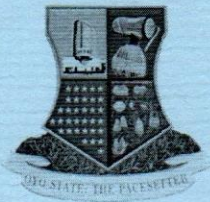


Assented to by me this 30th day of June, 2021

Dr. Makinde

ENGR. SEYI MAKINDE
His Excellency The Executive Governor



OYO STATE OF NIGERIA

No.4

**A LAW TO PROVIDE FOR ESTABLISHMENT OF THE OYO STATE
AUDIT COMMISSION; THE APPOINTMENT, CONDITION OF SERVICE,
FUNCTIONS AND POWERS OF THE AUDITORS-GENERAL OF THE
STATE AND LOCAL GOVERNMENTS; THE AUDIT OF PUBLIC
ACCOUNTS AT THE STATE AND LOCAL GOVERNMENTS AND FOR
OTHER RELATED MATTERS**

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 Audit Commission Law, 2021.

Interpretation. 2. In this Law –
“**Accountant General**” means the Accountant-General of the State;

“**administrative head**” refer to the Auditor-General for State or Auditor-General for Local Governments who oversees the day-to-day administration of the offices;

“**accounting officer**” means any officer upon appointment as Permanent Secretary or Heads of Non-Ministerial Agency of Government whose duties involve

responsibility in connection with public monies, and may be held responsible for audit purposes;

“Attorney General” means the Attorney General and Commissioner for Justice, of the State;

“Auditor-General” means

(a) the Auditor-General for State established by Section 125(1) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended); or

(b) Auditor-General for Local Governments established by section 316 (1) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended);

“Commission” means Oyo State Audit Commission established in section 3 of this Law;

“Constitution” means the Constitution of the Federal Republic of Nigeria, 1999 (as amended);

“court” means High Court of the State;

“executive council” means the Executive Council of the State;

“external auditors” mean, independent Auditors appointed to audit accounts of Corporations, Institutions or any Agency where State or Local Governments funds are domiciled;

“financial year” means the financial year of the State Government;

“Government” means the Government of Oyo State;

“Governor” means the Governor of the State;

“Head of Service” means the Head of Oyo State Civil Service;

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

“Local Government” means Local Governments and includes Local Council Development Areas of the State;

“Local Government Council” means the Legislative arm of Local Governments;

“MDAs” means Ministries, Departments and Agencies;

“Office” means Office of the Auditor-General of the State and the Office of Auditor-General for Local Government;

“PAFAC” means Public Accounts, Finance and Appropriation Committee of the House of Assembly;

“State or local government monies” means -

(a) the public revenues of the State and Local Government; and

(b) any trust or other monies held in official capacity whether temporarily or otherwise,

by any public officer as agent of the State and Local Governments either alone or jointly with any other officer;

“State” means Oyo State of Nigeria;

“statutory body” means any authority established by law;

“store keeper” means any officer in charge of any stores or other articles which are public properties of the State;

“revenue” means the State and Local Governments share from the Federation account, internally generated revenues, grants, loans, and any other monies accruing to the coffers of State and Local Government.

Establishment of
the Audit
Commission.

3. (1) There is established a Commission to be known as the Oyo State Audit Commission (referred to in Law as “Commission”).
- (2) The Commission shall be a body corporate with perpetual succession and shall have power to sue and be sued in its corporate name.

Composition of
the Commission
and appointment of
members.

4. (1) The Commission shall consist of -
 - (a) a Chairman; and
 - (b) 4 other members.
- (2) The Chairman and at least 2 other members shall be professionally qualified accountants who must have served as Auditors in the Public or Civil Service in Nigeria for a period not less than 10 years.
- (3) The Chairman and other members shall be appointed by the Governor subject to confirmation by the House of Assembly.

Powers and
functions of
the Commission.

5. (1) The Commission shall recommend the appointments of persons to hold or act in such other offices as may constitute the Directorates and Units of the Office, the decision on such appointments shall rests with the Auditor-General.
- (2) The Commission shall on recommendation of the Auditors-General—
 - (a) formulate and implement guidelines on audit procedures
 - (b) perform such other duties and functions as are necessary or expedient for the discharge of its functions under this Law;
 - (c) advise the State Government on policy issues relating to audit matters;
 - (d) appoint, confirm, promote, and transfer persons recommended by the Auditor-General; and
 - (e) exercise disciplinary control over such person holding or acting in such offices.
- (3) Nothing in this Law shall preclude the creation of more Departments or Units by the Commission, in consultation with the Auditors-General, as the need arises.

