

Assented to by me this.....day.....20.....

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**SENATOR ABIOLA AJIMOBİ**  
**HIS EXCELLENCY, THE EXECUTIVE GOVERNOR**

**Crest**  
**Oyo State of Nigeria**

**No.3**

**A LAW FOR THE ESTABLISHMENT OF OYO STATE EDUCATION TRUST FUND AND  
OTHER MATTERS RELATED THERETO**

Date of  
Commencement ( )

Enactment **ENACTED** by the House of Assembly of Oyo State of Nigeria  
as follows:

Short Title: 1. This Law is cited as Oyo State Education Trust Fund  
Law, 2016.

Interpretation: 2. In this Law-

“Accountant-General” means the Accountant-General of  
the State;

“Administrator of the Fund” means the Executive  
Secretary of the Board;

“Auditor-General” means the Auditor-General of the  
State;

“Board” means the Board of Trustees of the Fund  
established under section 9 of this Law;

“Chairman” means the Chairman of the Board;

“CSR” means Corporate Social Responsibility to be undertaken by corporate bodies and companies in the State for the benefit of the State;

“Civil Society Organizations” include Non-Governmental Organizations (NGOs) or other civil and professional bodies that operate within the State;

“Employee” means any person who is employed in Nigeria under any contract of service or apprenticeship with the employer, whether contract is express, implied, oral or in writing;

“Fund” means Oyo State Education Trust Fund established under section 3 of this Law;

“Functions” include powers and duties;

“Government” means the Government of the State;

“Governor” means the Governor of the State;

“House” means the House of Assembly of the State;

“Private Institutions” means primary, secondary and tertiary Institutions owned by private individual, group or corporate organizations;

“Public Institutions” means State-owned tertiary institutions;

“State” means Oyo State of Nigeria.

Establishment of the Fund. 3. There is established the Oyo State Education Trust Fund to be known as the “Fund”.

Headquarters of 4. The headquarters of the Fund shall be in Ibadan.

the Fund.

Aim of the Law 5. This Law is to establish a Fund to assist the State with financing of education and provide for the management of the Fund and for related matters.

Functionsof the Fund 6. The functions of the Fund include to-

- (a) provide finance to supplement the provision of education at all levels by the Government;
- (b) ensure successful completion of intervention projects and form a viable and enduring partnership with other relevant stakeholders;
- (c) promote cutting-edge technologies, ideas and organizational skills in education, and ensure that projects are forward-looking as well as responding to present needs; and
- (d) ensure accountability and transparency in all its undertaking.

Sources of money for the Fund 7. The sources of money for the Fund are –

- (a) an amount of money, equivalent to five percent of the prevailing rate of the Value Added Tax accruing to the State and Local Government;
- (b) such other money as may be appropriated by the House for the Fund;
- (c) one percent of Internally Generated Revenue (IGR) of Public Institutions in the State as captured in the fiscal budget;
- (d) grants, donations (particularly from CSR), gifts and other voluntary contributions to the Fund;

- (e) one percent of fees paid by each of the students in Private Institutions; and
- (f) other monies or property that may in any manner become lawfully payable to the Fund.

8.(1) Monies of the Fund shall vest in the Board and be paid into bank account opened by the Board with the approval of the Accountant-General.

(2) The five percent of the Value Added Tax (VAT) prescribed in paragraph (a) of section 7 and one percent of Internally Generated Revenue (IGR) of Public Institutions in the State and one percent of fees paid by each of the student in Private Institutions shall within 30 days of receipt, be paid directly into the bank accounts opened under subsection (1) of this section.

Establishment of the Board

9. There is established a Board of Trustees for the Fund to be known as the “Board” which shall be a body corporate with perpetual succession and a common seal and may sue and be sued in its corporate name.

Composition of the Board.

