2.12).</p> <p>c) CBS was deployed in 2019 and Remita was deployed 2017</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) The following Revenue generating MDAs were visited: Ministry of Health, Ministry of Education and Ministry of Works. The Director of Finance and Administration (DFA) in these three MDAs were interviewed. All three DFAs confirmed that all revenues collected by the MDAs are done centrally through the Central Billing System (CBS) at the various commercial banks. The revenues are swept daily from the different collecting commercial Banks into the IGR pool account maintained at the First bank Plc. before being swept into the TSA monthly.</p> <p>b) The TSA of the State is the FAAC Statutory allocation account with United Bank for Africa Plc, Account number: 1023704812</p> <p>c) All Government monies go through this account.</p> <p>d) All Government monies do not sit in the other revenue collecting banks.</p> <p>e) The TSA bank Statement, which is United Bank for Africa Plc. was obtained.</p>	Satisfactory	
5	Does the TSA cover a minimum of 80% of the State Government's finances?	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	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations												
	<p>Statement for the year ended 2021.</p> <p>See the computation below:</p> <table border="1" data-bbox="680 310 1352 493"> <thead> <tr> <th></th> <th>Total Inflows (₦)</th> <th>Total Outflows (₦)</th> </tr> </thead> <tbody> <tr> <td>TSA Bank Statement</td> <td>85,658,659,420.36</td> <td>84,811,052,311.02</td> </tr> <tr> <td>Government Finances*</td> <td>103,582,491,181.52</td> <td>100,876,615,386.58</td> </tr> <tr> <td>Percentage</td> <td>83</td> <td>84</td> </tr> </tbody> </table> <p>The average percentage computation is:</p> $\frac{83\% + 84\%}{2} = 83.5\%$ <p>The TSA covered 84% of the State's finances.</p> <p><b>*Sources:</b> 2021 Audited Financial Statement (Cash flow Statement) Pgs. 1&amp;2 and the TSA Statement from UBA for January - December 2021.</p> <p>The results of IVA review of inflows and outflows shown on the TSA Statements to identify spurious items that increase the year end totals for no justifiable reason are shown below.</p> <p>IVA has set out the adjustments made to the TSA Year end totals to remove the spurious entries/transactions before conducting the calculations shown above.</p> <p>Total inflows in the TSA bank Statement are N93,272,947,582.11 less all transactions that reverse and cancel out totaling N7,614,338,161.75. The balance for inflows in the TSA is N85,658,659,420.36 while the balance for outflows in the TSA is N84,811,052,311.02 (Total outflow of N92,425,390,472.77 less reversals of</p>		Total Inflows (₦)	Total Outflows (₦)	TSA Bank Statement	85,658,659,420.36	84,811,052,311.02	Government Finances*	103,582,491,181.52	100,876,615,386.58	Percentage	83	84		
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Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>N7,614,338,161.75) (The detailed calculation has been uploaded on the assessment file).</p> <p><b>Note:</b> State's Annual Outflow in 1.2 (Actual) is the same in the table above shown as Government Finances (Outflow).</p> <p>No APA issue report was raised to seek explanations from the State since no material difference exists between either the total TSA inflows or outflows and the Cash flow Statement inflows and outflows</p>		
<b>DLI 4: Strengthened Internally Generated Revenue (IGR) Collection</b>				
<b>DLR 4.1</b>	<b>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</b>		<b>Achieved in 2020 APA</b>	
1	Does the State have an up-to-date consolidated revenue code that includes all the State's IGR sources and rates and all the local governments (falling under that State) IGR sources and rates?	Previously Achieved in 2020 APA		
2	Does the consolidated revenue code stipulate that the State Bureau of Internal Revenues	Previously Achieved in 2020 APA		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	(SBIR) or the State Internal Revenue Service (SIRS) as the sole agency responsible for State revenue (tax and non-tax) collection and accounting in the State?			
3	Is the collection of revenues made into account(s) nominated by the SBIR OR SIRS have full oversight of the accounts and is responsible for reporting and accounting for the revenues?	Previously Achieved in 2020 APA		
4	Is the code approved by the State legislature to have a legal basis, either as a law or a resolution?  It cannot be an executive order with no legal basis. The approval shall occur by the 31 December of the year under assessment to count for that year, up to 31 December 2021.	Previously Achieved in 2020 APA		
5	Is the Publication published online, so it is automatically available to the public/all taxpayers?	Previously Achieved in 2020 APA.		
<b>DLR 4.2</b>	<b>Annual nominal IGR growth rate meets target</b>		<b>Achieved</b> (Stretch Target Met)	
1	Has the 2021-2020 annual nominal IGR growth rate met the basic or stretch targets?	a. The accounting basis used for revenue reporting in 2020 and 2021 from the Audited Financial Statements or State Auditor-General's Report is cash	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations																																																				
<p><b>Basic Target:</b> 20% - 39%</p> <p><b>Stretch Target:</b> 40%</p>	<p>b. The IVA computed the annual nominal IGR growth rate for this year APA. See the computation below:</p> <table border="1" data-bbox="678 344 1352 1403"> <thead> <tr> <th data-bbox="678 344 842 435">REPORTING TEMPLATE: OPTION A</th> <th data-bbox="842 344 1058 435">₱</th> <th data-bbox="1058 344 1274 435">₱</th> <th data-bbox="1274 344 1352 435">% GRO WTH</th> </tr> <tr> <th data-bbox="678 435 842 475">Item</th> <th data-bbox="842 435 1058 475">2020</th> <th data-bbox="1058 435 1274 475">2021</th> <th data-bbox="1274 435 1352 475"></th> </tr> </thead> <tbody> <tr> <td data-bbox="678 475 842 625">Memo: Reported IGR in AFS (Before Adjustments)</td> <td data-bbox="842 475 1058 625">16,079,129,273.00</td> <td data-bbox="1058 475 1274 625">20,700,930,824.04</td> <td data-bbox="1274 475 1352 625">29%</td> </tr> <tr> <td data-bbox="678 625 842 784">VALID IGR items to be counted as IGR</td> <td data-bbox="842 625 1058 784">11,874,472,593</td> <td data-bbox="1058 625 1274 784">20,685,276,831</td> <td data-bbox="1274 625 1352 784"></td> </tr> <tr> <td data-bbox="678 784 842 841">Direct tax</td> <td data-bbox="842 784 1058 841">5,261,255,790</td> <td data-bbox="1058 784 1274 841">11,021,810,387.25</td> <td data-bbox="1274 784 1352 841"></td> </tr> <tr> <td data-bbox="678 841 842 932">Personal income tax (PAYE)</td> <td data-bbox="842 841 1058 932"></td> <td data-bbox="1058 841 1274 932"></td> <td data-bbox="1274 841 1352 932"></td> </tr> <tr> <td data-bbox="678 932 842 974">Licenses</td> <td data-bbox="842 932 1058 974">178,301,363</td> <td data-bbox="1058 932 1274 974">214,168,821.27</td> <td data-bbox="1274 932 1352 974"></td> </tr> <tr> <td data-bbox="678 974 842 1016">Levies</td> <td data-bbox="842 974 1058 1016"></td> <td data-bbox="1058 974 1274 1016"></td> <td data-bbox="1274 974 1352 1016"></td> </tr> <tr> <td data-bbox="678 1016 842 1058">Fees</td> <td data-bbox="842 1016 1058 1058">4,751,237,273</td> <td data-bbox="1058 1016 1274 1058">7,749,926,168.09</td> <td data-bbox="1274 1016 1352 1058"></td> </tr> <tr> <td data-bbox="678 1058 842 1117">Fines &amp; Charges</td> <td data-bbox="842 1058 1058 1117">7,847,750</td> <td data-bbox="1058 1058 1274 1117">109,191,495</td> <td data-bbox="1274 1058 1352 1117"></td> </tr> <tr> <td data-bbox="678 1117 842 1175">Rent on land &amp; others</td> <td data-bbox="842 1117 1058 1175">591,494,321</td> <td