- (4) If the Commission thinks it expedient that any vacancy in the Office should be filled by a person holding office in any service of the State, it shall notify the appropriate Service Commission to that effect and the Commission may, by arrangement with the Service Commission concerned, cause such vacancy to be filled by way of secondment or transfer.
- (5) A person seconded, pursuant to subsection (4) of this section, may elect, subject to the recommendation of the Commission and the approval of the Auditor-General, to be transferred to the service of the Office in which case any previous service shall count as service for the purposes of pension subsequently payable by the Office.
- (6) Any member of staff of the Office may elect to transfer or be seconded to any other service of the State and such right of transfer or secondment shall not operate to the disadvantage of the officer concerned.

Disqualification from membership.

- 6.(1) A person shall not be qualified for appointment as a member of the Commission if -
 - (a) he is of questionable integrity;
 - (b) within the preceding 10 years he has been removed as a member of any of the bodies established by Section 197 of the Constitution or as the holder of any other office on the ground of misconduct; or
 - (c) within a period of less than 10 years before his appointment he has been convicted and sentenced for a felony.
- (2) Any person employed in the Public Service of the Federation or of a State shall not be disqualified for appointment as a Chairman or member of the Commission:
 Provided that where such person has been duly appointed and on the appointment to the Commission, he has resigned or retired from his

former office as from the date of such appointment to the Commission.

- Tenure. 7. The Chairman or a member of the Commission shall hold office for a period of 4 years and may be eligible for reappointed for another term of 4 years only.
- Cessation of office. 8. (1) The Chairman or any member of the Commission shall cease to hold office where -
- (a) the removal is by the Governor acting on an address supported by two-third majority of the House of Assembly praying that such member be so removed for inability to discharge the functions of his Office (whether arising from infirmity of mind or body) or for misconduct; or
 - (b) there is a resignation of such membership of the Commission in writing by a letter addressed to the Governor; or
 - (c) there is an incapacitation or death; or
 - (d) within a period of less than 10 years before his appointment he has been convicted and sentenced for a felony offence; or
 - (e) there is involvement in any act that may be considered inimical to the interest of the Office or the State; or
 - (f) he is adjudged to be in bankruptcy.
- Filing of vacancy. 9. At the commencement of this Law, or upon the expiration of the tenure of members of the Commission, at any time or upon a vacancy occurring in the membership of the Commission, the Governor shall within 30 days fill the vacancy upon confirmation by the House of Assembly
- Remuneration. 10. The Chairman and members of the Commission shall be paid such remunerations and allowances as may be applicable to other Commissions within the State.

11. (1) There shall be appointed by the Governor, a Secretary who shall be -
- (a) a Senior Officer not below the rank of a Director from the Audit section in the State or Local Government who on appointment shall have the status of Permanent Secretary; and
 - (b) the accounting officer of the Commission.
- (2) The Secretary shall hold Office on such terms and conditions as may be applicable in the State Civil Service.
- (3) Subject to the general direction of the Commission, the Secretary shall be responsible for the day to day administration of the Commission and for the keeping of books and proper records of proceedings of the Commission.
- (4) The Secretary shall perform all other duties affecting the Commission as may be assigned by the Commission.

12. The Commission may co-opt any person who is not a member of the Commission for any meeting of the Commission or its Committee and such co-opted person may take part in the deliberations of the Commission or any of its Committees but shall not be entitled to vote or be counted as part of the quorum of the meeting.

13. (1) The meetings of the Commission shall be convened by the Chairman or any one acting in that capacity
- (2) At any meeting of the Commission, the Chairman shall preside and in his absence, members present shall appoint one of their number to be Chairman.
- (3) Any matter which comes before the Commission for decision shall be decided by the vote of a simple majority of the members present, and in the event of equality of votes, the Chairman or any person acting as Chairman shall have a casting vote

- (4) The validity of any meeting shall not be affected by reason of the existence of any vacancy in the Commission or any defect in the appointment of any member.
- (5) Quorum shall be the Chairman or any person acting as Chairman and any 2 other members.

