



ABIA STATE OF NIGERIA

THE ABIA STATE AUDIT LAW, 2021.

LAW NO. 20 OF 2021

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**ABIA STATE OF NIGERIA
THE ABIA STATE AUDIT LAW, 2021.**

GENERAL PROVISIONS

Long Title: A Law to provide for the appointment of the State Auditor-General and the Auditor-General for Local Governments and for other matters connected therewith.

Enactment: **Be it Enacted** by the House of Assembly of Abia State of Nigeria as follows:

PART I - PRELIMINARY

- Citation 1. This Law may be cited as the Abia State Audit Law, 2021 and shall come into force on the 9th day of November, 2021.
- Interpretation 2. In this Law:
- “**Accountant-General**” means the Accountant-General of Abia State.
 - “**Auditors-General**” (in Part 6 – Part 9 of this Law) means the State Auditor-General and the Auditor-General for Local Governments.
 - “**Auditor-General for Local Governments**” means the Auditor in-charge of auditing Local Government Accounts.
 - “**Board**” Means the Abia State Audit Board established in Part 7 of this Law
 - “**Constitution**” means the Constitution of the Federal Republic of Nigeria, 1999 (as amended).
 - “**Governor**” means the Governor of Abia State.
 - “**Head of Service**” means the Head of Service of Abia State.
 - “**High Court**” means the High Court of Abia State.
 - “**House of Assembly**” means Abia State House of Assembly
 - “**Local Governments**” means the Local Government Councils of Abia State.
 - “**Local Government Education Authority**” means the Local Government Education Authorities of Local Governments of Abia State.
 - “**Local Government Health Authority**” means the Local Government Health Authorities of Local Governments of Abia State.
 - “**State**” means Abia State of Nigeria.
 - “**State Auditor General**” means the Auditor-General of Abia State.

**PART II – ESTABLISHMENT AND APPOINTMENT OF STATE
AUDITOR-GENERAL.**

- Establishment of the Office of The State Auditor-General.
3. (1) Subject to the provisions of Section 125(1) of the Constitution and in furtherance thereto, there is hereby established, the Office of the Auditor-General for Abia State, which office shall be independent and permanent.
- (2) The Office of the State Auditor-General shall be a body corporate with perpetual succession and common seal, and may sue or be sued in its corporate name and may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out its functions under this Law.
- (3) The Office of the State Auditor-General shall be headed by the State Auditor-General, who shall be appointed in accordance with the provisions of this Law.
- Appointment of State Auditor-General.
4. (1) The State Auditor-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 Governor shall have power to appoint persons in an acting capacity into the office of the State Auditor-General, provided that such a person shall not act in that capacity for a period exceeding six months without the sanction of a resolution of the House of Assembly.
- (3) In recommending person(s) for appointment as State Auditor-General, the State Civil Service Commission shall advertise the vacancy on the State's website; in two national newspapers, the official Gazette and Procurement Journal for a minimum period of six weeks before the date set for interview.
- (4) The State Civil Service Commission shall interview the applicants and recommend the top three candidates to the Governor.
- Qualification
5. (1) Subject to the provisions of Section 125(1) of the Constitution, a person shall not be appointed into the position of State Auditor-General, except the person is a qualified Accountant who has held full membership of a professional accountancy body recognized by an Act of Parliament in Nigeria, for a period of not less than fifteen (15) years post-qualification and is able to demonstrate and provide independent testament to a minimum of fifteen (15) years cognate experience in auditing the public sector.
- (2) A candidate from the Public Service for the position of State Auditor-General shall not be more than fifty-six (56) years of age or have less than four (4) years of service left in his career at the time of appointment.

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| Tenure | <p>6. (1) The tenure of a State Auditor-General appointed from outside the Public Service shall be four (4) years, which may be renewed for another term of four (4) years and no more.</p> <p>(2) Appointees from the Public Service shall compulsorily retire at the age of sixty (60) years or after thirty-five (35) years of service (whichever comes first), and shall continue in the post until retirement.</p> |
| Removal
from Office. | <p>7. (1) A person holding the office of State Auditor-General shall be removed from Office by the Governor acting on an address supported by two-thirds majority of the members of the House of Assembly praying that he be so removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body or any other cause) or for misconduct; PROVIDED that the State Auditor-General shall be entitled to a notice for a period of 21 days to enable him prepare and present a defence before the vote for his removal is taken in the House of Assembly.</p> <p>(2) The State Auditor-General shall not otherwise be removed from office before such retiring age as may be prescribed by law or his conditions of service, save in accordance with the provisions of subsection (1) of this Section.</p> |
| Salary/
Allowances | <p>8. (1) The State Auditor-General shall be paid such remuneration and salary as prescribed by the House of Assembly but not exceeding the amount determined by the Revenue Mobilization Allocation and Fiscal Commission (RMAFC).</p> <p>(2) In addition to the salary prescribed pursuant to sub-clause (1) of this Clause, the State Auditor-General shall be paid such special allowances that may be created for the Office of the State Auditor-General from time to time.</p> <p>(3) The salary and allowances payable to the State Auditor-General and his conditions of service shall not be altered to his disadvantage after his appointment and the salary and allowances shall be a charge on the Consolidated Revenue Fund of the State.</p> <p>(4) The State Auditor-General, upon reaching the age of retirement as specified in Section 6 above, shall be entitled to pension for life at a rate equivalent to the annual salary inclusive of all allowances of the incumbent State Auditor-General, and the pension so granted shall be a charge on the Consolidated Revenue Fund of the State.</p> |