data-bbox="1058 1117 1274 1175">536,216,045.35</td> <td data-bbox="1274 1117 1352 1175"></td> </tr> <tr> <td data-bbox="678 1175 842 1263">Sales of goods and services</td> <td data-bbox="842 1175 1058 1263">547,008,992</td> <td data-bbox="1058 1175 1274 1263">433,496,126.18</td> <td data-bbox="1274 1175 1352 1263"></td> </tr> <tr> <td data-bbox="678 1263 842 1403">Earnings (Excluding interest or investment income)</td> <td data-bbox="842 1263 1058 1403">510,108,199</td> <td data-bbox="1058 1263 1274 1403">592,702,777.77</td> <td data-bbox="1274 1263 1352 1403"></td> </tr> </tbody> </table>	REPORTING TEMPLATE: OPTION A	₱	₱	% GRO WTH	Item	2020	2021		Memo: Reported IGR in AFS (Before Adjustments)	16,079,129,273.00	20,700,930,824.04	29%	VALID IGR items to be counted as IGR	11,874,472,593	20,685,276,831		Direct tax	5,261,255,790	11,021,810,387.25		Personal income tax (PAYE)				Licenses	178,301,363	214,168,821.27		Levies				Fees	4,751,237,273	7,749,926,168.09		Fines & Charges	7,847,750	109,191,495		Rent on land & others	591,494,321	536,216,045.35		Sales of goods and services	547,008,992	433,496,126.18		Earnings (Excluding interest or investment income)	510,108,199	592,702,777.77			
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Disbursement Linked Indicators (DLIs) and Tests		Findings			Conclusion	Recommendations
		Rent of govt. property/building	27,248,905	27,765,010.23		
		Other				
		"Adjusted IGR" for DLI 4.2 Calculation				
		Sum of all VALID items of IGR if AFS has that detail	11,874,472,593	20,685,276,831	74%	
		$\frac{\text{₦}20,685,276,831 - \text{₦}11,874,472,593}{\text{₦}11,874,472,593} \times 100 = 74\%$				
		The annual nominal growth was 74%.				
		Source: 2021 Audited Financial Statement Page 1				
<b>DLI 5: Biometric Registration and Bank Verification Number (BVN) Used to reduce Payroll Fraud</b>						
<b>DLR 5.1</b>	<b>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</b>				<b>Achieved</b>	
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 2015 and completed it in 2020.</p> <p>a) It was outsourced to Seamfix Integrated in 2015 and Fourcore Technology in 2020.</p> <p>b) The total number of civil servants is 16,320.</p>			Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>c) The total number of pensioners is 3,390.</p> <p>d) The total number of civil servants and pensioners on the State Nominal roll and payroll is 19,710.</p> <p>e) The total number of civil servants and pensioners on the Nominal roll and payroll changed by 1%.</p> <p>f) Total number of people whose biometrics data has been captured is 19,710 (civil servants 16,320 and pensioners 3,390)</p> <p>g) IVA obtained the 2021 Report of Biometric Exercise for the State employees from the Office of the Accountant General and a one page report from Nasarawa State Pension Bureau. The above documents have been retained in the assessment file.</p> $\frac{19,710}{16,320 + 3,390} \times 100 = 100\%$ <p>The State had captured 100% <b>biometrics</b> of the State's civil servants and pensioners on its payroll.</p>		
2	<p>Has the State linked the biometrics data to the State payroll to identify ghost workers?</p> <p>a) The State commenced the linkage of the biometric data to the payroll in 2015 and completed it in 2020.</p> <p>b) The total number of staff and pensioners that have been linked is 19,710.</p> <p>c) No ghost workers were detected during the biometric validations.</p> <p>d) No amount of money was saved as the state does not have ghost workers.</p> <p>e) In-year change to the civil servant and pensioner payrolls (as a result of staters, leavers, deaths, etc.) are captured by the biometric exercise. (See the 2021 Report of Biometric Exercise for the State Employees).</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, IVA confirmed that the State has a variation order and computer modification form for stoppage of those who are removed as at when due.</p> <p>g) There were changes to the civil servant and pensioner payroll during the fiscal year (as a result of staters, leavers, deaths, etc.) or voluntary resignation.</p> <p>h) The above changes were captured by the biometric exercise.</p> <p>i) The procedure put in place to identify and remove ghost workers is the establishment of the Integrated Payroll and Personnel Management System. The System removes ghost workers, dead workers, retired workers etc. from the system after receiving a letter from the Ministry of Finance, Budget and Planning, mandating them to do so.</p>		
3	Has the State removed confirmed ghost workers and ghost pensioners within three (3) months of each case being confirmed?	<p>a) Ghost workers were not detected during the linkage</p> <p>b) Ghost workers were not identified.</p> <p>c) Ghost workers were not identified, and none was removed from the payroll.</p> <p>d) The total payments (emoluments of employee and pensioners) remain the same since there were no ghost workers.</p> <p>e) The total payments (emoluments of employee and pensioners) remain the same since there were no ghost workers.</p> <p>f) IVA source(s) of this information is a 2021 Report of Biometric Exercise for the State Employees, from the Office of Accountant General Nasarawa State, page1-10 Biometric and BVN Reports on Active Civil Servants and Pensioners as at 31st December 2021”</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
5.2	Link BVN data to at least [95] percent of current civil servants and pensioners on the payroll and payroll fraud addressed		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 servants and pensioners in 2015 and completed it in 2020.</p> <p>a) It was outsourced to Seamfix integrated in 2015 and Fourcore technology in 2020.</p> <p>b) The total number of civil servants and pensioners is 19,710 (civil servants 16,320 and pensioners 3,390).</p> <p>c) The total no of civil servants and number of pensioners on the state nominal roll is (civil servants 19,710 and pensioners 3,390)</p> <p>d) The total number of BVN data that has been linked to payroll is 19,710 (pensioners 3,390 and Civil servants 19,710)</p> <p>e) IVA obtained the 2021 Report of Biometric Exercise for the state Employees and one page report from Nasarawa state Pension Bureau.</p> $\frac{19,710}{16,320 + 3,390} \times 100 = 100\%$ <p>The State has linked 100 % of the State's civil servants and pensioners' BVN data to the payroll.</p>	Satisfactory	
2	Has the State taken steps to identify payroll fraud?	<p>a) The total number of Civil Servants and Pensioners with BVN data are 16,710 and 3,390 respectively. All civil servants and pensioners were captured.</p> <p>b) No record was kept since no payroll fraud was identified.</p> <p>c) No payroll fraud was identified.</p> <p>d) The total payments (emoluments of employee and</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>pensioners) remain the same since there was no payroll fraud.</p> <p>e) The total payments (emoluments of employee and pensioners) remain the same since there was no payroll fraud.</p> <p>f) IVA source(s) of this information are reports received from the Office of Accountant General Nasarawa State titled "2021 Report of Biometric Exercise for the State Employees" and Nasarawa State Pension Bureau, titled "Summary of report of pensioners in the State Payroll as at December 2021".</p>		
<b>DLI 6: Improved Procurement Practices for Increased Transparency and Value for Money</b>				
<b>DLR 6.1</b>	<b>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</b>		<b>Previously Achieved In 2020 APA</b>	
1	Does the State have a public procurement legal framework that must be approved by the State legislature to have a legal basis, either as a law or a resolution?	Previously Achieved in 2020 APA		



Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
2	Does the law conform with the UNCITRAL Model Law which should provide for? 1) e-Procurement; 2) establishment of an independent procurement regulatory agency; and 3) cover all MDAs receiving funds from the State budget.	Previously Achieved in 2020 APA		
3	Has the State instituted an independent procurement regulatory function, which may be performed through one or a combination of the following: bureau, commission, council, agency, or any other type of entity set up for the statutory purpose?	Previously Achieved in 2020 APA		
<b>DLR 6.2</b>	<b>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</b>		<b>Not Achieved</b>	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<b>portal if available.</b>			
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) The checks IVA carried out to confirm whether the schedule is indeed complete and comprehensive are:</p> <ol style="list-style-type: none"> <li>1. Number of Contract shown for traditional large spending for MDAs</li> <li>2. Number of awards in some or several months of the year</li> <li>3. Number of contracts shown for several MDAs in the period</li> <li>4. IVA checked if the total contracts awarded per the schedule provided by the State is in line with the approved capital budget for the year or the actual capital expenditure outturn for the year. It was observed that Actual Capital Outturn per AFS is N36,544.553,186.96 and total contracts awarded per the schedule provided is N30,395,091,344.62, given a difference of N6,149,461,842.34 APA issue has been sent to the State and the response is being awaited.</li> </ol> <p>c) The State published the information of all contracts awarded for the year under assessment above the threshold online (The threshold amount is N2M) - See procurement manual and the document has been retained in the assessment file.</p> <p>d) The list of contracts published online is complete based on a review against the schedule of all contracts provided with Capital Expenditure.</p> <p>e) The data published is in line with the Open Contracting Data Standards (OCDS).</p> <p>f) The source of the publication is OCDS portal.</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>A physical inspection of the Bureau of Public Procurement was conducted, and IVA observations confirmed the existence of a functional State instituted procurement regulatory function which is performed through Nasarawa State Bureau of Public Procurement (NSBPP).</p> <p>g) The minimum contract award information that was published are:</p> <ul style="list-style-type: none"> <li>(i) Project name,</li> <li>(ii) Awarding institution,</li> <li>(iii) Award date,</li> <li>(iv) Name of contractor, and</li> <li>(v) The contract amount</li> </ul> <p>h) All items (g) above were published.</p> <p>j) The web link where data was published is:  <a href="https://nasocp.com/">https://nasocp.com/</a>  The contract award information published on the state official website was accessible to the public.</p>		
2	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 <b>2021</b> 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>a) The State has not implemented e-procurement in at least four (4) MDAs (including Education, Health, Public Works and Ministry of Agriculture) by 30 June 2022. The weblink is <a href="http://bpp.nasarawastate.gov.ng/eprocurement/">http://bpp.nasarawastate.gov.ng/eprocurement/</a></p> <p>b) IVA has obtained a report on all transactions for the four MDAs during the period 1 January to 30 June 2022 directly from the e-procurement systems.</p> <p>c) IVA has obtained a separate report of procurements for all four MDAs for the period 1 January to 30 June 2022 from the Accountant General.</p> <p>d) The go-live date for e-procurement portal is 30/12/2021, and the State provided a circular for the go-live ceremony as evidence to prove the go-live date for the portal</p>	Unsatisfactory	The State should ensure the e-procurement is implemented in at least 4 MDAs and should be made publicly available.