Proceedings of the Commission.

- 14. The Commission shall have power to regulate its proceedings and may make regulations for that purpose.

Privilege of the Commission

- 15. (1) Any report, statement, communication, record of any meeting or proceeding which the Commission may make in the due exercise of its functions or which any member of the Commission may make in the course of performing such official duties shall be privileged.
- (2) Notwithstanding subsection (1) above, a report, statement, Communication, record of any meeting or proceeding of the Commission may be released on the order of Court or by a Resolution of the House of Assembly.

Staff of the Commission.

- 16. The Commission shall appoint such persons based on their technical knowledge to hold or act in offices as may constitute the Directorates and Units of the Commission.

Condition of service of employees.

- 17. The terms and conditions of service (including remunerations, allowances, benefits and pensions) of the employees of the Commission shall be as applicable in other Commissions within the State.

Staff regulations.

- 18. The Commission may make regulations relating to the conditions of service of its employees and without prejudice to the generality of the foregoing such regulations may provide for –
 - (a) the appointment, promotion and disciplinary control (including dismissal) of its employee; and

- (b) appeals by such employees against dismissal or such other disciplinary measures and until such regulations are made, any instruments relating to the conditions of service of officers in the Civil Service of the State shall be applicable, with such modifications as may be necessary to the employees.

Pensions.

- 19 (1) For the purpose of pension, service in the Commission shall be service in the Public Service and accordingly, officers of the Commission shall in respect of their services be entitled to such pensions, gratuities and other retirement benefits as applicable in the Civil or Public Service of the State.
- (2) The period of service of any person in the Commission shall be joined to and deemed to be continuous with the period served by that person previously or subsequently in any other pensionable service.
- (3) Nothing in the provisions of this Section shall prevent the appointment of a person to any office in the Commission on terms which preclude the grant of a pension or gratuity in respect of Service in the office.

Fund of
the Commission.

- 20. (1) There shall be established a fund for the Commission and provision for the fund shall be made in the annual budget of the State
- (2) There shall be paid and credited to the fund established under subsection (1) of this section -
 - (a) any sum appropriated to the Commission by the House of Assembly in each Financial year;
 - (b) all monies raised for the purposes of the Commission by way of gifts, grants-in-aid;
 - (c) take off grant; and

(d) proceeds from all other assets that may from time to time accrue to the Commission.

- (3) The Commission shall defray all expenditures incurred by it from the fund referred to in subsection (1) of this section and shall include -
- (a) the cost of administration;
 - (b) the payment of salaries, fees or other remunerations or allowances and pensions and gratuities payable to members and employees of the Commission; and
 - (c) anything done in furtherance to any of its function under this Law.

Establishment of the Office of the Auditors-General for State/Local Government.

21. (1) There shall continue to be in force in the State, the offices known as the Office of the Auditors-General for State and the Office of the Auditor- General for Local Governments.
- (2) These Offices mentioned in subsection 1 of this section shall be headed by the Auditor-General for State and the Auditors-General for Local Governments respectively (referred to in this Law as the “Auditors-General”).
- (3) The Offices of the Auditors-General shall be bodies corporate with perpetual succession with -
- (a) a common seal;
 - (b) the power to sue and be sued; and
 - (c) the power to acquire, hold, dispose of any moveable or immovable property

Appointment of Auditors-General.

22. (1) The Auditors-General shall be appointed by the Governor on the recommendation of the State Civil Service Commission subject to confirmation by the House of Assembly.
- (2) The Auditor-General shall be -
- (a) a qualified Accountant within the with a minimum of 15 years’ post-qualification and cognate experience in Accounting and auditing fields in the Directorate levels of the Offices of Auditors-General for State and Local Governments;

- (b) a member of a recognized body of Accountants; and
- (c) as determined by the State Civil Service Commission.

Remuneration
and allowances.