10. The Board shall comprise-

- (a) a Chairman;
- (b) the Administrator of the Fund;
- (c) one representative of the Ministry of Education not below the rank of a director;
- (d) one representative of the Nigerian Union of Teachers (NUT);
- (e) one representative of Board for Technical and Vocational Education (BOTAVED) not below the rank of a director;

- (f) one representative of State Universal Basic Education Board (SUBEB) not below the rank of a director;
- (g) one representative of the State Teaching Service Commission (TESCOM) not below the rank of a director;
- (h) one representative of Parent/Teacher Association (PTA);
- (i) one representative of the Ministry of Justice not below the rank of a director;
- (j) one representative of the Ministry of Finance not below the rank of a director;
- (k) one representative of the Civil Society Organisations (CSOs) concerned with education;
- (l) one representative of the State Chamber of Commerce and Industries; and
- (m) one representative each from the Academic Staff Unions of Tertiary Institutions in the State.

Functions of 11.(1)The Board is responsible for the Fund and for that the Board purpose has the following powers and functions-

- (a) enter into contract;
- (b) acquire, purchase, convey, assign and hold any movable or immovable property or any interest in property;
- (c) pursue policies to achieve the functions of the Fund;
- (d) collect or arrange to be collected monies lawfully due to the Fund;
- (e) account for the money of the Fund;
- (f) approve and pay expenditure charged on the Fund under this Law and any other enactment;

- (g) organize fund-raising activities to raise money for the Fund;
  - (h) subject to this Law, exercise and have in respect of the Fund the powers, duties, obligations and liabilities of trustees;
  - (i) engage banks and industries on Corporate Social Responsibilities (CRS) in educational sector;
  - (j) present its annual report to the House at the end of each financial year; and
  - (k) perform any other function conferred on it under this Law or incidental to the achievement of the object of the Fund.
- (2) The Governor may give general directives in writing to the Board on matters of policy and the Board shall comply with the directives.
12. The members of the Board shall be appointed by the Governor subject to the ratification of the House.
13. The Governor shall in appointing the Chairman and other members of the Board under section 10 have regard to the integrity, knowledge, expertise and experience of the persons and in particular their knowledge in matters relevant to the functions of the Board.

Appointment of Executive Secretary and other Staff

- 14.(1) There shall be appointed for the Fund an Executive Secretary who shall-
- (a) be appointed by the Governor on such terms as to emolument and conditions of service as the Governor may specify in his letter of appointment and as may from time to time be approved by the Governor;
  - (b) be a person with relevant academic and professional qualifications and be a professional career officer appointed from the State Civil Service ;

- (c) have a good knowledge of administration; and
  - (d) be the Chief Executive and accounting officer of the Fund.
- (2) The Executive Secretary shall be subject to the general direction of the Board of Trustees and be responsible for-
- (a) the day-to-day administration of the Fund;
  - (b) the administration of the secretariat of the Board;
  - (c) keeping the books and proper records of the proceedings of the Board; and
  - (d) the general direction and control of all other employees of the Fund.
- (3) The Board of Trustees shall have power to-
- (a) employ either directly or on transfer or secondment from the State Civil Service such number of employees as may in the opinion of the Board be required to assist the Board and the Executive Secretary in the discharge of their functions under this Law;
  - (b) pay to persons so employed such remuneration and allowances as may be approved by the Governor on the recommendation of the Board; and
  - (c) appoint consultant or enter into contracts as it deems necessary for the efficient performance of its functions under this Law.
- (4) Employees of the Fund shall be entitled to pension, gratuities and other retirement benefits as are enjoyed

by persons holding equivalent grades in the Civil Service of the State.

- (5) Nothing in subsection (4) shall prevent the appointment of a person to any office on terms which preclude the grant of pension and gratuity in respect of that office.

Tenure of office 15. The Chairman and members of the Board shall hold office for a term of 4 years and shall be eligible for re-appointment for one further term of 4 years and no more.

Remuneration 16. The Chairman and other members of the Board shall be paid such remuneration as the Governor may determine from time to time.

Cessation of membership 17.(1) the chairman or a member of the Board shall cease to hold office if he-

- (a) resigns his appointment by giving onemonth' notice in writing to the Governor; or
- (b) becomes of unsound mind; or
- (c) becomes bankrupt or makes a compromise with his creditors; or
- (d) is convicted of a felony or any offence involving dishonesty; or
- (e) is guilty of serious misconduct in relation to his duties.