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>e) A comparison of all four MDAs after go-live, with the system generated report was done and IVA confirmed that some transactions after go-live stated in the Accountant General's report for the period 1 January to 30 June 2022 were conducted through the e-procurement system. However, the transactions observed were very minimal.</p> <p>f) A sample of five (5) transactions at random for each of the 4 MDAs was selected and a walkthrough test of the procurement lifecycle was conducted by IVA and the sample includes at least two of the following categories of expenditure (goods, works or services).</p> <p>g) The selected transactions followed the procurement lifecycle.</p> <p>h) No parts of the selected transaction were conducted outside of the e-procurement system. However, the transactions observed on the portal were very minimal and were not consistent with the requirements of the verification protocol.</p> <p>i)</p> <p>Note: It was observed that the e-procurement portal homepage gives a link to OCDS data. Clicking on the first link on the OCDS page above gives a spreadsheet of 20 contracts (copy retained) – all for 2022. The contracts are exactly five each for 4 MDAs and are for the period up to May 2022. The total value of contacts is approx. N2bn. It is not credible that these are the only contracts awarded by these 4 MDAs in the year to date (i.e. as at the time of this review in Sept 2022).</p>		

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<p>The State was required to clarify further, especially with regard to Ministries of Works, Health and Education where it is expected that e-procurement was fully operational from 01 Jan 2022.</p> <p>The State provided a weblink with a comprehensive list of contracts awarded via e-procurement in 2022: <a href="http://bpp.nasarawastate.gov.ng/eprocurement/table-all.php">http://bpp.nasarawastate.gov.ng/eprocurement/table-all.php</a>.</p> <p>IVA notes the State's response. However, IVA observed that there was no evidence that the contracts awarded after May 2022 passed through the 5 stages of e-procurement. All other findings below remain valid.</p> <p>Also note the e-procurement portal is expected to at the minimum make the following information publicly available (and not only to contractors - <u>assuming the login works</u>):</p> <ul style="list-style-type: none"> <li>(a) Bid opportunities/notifications,</li> <li>(b) Procurement award notifications,</li> <li>(c.) Procurement plans. Summary information on the end-to-end process for each award is also expected to be published (i.e. the key procurement stages and processes, key dates for each process, the selection method/process etc).</li> </ul> <p>The information published for -procurement by the State in H1 2022 is set at the minimum level applicable for 2021.</p> <p>Note the following extract from the VP - • For MDAs with e-Procurement: States will have to have an online portal established to <b>record and publish data on</b></p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<b>all the various processes in the procurement cycle</b> , 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).		
<b>DLI 7: Strengthened Public Debt Management and Fiscal Responsibility Framework</b>				
<b>DLR 7.1</b>	<b>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.</b>		<b>Previously Achieved in 2020 APA</b>	
1	Is there an Approved state-level public debt legislation through the passage of a State Fiscal Responsibility Law, OR the passage of the State Public Debt Management Law, OR the inclusion of the provisions of the Fiscal Responsibility Act (FRA) in the organic Public Financial Management Law?	Previously Achieved in 2020 APA		
2	Does the legislation include provisions that establish the following? 1) Responsibilities for contracting state debt; 2) Responsibilities for recording/reporting state debt; and	Previously Achieved in 2020 APA		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	3) Fiscal and debt rules/limits for the state.			
4	Has the State Debt Management Department (or Unit, Committee, Agency, Board, Bureau, Commission, Council) been operational during the APA year and performing the core function of recording and reporting state debt?	Previously Achieved in 2020 APA		
<b>DLR 7.2</b>	<b>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</b>		<b>Achieved</b>	
1	Has the State produced quarterly State Domestic Debt Reports (SDDR), which are approved by the DMO on average two months after the end of the quarter in 2021?	<p>a) The state submitted quarterly State Domestic Debt Reports (SDDR) (final versions) to the DMO on an average of 2 months after the end of each quarter.</p> <p>We obtained evidence that the State produced approved quarterly SDDRs, which were submitted and received by the DMO as follows:</p> <ul style="list-style-type: none"> <li>● Q1 submitted on (11/5/2021) 41 days,</li> <li>● Q2 submitted on (13/8/2021) 44 days,</li> <li>● Q3 submitted on (11/11/2021) 42 days</li> <li>● Q4 submitted on (11/2/2021) 42 days.</li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	$\frac{41 + 44 + 42 + 42}{4}$ <p>Average = 42.25 days (6.04 weeks)</p> <p>The SDDR were submitted within an average of 1.51 months (42.25 days).</p>		
2	<p><b>Note: Have you reviewed for accuracy and completeness from the DMO:</b> 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) The Quarterly State Domestic Debt Reports (SDDR) from the Federal DMO, CBN, and FMOF, along with all underlying data and supporting documents were obtained.</p> <p>b) IVA compared the State Domestic and External Debt Report (SDEDR) from the Federal DMO, CBN, and FMOF, along with all underlying data with the supporting documents.</p> <p>We reviewed the DMO's Report on State Domestic and External Debt Report (SDEDR) with the Nasarawa State State Debt Domestic Report along with all underlying data.</p> <p>We reviewed the DMO report and the DMO report confirmed the <u>accuracy</u> and <u>completeness</u> of the State Domestic Debt Report.</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) The discrepancies noted during the comparison are as follows.</p> <p>i. SDDR Figure: NGN 54,411,477,317.92</p>	N/A	



Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<ul style="list-style-type: none"> <li>ii. AFS Figure: NGN 32,947,408,564.38</li> <li>iii. Difference: NGN 21,464,068,753.54</li> <li>f) IVA raised the APA issue requesting the state to provide detailed explanation that will clarify the identified differences. The State is yet to respond</li> <li>g) The State Domestic and External Debt Report (SDEDR) from the Federal DMO has been compared with the Quarterly State Domestic Debt Reports (SDDR) submitted by the State.</li> </ul>		
3	Has the State published online the State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) by 31 December 2021?	<ul style="list-style-type: none"> <li>a) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published on the State official website.</li> <li>b) The date of publication is 14 December 2021.</li> <li>c) The State Debt Sustainability Analysis and Debt Management Strategy Report (SDSA-DMSR) was published by 31 December 2021. IVA obtained evidence of timestamp (and screenshots taken from the IT back end of the State's website showing date of online publication)</li> <li>d) The web link is <a href="https://nasarawastate.gov.ng/DMO%20Documents/NASARAWA%20STATE%20DEBT%20SUSTAINABILITY%20ANALYSIS%20-%20DEBT%20MANAGEMENT%20STRATEGY%20-%20(DSA-DMS)%20REPORT%202021.pdf">https://nasarawastate.gov.ng/DMO%20Documents/NASARAWA%20STATE%20DEBT%20SUSTAINABILITY%20ANALYSIS%20-%20DEBT%20MANAGEMENT%20STRATEGY%20-%20(DSA-DMS)%20REPORT%202021.pdf</a></li> </ul>	Satisfactory	
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	<p>Upon review of the SDSA -DMSR, it included the following:</p> <ul style="list-style-type: none"> <li>(1) Adequate presentation of medium-term budget forecasts, including: <ul style="list-style-type: none"> <li>(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.</li> <li>(b) Description of assumptions underpinning the MTB forecasts from 2021 to 2024: either a</li> </ul> </li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
<p>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>	<p>table with assumptions OR corresponding explanations in writing (OR both)</p> <p>(c) A summary analysis of MTB forecasts and their implications for fiscal and debt policies throughout the period 2021-2024</p> <p>(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> <p>(2) A detailed and adequate description of the debt portfolio and borrowing options, including:</p> <p>(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.</p> <p>(b) Description of assumptions underpinning the borrowing options presented: either a table with assumptions OR corresponding explanations in writing (OR both)</p> <p>(c) A summary analysis of the debt projections and their implications for debt sustainability and fiscal policies throughout the period 2021-2030</p> <p>(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.</p> <p>(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>		

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>(3) Adequate presentation and analysis of the debt and fiscal figures position in the preceding calendar year, which contains the following;</p> <p>(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</p> <p>(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.</p> <p>(c) The presentation and analysis in 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> <p>b) IVA reviewed and compared the information (figures) contained in the assessment report of the SDSA-DMSR obtained from the DMO and the SDSA-DMSR obtained from the State Website. There were no differences identified.</p> <p>There were no identified differences between IVA's conclusion and that of the assessment report received from DMO</p>		
<b>DLI 8: Improved Clearance/Reduction of Stock of Domestic Expenditure Arrears</b>				
<b>DLR 8.0</b>	<b>Domestic arrears as of end 2020 and end 2021 reported in an online publicly accessible database, with verification process in place.</b>		<b>Achieved (Basic Target Met)</b>	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
	<p><b>AND</b>  <b>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.</b></p> <p><b>Basic Target: At least a 5 percent decline or maintain stock below 5 billion naira</b></p> <p><b>Stretch Target: More than 20 percent decline</b></p>			
1	Has the State established an Arrears Clearance Framework (ACF)?	<p>a) The State has established an Arrears Clearance Framework (ACF).</p> <p>b) IVA obtained a copy of the ACF from the State.</p> <p>c) The establishment of the ACF occurred by 30 June 2021.</p> <p>d) The duration of time between the establishment of the ACF and the <b>31 December 2021</b> year-end was 6 months and 9 days, this is adequate to allow time for the implementation of the ACF.</p>	Satisfactory	
2	Does the ACF contain: 1) the planned actions to settle arrears; and 2) an explicit prioritization of expenditure arrears to be settled.	<p>a) The ACF contains planned actions to settle arrears and an explicit prioritization of expenditure arrears to be settled. The planned action is contained in page 4-6 of the ACF, while prioritization of expenditure is on page 12 of ACF.</p> <p>b) The evidence seen when reviewing the ACF that shows the ACF contains the two stated requirements were stated on pages 4 -6 and 12 of the ACF. Other documents submitted by the state to confirm the ACF exists were SARVCR, schedule of</p>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		contractor's arrear and payments in 2021, Domestic Arrears Database and SDDR Q4. All documents were reviewed and compared with one another to ensure consistency with the ACF.		
3	Has the ACF been published on a State official website?	<ul style="list-style-type: none"> <li>a) IVA confirmed that the ACF has been published on the State official website</li> <li>b) We have downloaded a copy for validation</li> <li>c) The web link: <a href="https://nasarawastate.gov.ng/download/document-arrears-clearance-frame-work/">https://nasarawastate.gov.ng/download/document-arrears-clearance-frame-work/</a> and the evidence obtained to confirm the date of publication was a screenshot of the download page as it contains the date of upload.</li> </ul>	Satisfactory	
4.	Is the clearance of domestic expenditure arrears consistent with the ACF, once the ACF has been established?	The clearance of domestic expenditure arrears is consistent with the ACF. IVA reviewed the Domestic Arrears database, SARVCR and schedule of payments made in 2021. IVA compared figures in all the documents with the ACF to ensure consistency. It was confirmed that the ACF and other documents are consistent.	Satisfactory	
5.	Has the State established an Internal Domestic Arrears Database?	<ul style="list-style-type: none"> <li>a) The State has established an Internal Domestic Arrears Database</li> <li>b) The Internal Domestic Arrears Database includes the following: <ul style="list-style-type: none"> <li>a. The aggregate and individual amounts of contractors' arrears. For contractors' arrears, at a minimum, the internal domestic arrears database also included the name of the contractor, the amount due at the end-of-year, the nature of the goods and services procured that generated the claim, and billing data.. The database showed the total domestic arrears stock at the end of each year.</li> <li>b. The aggregate amount of pension and gratuity</li> </ul> </li> </ul>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p>arrears.</p> <p>c. However, the State does not have the aggregate amount of salary arrears and other staff claims was not included in the Domestic Arrears Database. The State claimed salaries are paid up to date.</p> <p>d. The aggregate number of other types of domestic arrears (Judgement Debt)</p> <p>c) A verification process is in place for the arrears in the database. Verification process is contained on page 7 of the State's ACF.</p> <p>d) We confirmed through the evidence provided by the State that the State has conducted verification of arrears balances by taking stock of arrears, verifying and prioritizing arrears and then, liquidation.</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, SARVCR, payroll records, underlying contract data, schedule of contracts' payment etc.</p> <p>f) The State submitted the annual state arrears recording, verification and clearance report (SARVCR) to the IVA.</p>		
6	Has the State published online elements of the internal domestic arrears database for the FY <b>2020</b> and FY <b>2021</b> reported on a State official website, which constitutes the online publicly accessible arrears database?	<p>a) The State has published online the required elements of the Internal Domestic Arrears Database as at the <b>end of 2020 and 2021</b>.</p> <p>b) We 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>	Satisfactory	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	<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 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 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 include a facility for contractors with arrears (creditors) to report any omissions to the State.</p> <p>e) The result of the test of the facility for contractors with arrears (creditors) to report any omissions to the State was that IVA sent a message to the online form to confirm the functionality of the facility.</p> <p>f) The State confirmed there was no omission reported from the contractors. Hence, The IVA did not obtain records of omission from the State.</p> <p>g) The State confirmed there was no valid omission reported from the contractors that was subsequently included in the internal domestic arrears database.</p> <p>h) The source of information (i.e., the web link to the online publicly accessible arrears database) is inserted thus:  <a href="https://nasarawastate.gov.ng/department-of-debt-">https://nasarawastate.gov.ng/department-of-debt-</a></p>		

Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations							
		<p>management/</p> <p>Browsing through the State's Debt Management Office and verifying documents presented for verification, it was confirmed that the State maintained a publicly-accessible arrears database where individual contractors can check for omission of their outstanding and report to the government via an online telephone number provided on the State's portal.</p>												
7.	<p>Does the online publication include?</p> <p>1) the aggregate amount of contractors' arrears;  2) the aggregate amount of pension and gratuity arrears;  3) the aggregate amount of salary arrears and other staff claims;  4) other types of domestic arrears and  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>The online publication includes the aggregate amount for the four types of arrears as shown except salaries arrears as the State confirmed that the payment of salaries as at when due. Therefore, there was no missing information.</p> <p>The online publication contains the names of contractors owed ₦20m in arrears and above.</p>				Satisfactory								
8.	<p>Has the State met the following?</p> <p>(i) Percentage decline in the</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></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Aggregate Amount of:	2021 (₦)	2020 (₦)	Diff. (%)							Satisfactory	
Aggregate Amount of:	2021 (₦)	2020 (₦)	Diff. (%)											



Disbursement Linked Indicators (DLIs) and Tests		Findings				Conclusion	Recommendations
<p>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><b>Basic target:</b> At least a 5 percent decline or maintain stock below 5 billion naira</p> <p><b>Stretch target:</b> 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>	Contractors Arrears	10,063,634,505.84	12,206,162,903.4	17.55			
	Pension and Gratuity arrears	11,391,400,656.18	12,166,813,949.97	6.37			
	Salary arrears and Staff claims	0.00	0.00				
	Judgement Debt	9,033,691.83	14,051,311.83	35.71			
	Other types of domestic expenditure arrears	0.00	0.00				
	<b>Total Domestic Arrears</b>	<b>21,464,068,853.85</b>	<b>24,387,028,165.20</b>	<b>12%</b>			
	<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 Q4 for 2021. The AFS was submitted late and thus the IVA could not carry out a comparison before the report was generated. However, on receipt of the AFS, IVA observed that the figures in the State Internal Domestic Arrears (SIDA) could not be traced to the AFS. An APA issue has been raised and the State responded thus: "We have noticed the omission in the AFS and have published an Addendum to the AFS to recognize all omitted debt payment in the AFS for the year under review. It was issued by the State in June 2022. The Addendum has since been published online for the general public. Underlisted below are the url for the Addendum and timestamp to the backend.</p>						

Disbursement Linked Indicators (DLIs) and Tests		Findings	Conclusion	Recommendations
		<p><b>Publication url:</b>  <a href="https://nasarawastate.gov.ng/portfolio/nasarawa-state-debt-reduction-analysis-2021-fy/">https://nasarawastate.gov.ng/portfolio/nasarawa-state-debt-reduction-analysis-2021-fy/</a></p> <p><b>Direct url to Addendum:</b>  <a href="https://nasarawastate.gov.ng/pdf_documents/2022/Nasarawa%20State%20Debt%20Reduction%20Analysis%202021%20FY.pdf">https://nasarawastate.gov.ng/pdf_documents/2022/Nasarawa%20State%20Debt%20Reduction%20Analysis%202021%20FY.pdf</a></p> <p><b>Backend stamp of Addendum to 2021 AFS on Debt Reduction:</b>  <a href="https://nasarawastate.gov.ng/pdf_documents/2022/Backend%20stamp%20of%20Addendum%20to%202021%20AFS%20on%20Debt%20Reduction.pdf">https://nasarawastate.gov.ng/pdf_documents/2022/Backend%20stamp%20of%20Addendum%20to%202021%20AFS%20on%20Debt%20Reduction.pdf</a></p> <p>IVA notes the State's response and considers it satisfactory.</p> <p>b. <math>\frac{\text{₦}24,387,028,165.20 - \text{₦}21,464,068,853.85}{\text{₦}24,387,028,165.20} \times 100 = 12\%</math></p> <p>The percentage decline is 12%</p> <p><b>Source:</b> State internal domestic expenditure arrears database</p>		
<b>DLI 9: Improved Debt Sustainability</b>				
<b>DLR 9.0</b>	<p>Average monthly debt service deduction is &lt; 40% of gross FAAC allocation for FY2021</p> <p><b>AND</b></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: &lt; 120%</p> <p>Stretch target: &lt; 95%</p>		<b>Achieved</b> (Stretch target met)	
1	Has the State met:  (i) the ratio of total debt stock	The following tables show the calculations and adjustments made to arrive at the appropriate figures	Satisfactory (Stretch Target)	

Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations																						
<p>at end-of-year (31<sup>st</sup> December 2021) of the year of assessment to the total revenue collected during the calendar year of the year of assessment (1<sup>st</sup> January to 31<sup>st</sup> December 2021)?</p> <p><b>-Basic target:</b>&lt; [120%]  <b>-Stretch target:</b> &lt; [95%]</p> <p>(ii) Average monthly debt service deduction is &lt; 40% of gross FAAC allocation for FY2021.</p>	<p>for this comparison.</p> <p><b><u>Total Public Debt*</u></b></p> <table border="1" data-bbox="697 306 1344 565"> <thead> <tr> <th></th> <th>Financial Statements (₦)</th> <th>DMO/ SDEDR Figures (₦)</th> </tr> </thead> <tbody> <tr> <td>Total Domestic Debts</td> <td>32,947,408,564</td> <td>67,302,872,569.95</td> </tr> <tr> <td>Total External Debts</td> <td>23,632,688,879.55</td> <td>23,489,249,669.10</td> </tr> <tr> <td><b>Total Public Debts</b></td> <td><b>56,580,097.443.55</b></td> <td><b>90,792,122,239.05</b></td> </tr> </tbody> </table> <p><b><u>Total Annual Revenue</u></b></p> <table border="1" data-bbox="697 634 1218 820"> <tbody> <tr> <td>2021 Adjusted IGR (see DLI 4.2)</td> <td>20,685,276,831</td> </tr> <tr> <td>Gross FAAC Allocation**</td> <td>56,825,445,090</td> </tr> <tr> <td>Grants</td> <td>30,219,356,849</td> </tr> <tr> <td>Other Revenues</td> <td>-</td> </tr> <tr> <td><b>Total Revenue</b></td> <td><b>107,730,078,770</b></td> </tr> </tbody> </table> <p>a. The State’s domestic debt stock figure in the Federal DMO State Domestic and External Debt Report for 2021 is as at the end of Q4 2021.</p> <p>We have computed the total debts stock / Revenue percentage for the 2021 year, as follows:</p> <p>AFS Computation</p> $\frac{\text{₦}56,580,097.443.55}{\text{₦}107,730,078,770} \times 100 = 52\%$ <p>DMO Computation</p>		Financial Statements (₦)	DMO/ SDEDR Figures (₦)	Total Domestic Debts	32,947,408,564	67,302,872,569.95	Total External Debts	23,632,688,879.55	23,489,249,669.10	<b>Total Public Debts</b>	<b>56,580,097.443.55</b>	<b>90,792,122,239.05</b>	2021 Adjusted IGR (see DLI 4.2)	20,685,276,831	Gross FAAC Allocation**	56,825,445,090	Grants	30,219,356,849	Other Revenues	-	<b>Total Revenue</b>	<b>107,730,078,770</b>	Met)	
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Disbursement Linked Indicators (DLIs) and Tests	Findings	Conclusion	Recommendations
	$\frac{\text{₦}90,792,122,239.05}{\text{₦}107,730,078,770} \times 100 = 84.28\%$ <p>We have computed the total debt service deduction / Gross FAAC Allocation percentage for the 2021 year, as follows:</p> $= \frac{\text{₦}4,085,202,525}{\text{₦}56,825,445,091} \times 100 = 7.2\%$ <p>b. The debt stock stated in the Federal DMO State Domestic and External Debt Report has been compared with the Audited Financial Statement.</p> <p><b>Sources:</b></p> <ul style="list-style-type: none"> <li>i. For Total Revenue 2021 Audited Financial Statement, Page 32</li> <li>ii. For Total Public Debt from DMO* as at December 31, 2021</li> <li>iii. NBS/OAGF (FAAC)</li> </ul>		

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

S/N	NASARAWA STATE	2021 - AMOUNT (₦)
1	BUDGET SUPPORT LOAN (SOURCE FMOF)	22,021,729,672.49
2	BAIL OUT (SALARIES) (SOURCE CBN)	7,909,470,851.80
3	RESTRUCTURED COMMERCIAL BANK LOANS (FGN BOND)	-
4	EXCESS CRUDE ACCOUNT BACKED LOAN (SOURCE CBN)	9,719,178,605.76
5	STATE BONDS	3,135,182,828.65
6	COMMERCIAL BANK LOANS	-
7	CBN COMMERCIAL AGRIC LOAN (SOURCE CBN)	-
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	-
14	ANCHOR BORROWERS PROGRAMME	-
15	OTHER FGN INTERVENTIONS	-
16	MICRO SMALL MEDIUM ENTERPRISE DEVELOPMENT FUND (MSMEDF)	-
17	JUDGEMENT DEBTS	9,033,691.83
18	GOVT - GOVT DEBTS	-
19	CONTRACTORS' ARREARS	10,063,634,505.84
20	PENSION AND GRATUITY ARREARS	11,391,400,656.18
21	SALARY ARREARS AND OTHER CLAIMS	-
22	OTHER DEBTS	-
	<b>TOTAL DOMESTIC DEBT (TDD)</b>	<b>67,302,872,569.95</b>
	TOTAL EXTERNAL DEBT (TED)	<b>23,489,249,669.10</b>
	<b>TOTAL PUBLIC DEBT (TED+TDD)</b>	<b>90,792,122,239.05</b>

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

TEMPLATE: OPTION A	₦
Item	2021
<b>1. Total Gross FAAC allocation: Statutory Transfers and VAT (1.1 + 1.2)</b>	<b>56,825,445,090</b>
<b>1.1 Statutory transfers (1.1.1 + 1.1.2 + 1.1.3)</b>	<b>38,933,427,623</b>
1.1.1 Gross statutory allocation	32,556,651,525
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	6,376,776,098
<b>1.2 VAT</b>	<b>17,892,017,467</b>
<b>2. Internally Generated Revenues (IGR) - Adjusted</b>	<b>20,685,276,831</b>
<b>3. Grants (internal and external)</b>	<b>30,219,356,849</b>
<b>4A. Other revenues (4.1 + 4.2 + 4.3)</b>	<b>-</b>
4.1 Investment Income (e.g., dividends)	-
4.2 Interest Earned	-
4.3 Miscellaneous	-
<b>Total Revenues and Grants Calculations</b>	
<b>A) Total Revenues and Grants is (1+2+3+4A)</b>	<b>107,730,078,770</b>