23. (1) The Auditor-General shall be paid such remuneration and allowances as may be prescribed by the House of Assembly, but not below the amount determined by the Revenue Mobilisation Allocation and Fiscal Commission.
- (2) The remuneration and salaries of the Auditors-General shall be first line charge on the Consolidated Revenue Fund of the State.
- (3) The remuneration and allowances payable to the Auditor-General and the conditions of service shall not be altered to the Auditor-General's disadvantage after the appointment.

Tenure.

24. The Auditor-General shall remain in office until retirement age of 60 years or after spending 35 years in service (whichever comes first) unless removed under the provisions of this Law.

Vacancy of the office
of the auditor- general.

- 25.(1) The Office of Auditor-General shall be vacant where -
- (a) he is removed by the Governor consequent upon a resolution supported by 2/3 majority of the House of Assembly calling for such removal on grounds of inability to effectively discharge his functions under this Law, (whether borne out of infirmity of mind or body or any other cause or of a misconduct); or
 - (b) he resigns, retires or dies.
- (2) In the event of paragraph (a) of this section, the Auditor-General shall have been given at least 21 days' notice in writing to raise a defence on the floor of the House of Assembly.

26. (1) In the event of the absence or incapacitation of the Auditors-General or where the Office of the Auditor-General is vacant, the Governor may, on the recommendation of the Commission appoint a person to perform the duties of the Auditors-General temporarily, provided that the person so appointed possesses such qualifications as provided in section 22 (2) of this Law.
- (2) No person shall act in the Office of the Auditor-General for a period exceeding 6 months except by a resolution of the House of Assembly.

Functions of the Auditor-General.

27. (1) The Auditor-General shall -
- (a) ensure that all public accounts of the State and the Local Governments are audited periodically and annually;
 - (b) audit all collection of revenue owed to the Government or public entities;
 - (c) ensure that all regulations governing the collection and utilization of public monies are observed;
 - (d) audit the use of public monies, resources or assets by the appropriate recipient or beneficiary regardless of legal nature;
 - (e) audit the quality of financial management and reporting by Government;
 - (f) audit the economy, efficiency and effectiveness of government or public entities;
 - (g) ensure that all monies appropriated are expended for the purpose for which approvals were obtained;
 - (h) ensure the existence, observance and compliance of proper audit regulations for accounting and financial operations both at the State and Local Governments levels;

- (2) The Auditor-General shall, in the conduct of periodic checks on Statutory Corporations and Institutions in addition to the report, draw attention to –
 - (a) the profitability, liquidity, stability and solvency of a parastatal, corporation or institution and where necessary on the rating of the shares of a corporation in the capital market; or
 - (b) any delay or failure in the payment of Government portion of any dividend into Consolidated Revenue Fund; or
 - (c) any fraud or loss and persons or causes responsible for such fraud or loss; or
 - (d) weakness in internal control mechanism, failure, or achievements of corporations in relation to set goals.

Powers of the
Auditors-General.

28.

- (1) The Auditors-General shall, not later than 3 months before the end of the budget year, prepare an audit plan and the associated budget.
- (2) The Auditors-General for the State shall audit all public accounts of the State, while the Auditor-General for Local Governments shall audit all public accounts of the Local Government.
- (3) The Auditors-General for the State shall have power to conduct periodic checks of all Government Statutory Corporations, Commissions, Authorities, Agencies including all persons and bodies established by a law of the House of Assembly;
- (4) The Auditors-General for State and the Auditor-General for Local Governments, as the case may be, shall within 90 days of the receipt of Financial Statements and Annual Accounts of the Accountant-General and Directors of Finance and Supplies of the Local Governments' submit the report to the House of Assembly annually.

- (i) ensure that the provisions of Financial Regulations and Extant Circular letters are effectively obeyed;
- (j) ensure that satisfactory procedures have been established to ensure adequate monitoring and evaluation of projects and programmes;
- (k) ensure prompt and adequate evaluation of the State's enterprise risk management strategies and policies, by making recommendations, where necessary;
- (l) ensure that the audited financial reports of the State and Local Governments are laid before the House of Assembly annually;
- (m) ensure that appropriate authorities have been duly informed of irregularities discovered during examination of accounts such as the Accounting Officers, the Accountant-General and relevant bodies;
- (n) publish electronically and manually the annual statutory reports of the State and Local Governments;
- (o) address all queries and observations as a result of the audit conducted by the office and call for such accounts, vouchers, statements, documents and explanations as that may be required;
- (p) make surcharge and specify to the appropriate head of department or institution, the amount due from any person upon and the reason for the surcharge and shall report the circumstances of the case to the Accounting Officer of the affected department or institutions; and
- (q) ascertain and express opinion on whether the financial statement presented shows a true and fair view and conforms to the accounting policies of State and best practices.