**PART III – FUNCTIONS, POWERS AND FINANCES OF THE STATE
AUDITOR-GENERAL.**

Functions

9. (1) The State Auditor-General shall inquire into and audit the public accounts of the State and of all Offices and Courts of the State, including all persons entrusted with the collection and administration of public monies and assets and for that purpose, the State Auditor-General or any person authorized by him in that behalf shall have access to all books, returns and other documents relating to those accounts.
- (2) The State Auditor-General shall also audit:
 - (a) the use of public monies, resources, or assets by a recipient or beneficiary regardless of its legal nature;
 - (b) collection of revenues owed to the State government or other public entities;
 - (c) the quality of financial management and reporting by the State Ministries, Departments and Agencies; and
 - (d) the economy, efficiency and effectiveness of State government or public entities' operations.
- (3) In carrying out his functions, the State Auditor-General shall satisfy himself that:
 - (a) all reasonable precautions have been taken to safeguard the collection of public monies and that the law or regulation thereto have been duly observed and all precautions relating thereto have been obeyed;
 - (b) all monies appropriated or otherwise disbursed have been expended and applied for the purpose or purposes for which the appropriation made by the House of Assembly were intended and the expenditure conforms with the authority which governs it;
 - (c) value is received with due regard to economy, efficiency and cost effectiveness for all money so disbursed and in the use of Government resources; and
 - (d) adequate financial laws and regulations exist for the guidance of public officers and that these financial laws and regulations have been duly observed.
- (4) Anything under the authority of this Law or of any other law in force at the commencement of this Law which is directed to be done by the State Auditor-General, may be done by any officer of his office or any other person authorized by him in that behalf except the certifying of accounts and signing of reports as set out in this Law.
- (5) The State Auditor-General shall not be required to undertake any examination of accounts in the nature of pre-audit inspection or instruction which involves acceptance by him of responsibility which will preclude him from full criticism of any accounting transactions after such transactions have been duly recorded.

- (6) The State Auditor-General shall not be required to undertake any duties outside those pertaining to his office if he considers that such duties are incompatible with the responsibilities of his office.
- (7) The State Auditor-General shall not while holding this office hold any other office of profit.

Powers

- 10. (1) In the exercise of his duties and functions under this Law, the State Auditor General may, subject to Section 15:
 - (a) call upon any officer to furnish him forthwith with any explanation or information which he may require in order to enable him efficiently discharge his duties;
 - (b) authorize any officer, Federal Officer or Officer of any other State of the Federation, on his behalf to conduct any inquiry, examination or audit and such officers shall report thereupon to the State Auditor-General, PROVIDED that the prior consent of the Chief Executive of the Ministry or Office in which the officer is employed has been obtained.
 - (c) without payment of any fees, cause a search to be made in and extracts to be taken from any book, documents or record in any public office of the State;
 - (d) examine upon oath, declaration or affirmation (which oath, declaration or affirmation the State Auditor-General is hereby empowered to administer) on all persons whom he may think fit to examine respecting the receipt or expenditure of money or the receipt or issue of any stores or other public property of any kind whatsoever affected by the provisions of the Law, and respecting all other matters and things whatever necessary for the due performance and exercise of the duties and powers vested in him;
 - (e) lay before the Attorney-General of the State a case in writing as to any question regarding the interpretation of any written law, or regulation concerning the powers of the State Auditor-General on the discharge of his duties, and the Attorney-General of the State shall give a written opinion on such case;
 - (f) investigate all matters relating to the receipt, disbursement and application of public funds and to make recommendations which are likely to enhance the economy or efficiency and effectiveness of public expenditure;
 - (g) have access to sites for purposes of auditing or monitoring contract performance;
 - (h) recommend to the State Attorney-General for prosecution, erring public office holders, if after three months of the end of the fiscal year involved, outstanding audit queries issued by the State Auditor-General against those public officers are not properly or reasonably addressed or to the satisfaction of the State Auditor-General.