#### 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 2.1</p> <p>We refer to your comment below as highlighted:            g) The date of online publication of the proposed budget was 23rd November, 2021.            h) It was published before the deadline of 31 January 2022.</p> <p>As stated above, The IVA Team affirmed that the Document was published before the deadline. We have double checked the url <a href="https://nasarawastate.gov.ng/download/nasarawa-state-2022-proposed-budget/">https://nasarawastate.gov.ng/download/nasarawa-state-2022-proposed-budget/</a> and discovered that the Document is available for download and as a matter of fact, it has been downloaded multiple times. You may wish to be informed that 404 error message can occur when a person just typed in the URL incorrectly or the system has cached an error 404 page. We urge you to revisit the page for your assessment.</p> <p>Also,</p> <p>We refer to your comment below as highlighted:            The Citizens budget based on the Approved Budget (2021) was published on 13/04/2021( according to the backend timestamp) before the due date via <a href="https://nasarawastate.gov.ng/download/nasarawa-state-2021-citizens-budget-report-2/">https://nasarawastate.gov.ng/download/nasarawa-state-2021-citizens-budget-report-2/</a> which was accessed on (18/07/2022).</p> <p>As stated above, The IVA Team affirmed that the Document was published before the deadline.</p> <p>For further clarifications, the frontend date of 31 May 2022 is a date the page was edited and not a date the document was uploaded. The date the document was uploaded remains 13<sup>th</sup> April, 2021.</p> <p>f) <a href="https://nasarawastate.gov.ng/portfolio/nasarawa-state-2021-citizens-budget/">All Documents relating to Nasarawa State 2021 Citizens' Budget was also published on https://nasarawastate.gov.ng/portfolio/nasarawa-state-2021-citizens-budget/ with frontend date of 2021.</a></p> <p>We like you to rescind your decision on the DLI as Our Citizens' budget based on approved FY21 state budget was published online on the 13th April 2021 with functional online feedback mechanisms as stated in the Verification Protocol Version 9.0</p>	<p>The weblink for the Proposed Budget is now functional with publication date of December 15, 2021. Thus, it is considered satisfactory.</p> <p>IVA notes the State's response. However, the publication of the 2021 Citizen's budget is still considered unsatisfactory. The IVA's findings remain valid as the dates are still contradictory.</p> <p>The weblink:  <a href="https://nasarawastate.gov.ng/portfolio/nasarawa-state-2021-citizens-budget/">https://nasarawastate.gov.ng/portfolio/nasarawa-state-2021-citizens-budget/</a> still gives a 404-error message when the link for the 2021 Citizen's Budget is clicked.</p>

2	<p>DLR 6.2</p> <p>Having gone through the draft report on DLI 6, we disagree with the assessment draft report.</p> <p>We confirmed the functionality of the e-Registration, e-Publishing/Notification, e-Tendering and e-Evaluation/e-Awarding modules to the IVA team. And none of our contractors and users of our portal has ever complained of having troubles accessing the Modules.</p> <p>The Portals were designed to published All Contracts and or custom select years of contracts. However, the VP requested for Contracts between the period 1 January 2022 to 30 June 2022 and the url was given to the IVA Team for that period under review alone.</p> <p>Meanwhile, if you are interested in seeing all the contracts on the portal there is a url for all Publication  <a href="http://bpp.nasarawastate.gov.ng/eprocurement/table-all.php">http://bpp.nasarawastate.gov.ng/eprocurement/table-all.php</a></p> <p><a href="http://bpp.nasarawastate.gov.ng/eprocurement/">http://bpp.nasarawastate.gov.ng/eprocurement/</a></p> <p>We disagree with your comment      "However, no 2022 were seen on the portal through the link provided (only 2021 contracts)."      Please reassess our Portals thoroughly and you will see that all Contracts are published accordingly.  <a href="http://bpp.nasarawastate.gov.ng/eprocurement/">http://bpp.nasarawastate.gov.ng/eprocurement/</a>  <a href="http://www.nasocp.com">www.nasocp.com</a></p> <p>All modules were satisfactory tested and are functional and accessible to the general public.</p> <p>Should you require further demonstration of our Portal, we will be available to guide you through. we can also send our staff to your office for on the spot assessment.</p> <p>We hope our response is favorably consider and changes the status of this DLI from NOT Achieved to Achieved.</p>	<p>IVA notes the State's response and has obtained the weblink for list of contracts awarded in 2022. However, IVA observed that there was no evidence that the contracts awarded after May 2022 passed through the 5 stages of e-procurement. All other findings remain valid.</p>
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3	<p>DLI 8</p> <p>We wish to inform you that Nasarawa State Government operates Cash basis accounting method. Under this method, revenue is reported on the income statement only when cash is received and expenses are recorded only when cash is paid out. We have noticed the omission in the AFS and has published an Addendum to the AFS to recognize all omitted debt payment in the AFS for the year under review. It was issued by the State in June 2022.</p> <p>The Addendum has since been published online for the general public. Underlisted below are the url for the Addendum and timestamp to the backend.</p> <p>Publication url  <a href="https://nasarawastate.gov.ng/portfolio/nasarawa-state-debt-reduction-analysis-2021-fy/">https://nasarawastate.gov.ng/portfolio/nasarawa-state-debt-reduction-analysis-2021-fy/</a></p> <p>Direct url to Addendum  <a href="https://nasarawastate.gov.ng/pdf_documents/2022/Nasarawa%20State%20Debt%20Reduction%20Analysis%202021%20FY.pdf">https://nasarawastate.gov.ng/pdf_documents/2022/Nasarawa%20State%20Debt%20Reduction%20Analysis%202021%20FY.pdf</a></p> <p>Backend stamp of Addendum to 2021 AFS on Debt Reduction  <a href="https://nasarawastate.gov.ng/pdf_documents/2022/Backend%20stamp%20of%20Adendum%20to%202021%20AFS%20on%20Debt%20Reduction.pdf">https://nasarawastate.gov.ng/pdf_documents/2022/Backend%20stamp%20of%20Adendum%20to%202021%20AFS%20on%20Debt%20Reduction.pdf</a></p> <p>The APA issue was replied but regrettably it returned with mailer-daemon and this was not noticed until we received your draft report. However, we have re-sent our reply to the APA issue accordingly.</p>	<ul style="list-style-type: none"> <li>• IVA notes the State's response and considers it satisfactory</li> </ul>
4		