- (5) The Auditors-General or representatives of the Office shall have prompt, unfettered, direct and free access to all books of accounts, returns and others documents relating to the accounts specified in subsection (2) of this section.
- (6) The Auditors-General shall immediately inform the Governor, MDA or Chairman of Local Government or any relevant office, where any irregularities has occurred in the receipt, custody or expenditure of public monies or any securities, any Government property or in accounting of same.
- (7) The Auditors-General may -
- (a) deploy audit officers to MDAs, Commissions and Local Governments and ensure that such officers carry out their duties within a given period;
 - (b) enter into contracts with other organizations, agencies, companies or person(s) for the purpose of executing, realizing and fulfilling his responsibilities under this Law;
 - (c) establish and implement of a comprehensive human resource management system and policies that would aid capacity building and staff development;
 - (d) develop and deploy ICT which would facilitate the analysis, retrieval, storage of relevant audit information and publication of auditing procedures;
 - (e) forward a list of certified external auditors to be used by Government Statutory Corporations, Commissions, Agencies, Local Governments and Local Government creations;
 - (f) engage the services of Consultants on contractual basis for the purpose of executing, realizing and fulfilling the functions of this Law; and

- (g) establish standing or ad hoc committees to facilitate the discharge of his functions under this Law.
- (8) The Auditors-General shall submit to the House of Assembly a report of its activities for each year and such report shall be made available to the public through various media, including the State Official website.
- (9) The Auditors-General shall have full discretion, in the discharge of his duties, to cooperate with government, public entities or Local Government that strive to improve the use and management of public funds.
- (10) The Auditors-General shall not be involved in the management of any auditable entity of Government.
- (11) The Auditors-General shall not be subject to the direction or interference from the House of Assembly in the conduct of its duties under this Law.

Limitations of the auditing power of the Auditors- General.

29.

Notwithstanding any provisions under this Law, the Auditors-General shall not audit the accounts of or appoint Auditors for Government's Statutory Corporations, Commissions, Agencies but shall provide such bodies with the followings -

- (a) a list of Auditors qualified to be appointed as External Auditors;
- (b) a guideline on the level of fees to be paid to external auditors; and
- (c) comment on their annual accounts and auditor's report.

Power to disallow illegal expenditure.

30.

- (1) The Auditors-General shall not allow any item of expenditure which is contrary to this Law or any other Law,
- (2) The Auditors-General shall also ensure that –
 - (a) any person responsible for incurring or

authorizing expenditure in excess of what should have been expended is surcharged to the tune of the excess;

- (b) surcharge any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account; and
- (c) surcharge any person whose negligence or misconduct has led to loss of public money.

Staff of the office.

31. (1) For the purpose of efficient performance of its functions under this Law, there shall be deployed to the Office by the Auditors-General following his consideration of recommendations by the Commission, such officers of various grades and cadres.
- (2) The rates of remuneration, scales of salary and other conditions of service for the staff of the Office shall be as may be specified in their letter of appointment.
- (3) The Auditors-General, in consultation with the Commission may make provisions for the establishment of a pension scheme for the staff of the Office of Auditors-General in accordance with the Pension Law in force in the State.

Audit report.

32. Every report prepared by the Auditors-General and tendered for the consideration of the House of Assembly shall be accorded similar privileges like the House of Assembly's reports.

The discretion of the Auditors-General.