(2) The Chairman or any other member of the Board may be removed from office by the Governor, if he is satisfied that it is not in the interest of the Fund or the interest of the public that the Chairman or such a member should continue in office. The notice of removal may be forwarded to the House for confirmation.

- Proceedings of the Board 18.(1) The Board shall meet in its administrative office provided by the Government for the dispatch of business at a time determined by the Board but shall meet at least every three months.
- (2) The Chairman shall upon the request of not less than five members of the Board convene a special meeting of the Board.
  - (3) The quorum at a meeting of the Board shall be 7 members and shall include the Administrator of the Fund.
  - (4) The Chairman shall preside at every meeting at which he is present, and in his absence, a member of the Board elected by members present from among their number shall preside.
  - (5) Question before the Board shall be decided by majority of the members present and voting.
  - (6) The person presiding at a meeting of the Board shall in the event of equality of votes have a second or casting vote.
  - (7) The Board may co-opt any person to act as an adviser at its meetings but no co-opted person is entitled to vote at the meeting.
  - (8) The validity of the proceedings of the Board shall not be affected by a vacancy among its members or by a defect in the appointment or qualification of member.
  - (9) Except as otherwise provided under this Law, the Board shall determine and regulate the procedure for its meetings.
- Committee of the Board 19. The Board may for the purpose of achieving the object of the Fund, appoint committees comprising members or non-members or both, and may assign to them such of its functions as the Board may determine, except that a committee comprised entirely of non-members may only advise the Board.

- Disclosure of Interest by Board members.
- 20.(1) A member of the Board who has an interest directly or indirectly in any matter being considered or dealt with by the Board shall disclose the nature of that interest at a meeting of the Board with respect to that matter.
- (2) A member who knowingly fails to disclose an interest under subsection (1) and particulars in the proceedings of the Board is guilty of a misconduct and shall be liable to forfeit his position on the Board.
- Account and Audit
- 21.(1) (a) The Board shall maintain accounts in any reputable Bank as may be approved by the Accountant-General.
- (b) The signatories to the account shall be-
- (i) the Chairman;
  - (ii) the Executive Secretary; and
  - (iii) a member appointed by the Board.
- (c) The Executive Secretary shall be a regular signatory and any of the other two can operate the account.
- (d) The Board shall keep proper accounts and records in relation to all its transactions in conformity with standard accounting practice.
- (2) The Board shall-
- (a) cause to be prepared not later than 31<sup>st</sup> day of December in each year an estimate of income and expenditure of the Board;
  - (b) cause the account to be audited annually by external auditor appointed by the Board from a list of approved auditors provided by the Auditor-General; and
  - (c) submit to the Auditor-General, Accountant-General and the Governor, a copy of-
    - (i) the audited account of the Board; and
    - (ii) the general report and full report of the external auditor.
- (3) The Board shall cause to be prepared a detailed report of the state of affairs of the Board for the financial year, including a statement of the change in the general fund arising from the activities of the Board during the year reported upon.

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| Annual Report                   | 22.(1) | The Board shall cause to be prepared and submitted an annual report of its activities to the Governor in accordance with the provisions of this Law. One such copy shall be submitted to the House.  |
|                                 | (2)    | The annual report shall include a copy of the audited accounts of the Fund for that year, the report of the auditor and the comment of the Auditor-General on the audited Account.   |
|                                 | (3)    | The Board shall publish its annual report in two national daily newspapers circulating within the State and on the internet.   |
| Exemption of the Fund from Tax. | 23.    | The Board, the Fund and its properties shall not be liable to tax by any government or authority in the State and contributions to the Fund shall be recognized for tax purposes as expenditures towards the sustenance of the business of the donor |

This printed impression has been carefully compared by me with the Law which has been passed by the Oyo State House of Assembly and found by me to be a true and correct printed copy of the Law.

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**Barrister Paul Ishola Bankole mni**  
**Clerk of the State House of Assembly**

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**Rt. Hon. Adesina Michael Adeyemo**  
**Speaker of the State House of Assembly**