33. (1) The Auditors-General shall reserve the right to determine which auditing standards should be adopted and applied in the State;
- (2) The Auditors-General shall establish audit programs and code of ethics specific to the audits performed by the staff of the Office of the Auditors-General.
- (3) The auditing standards of the State shall include -
- (a) Public sector Auditing Standards issued by the Conference of Federal, State and Local

Governments Auditors-General;

- (b) Accounting Standards approved by the Financial Reporting Council (FRC);
- (c) Auditing Standards and Code of Ethics published by the International Organization of Supreme Audit Institution and International, Auditing and Assurance Standards Board;
- (d) the Accounting Standards and Code of Ethics published by the International Federation of Accountants;
- (e) International Public Sector Accounting Standards currently in issue; and
- (f) Model financial memoranda for Local Governments

Yearly accounts.

34.

- (1) The Accountant- General for the State shall within 3 months after the end of each fiscal year present to the Auditor-General accounts showing the fiscal position of the State Government as at the last day of the preceding year.
- (2) The Accounting Officers of the Local Government shall, within 3months after the end of each fiscal year present to the Auditor –General for Local Governments accounts showing the fiscal position of the Local Governments as at the last day of the preceding year.
- (3) The Auditors-General shall express opinion on the audited financial statements referred to in subsection (1) and (2) of this section and may –
 - (a) make observations and recommendations in the audit reports, taking into consideration, as appropriate, the views of the audited entity;
 - (b) decide the timing of the audit reports except where specific reporting requirements are prescribed by law;

and

- (c) publish and disseminate the reports, once formally submitted to the House of Assembly.

Content of account.

35. (1) The contents of the account shall include –

- (a) Statement No 1: Responsibility for Financial Statement;
- (b) Statement No 2: Cash flow statement;
- (c) Statement No 3: Statement of Assets and Liabilities;
- (d) Statement No 4: State of Consolidated Revenue Fund;
- (e) Statement No 5: Statement of Capital Development Fund;
- (f) Statement No 6: Statement of Recurrent Revenue and expenditure;
- (g) Statement No 7: Statement of Donations and grants;
- (h) Statement No 8: Statement of Contractual Liabilities;
- (i) Statement No 9: Statement of Investments;
- (j) Statement No 10: Statement of Internal and External Loans;
- (k) Notes to the Financial statements; and
- (l) others that may be required by Auditing Standards, practices or statistics.

(2) The notes shall provide information on the basis of preparation of the financial statements and the specific accounting policies used for respective transactions taking into account the extant financial framework.

(3) The Notes shall include the followings -

- (a) Statement of compliance with approved Accounting Standards;
- (b) Statement of the accounting policies applied;
- (c) Supporting information for items presented on the face of the financial

- statements; and
- (d) other Supporting statements.

(4) The Accounting Officer of an MDA shall within 3 months of request prepare and present to the Accountant-General and Auditors-General a detailed analysis of how public funds released has been spent under the votes for which they were responsible in the following manner –

- (a) services for which public monies were voted;
- (b) amounts actually expended on each service during the period of the accounts;
- (c) state of each votes compared with the appropriation; and
- (d) remarks on variation, stating causes

Refusal to answer
audit query.

36.

- (1) Failure or refusal to answer or respond to Audit query or observation within the specified period shall amount to a misconduct which shall attract disciplinary actions.
- (2) Subject to subsection 1 of this section, while the refusal lasts, there shall be disciplinary proceedings against the refusing officer as stipulated by the Civil Service Regulations.

Review of auditor-
general's report
by 'PAFAC'.

37.

The House of Assembly through the Public Account, Finance and Appropriation Committee or as otherwise elected shall-

- (a) scrutinize the Auditors-General's reports and raise questions where necessary;
- (b) question any Accounting Officer or members of the public on the findings of the Auditor-General;
- (c) hold its hearing in public or hold part or all

of its hearings in private sessions

- (d) make recommendations, where necessary and ensure that the recommendations are implemented; and
- (e) send the report to the Auditor- General and every organization reported upon.

Implementation of audit reports by MDAs/local government.

38. (1) All Accounting Officers of MDAs and Local Governments shall ensure that the –
- (a) recommendations of the House of Assembly, being the fallout of the review of the Auditor-General's report, are implemented in their MDAs and Local Governments; and
 - (b) preparation of annual report showing the extent of implementation of the recommendations of the House of Assembly.
- (2) The report prepared in relation to sub-section 1 of this section shall contain information on the remedial action taken, the internal control measures recommended by the MDAs or Local Governments involved and the time lag within which the corrections must be effected;
- (3) The Offices of the Auditors-General shall establish and operate an internal follow-up system on audit and PAFAC recommendations, and submit an annual report on progress with the implementation of all such recommendations to the State House of Assembly for consideration and action.'
- (4) A copy of such report shall be forwarded to the Auditor-General for his attention and necessary action.

- Non-liability for
any act or
omission.
39. The Auditors-General or representatives of the Office shall not be liable for any act or omission committed in relation to their functions under this Law except the act or omission is of a fraudulent nature.
- Fund of the office.
40. (1) For ease of administration, there shall be established a first line charge fund for the Office of the Auditors-General and provision for the fund shall be made in the yearly budget of the State by the House of Assembly.
- (2) The Auditors-General shall, where necessary, appeal directly to the House of Assembly, where the resources provided are insufficient to allow him to fulfil his mandate or responsibilities under this Law.
- (3) There shall be paid and credited to the fund established under sub-section (1) of this section –
- (a) any fund appropriated to the Office of the Auditors-General by the House of Assembly each financial year;
 - (b) all sums accruing to the Office of the Auditor-General by way of aid or gifts,
 - (c) all fees paid for services rendered by the Office of the Auditors-General or for the utilization of its facilities; and
 - (d) all other sums which may from time to time accrue to the Office of the Auditors-General in the form of grants, awards or any other form of support by private persons or organizations.
- (4) The Auditors-General shall manage their budget and allocate it as appropriate.

- Annual estimates and expenditures. 41. The Auditor-General shall prepare and submit to the Ministry of Budget and Economic Planning at least 90 days before the end of the current year, the estimates of revenues and expenditures for the following year for inclusion in the State Budget.
- Improper retention of public funds. 42. (1) Where the Office of the Auditors-General uncovers an improper retention or misappropriation of public money or any other fraudulent dealings in public money, the discovery shall be reported immediately to the relevant Accounting Officer.
- (2) The report of the misappropriation or fraudulent act shall also be captured in the Auditors-General's annual report to the House of Assembly stating the details of the events, the date, officer or MDAs or Local Governments involved, including actions taken.
43. For the purpose of facilitating effective discharge of duties of the Office of the Auditors-General, the Auditors-General shall not be restrained from reporting directly to PAFAC of the House of Assembly.
- Offences and penalties. 44. Any person who –
- (a) intimidates, hinders or harasses the Auditor-General, staff or any person so authorized by of the Office the Auditors-General in the performance of the duties and powers under this Law;
 - (b) refuses to implement any auditing process initiated by the Office of the Auditors-General or fail to comply with any lawful request of the Auditors-General;
 - (c) hinders the Auditors-General, staff of the Office or any person so authorized access to any book, returns, payment voucher and any relevant documents for the purpose of auditing;
 - (d) deliberately keeps or handles books of accounts including improper

documentation to facilitate loss of public funds;

- (e) wilfully renders false returns or gives false information to the Auditors-General to mislead the Office of the Auditors-General; and
- (f) suppresses any information required by the Office of the Auditors-General in the performance of statutory obligations commits an offence and in the case of –
 - (i) an Officer in the Public Service of the State, such officers shall be subjected to the disciplinary procedure as provided in the Public Service Regulations of the State.;
 - (ii) an individual other than a Civil or Public Servant, the person shall be liable on conviction to a fine of not less than ₦250,000 or a term of imprisonment not exceeding 1 year or both; and
 - (iii) a body Corporate or Firm, shall be liable to a fine not below **₦600,000.**

Sanctions on 45.
staff of
Auditors-General.

Any member of staff of the Office of the Auditor-General who –

- (a) covertly or overtly receives bribes, gratification or reward for the neglect, abuse or non-performance of duty;
- (b) refuses to inform the Auditors-General of any irregularity or abuse that come to notice by virtue of position or in the course of such duty regarding the auditing of an account;
- (c) deliberately keep or handle books of accounts including improper documentation to facilitate loss of public funds; or

(d) intentionally distorts a report forwarded to the Auditors-General to cover-up an unlawful act,
commits an offence, and shall be made to face disciplinary procedures sanctioned by the Commission's Rules and Regulations.

Registration of
audit contracts.

46.

- (1) All private audit firms and allied ones taking up Consultancy work at the Auditors-General shall be duly registered with the Auditors-General and other relevant government agencies.
- (2) Such audit contract shall include but not limited to the following -
 - (a) revenue audit and consultancy work, including tax audit;
 - (b) Government bank accounts audit;
 - (c) audit of government offices, including special investigation;
 - (d) staff audit, including payment at sight;
 - (e) pension audit, including verification;
 - (f) contracts in respect of estate or building valuation or valuation of specialized government assets; and
 - (g) assessment and evaluation of effective Government information system and government assets.

Special
assignment.

47.

The Auditors-General shall have the power to carry out special audit enquiry at the request of any person on any matter in accordance with the provisions of this Law—

- (a) relating to the financial affairs of the State, Local Government or Public property; or
- (b) relating to a body corporate or an organization or an individual in receipt of government's financial aid,

the Auditors-General may conduct the enquiry and report to the House of Assembly or Governor.

Confidentiality 48.
and non-disclosure.

The Auditors-General or a member of staff or any person shall -

- (a) not make use of any information which has come to their knowledge in the exercise of the powers under this Law or is obtained by them in the ordinary course of their duty for personal gain or otherwise under this Law;
- (b) treat as confidential any information which has been obtained in the performance of the functions under this Law;
- (c) not disclose any information referred to under this section except when required to do so by a court of Law or any similar panel of inquiry

Appointment of an 49.
independent auditor.

- (1) In every financial year, it shall be the duty and responsibility of the PAFAC to appoint an independent Auditor to report on the financial statements, accounts and other information relating to the performance of the Office of the Auditors-General in the year under reference.
- (2) Copies of the report shall be submitted to the Auditors-General.
- (3) The PAFAC shall lay the report before the House of Assembly.

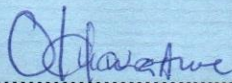
Legal Proceedings
Against the Office of
the Auditors-General.

50. (1) Subject to the provisions of this Law, the provision of the Public Officers Protection Law shall apply in relation to any suit instituted against any officers of the Office of the Auditors-General
- (2) No suit shall be commenced against the Office or employees before the expiration of a period of 1 month after written notice of intention to commence the suit shall have been served on the Auditors-General by the intending Claimant.
 - (3) The notice referred to in subsection (2) of this section shall clearly and explicitly state the cause of

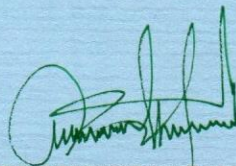
action, particulars of claims, the name and residence of the would-be claimant and the reliefs which he claims.

- Service of document. 51. A notice, summons or other documents required or authorized to be served on the Auditors-General under the provision of this Law or any other enactment of Law may be served by delivering it to the Auditors-General or by sending it by Registered post and addressed to the Auditors-General.
- Restriction of execution against property of 52. (1) In any action against the Office of the Auditor-General, no execution or attachment of process in the nature shall be issued against the Office of the Auditors-General unless not less than 3 months, notice of intention to execute or attach has been given to the Auditors-General.
- (2) Any sum of money which may be the judgment of any court that is awarded against the Auditor-General shall, subject to any direction given by the court where notice of appeal of the said judgment has been given, be paid from the general reserve fund of the Office of the Auditors-General.
- Indemnity of officers. 53. The Auditors-General or any officer acting in the course of lawful duty shall be indemnified out of the assets of the Office of Auditors-General against any liability incurred by such officer in defending any civil proceedings.
- Power to make regulations. 54. The Auditors-General may, in consultation with the Commission, makes regulations for carrying into effect of the general intendment of this Law.
- Repeal. 55. Section 66 (1) – (8) of the Local Government Law, 2001 is hereby repealed.

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.



.....
Mrs. Yetunde Oludara Awe
Clerk of the State
House of Assembly



.....
Rt. Hon. Ogundoyin Adebo Edward
Speaker of the State
House of Assembly