- (2) Any person examined in pursuance of paragraph (d) of subsection (1) above who gives a false answer to any question put to him or her, or who makes any false statement on any matter, knowing that answer or statement to be false or not knowing or believing it to be true shall be deemed to be guilty of perjury and shall be liable to prosecution and, on conviction, shall be punishable in accordance with this law or other extant laws of the State.
- (3) In the performance of his functions under this Law, the State Auditor-General or any officer duly authorized by him shall have access to all books, records, vouchers, documents, cash, stamps, securities, stores or other Government property of any kind whatsoever in the possession of any public officer.
- (4) In the performance of his functions and duties under this Law, the State Auditor-General shall not be subject to the direction, control, or interference of any authority or person(s) or any institution(s) or any branch of government in:
 - (a) the selection of audit issues;
 - (b) planning, programming, conduct, reporting, and follow-up of the audits;
 - (c) organization and management of his office; and
 - (d) enforcement of his decisions on the application of sanctions.
- (5) It shall be the responsibility of the State Auditor-General to approve all audit plans and programs, and also the actual conduct of the Audit of State Ministries, Departments and Agencies and he or she shall also develop an internal follow-up system, which shall include post-audit meetings with the audited entities to ensure that the audited entities properly address the observations and recommendations as well as those made by the House of Assembly and to confirm that corrective and remedial actions are taken.
- (6) In reporting the result of the audit work, the State Auditor-General shall be free to:
 - (a) decide the content of the audit reports;
 - (b) make observations and recommendations in the audit reports taking into consideration, the views of the audited entity;
 - (c) decide the timing of the audit reports except where specific reporting requirements are prescribed by any law;
 - (d) publish and disseminate the reports, once they have been formally submitted to the House of Assembly.
- (7) In the discharge of his duties under this Law, the State Auditor-General shall have unfettered powers to audit the implementation of policies of government and public entities.

- (8) In the discharge of his duties under this Law, the State Auditor-General may accommodate specific requests for audit or investigation made by either the House of Assembly or the Governor.

Audit
Report and
Queries.

11. (1) If at any time it appears to the State Auditor-General that any irregularity has occurred in the receipt, custody or expenditure of public monies or in the receipt, custody, issue, sale, transfer or delivery of any securities, stores or other property of the Government or in accounting for the same, he shall immediately bring the matter to the notice of the accounting officer of the Ministry or non-ministerial department(s) concerned.
- (2) The accounting officer of the Ministry or non-ministerial department(s) shall acknowledge the receipt of any such audit report or query mentioned in sub-clause (1) above and shall give full replies to the satisfaction of the State Auditor-General within thirty days after receipt of such audit report or query.
- (3) The State Auditor-General shall at least once but not more than twice every year submit a summary of outstanding audit report and queries to the House of Assembly which shall cause the appropriate disciplinary action to be taken against the officer responsible for the default.
- (4) The State Auditor-General shall send the copies of the outstanding audit reports, sent to the House of Assembly under subsection (3) above, to the Accountant-General, the audited entity, the Head of Service, and the Governor, or as determined by him.
- (5) The State Auditor-General shall also in a Public Audit Forum, attended by audited entities, present details of outstanding routine or special annual accounts, audit queries and follow-up report status of matters raised in previous audits.
- (1st Schedule) (6) Offences and sanctions for irregularities resulting in losses to Government due to fraud, negligence or incompetence of officers or Staff of the Office of the State Auditor-General are as contained in the First Schedule to this Law.

Post
Audit.

12. (1) There shall be an exit conference between the audit team and audited entity at the conclusion of an audit exercise. The purpose of the exit conference shall be to:
- (a) present audit observations to audited entity management in conference before leaving;
- (b) allow management the opportunity to provide clarification to audit observations in conference;
- (c) isolate observations that will be reported on.
- (2) The State Auditor-General shall schedule a post audit meeting with an audited entity within 30 days of issuing the Audit report. The post-audit meetings shall hold at the office of the audited entity to assess the entity's

compliance to audit observations and recommendations and any unresolved query or issue will be forwarded to the House of Assembly for further action.

- (3) Any comments on audit observations by the House of Assembly shall be forwarded to responsible audited entities for compliance and to the State Auditor-General and a post-audit meeting shall be convened by the Auditor-General to resolve such issues.
- (4) The State Auditor-General shall forward reports of non-compliance with the directives of the House of Assembly, and with audit recommendations in respect of the queries of previous audits to the House of Assembly.

Annual
Financial
Statement

- 13. (1) Within a period of six months after the close of each financial year, the Accountant-General shall sign and present to the State Auditor-General, Annual Financial Statements showing fully the financial position of the Government on the last day of such financial year.
- (2) The Statements referred to in subsection (1) of this Section includes:
 - (a) Statement of Financial Position (Statement 1);
 - (b) Statement of Financial Performance (Statement 2);
 - (c) Statement of Changes in Net Assets / Equity (Statement 3);
 - (d) Statement of Cash Flow (Statement 4);
 - (e) Statement of Comparison of Budget and Actual (Statement 5);
 - (f) Notes to the Accounts (Statement 6);
 - (g) Schedule of Notes to the Accounts; and such other Statements as the State Auditor-General may from time to time require.
- (3) The Statements mentioned in subsection (2) above shall be in line with the International Accounting Standard Manuals published by the Nigeria Federal Accounts Allocation Committee (FAAC).

Annual Audit
Audit Certificate
And Report

- 14. (1) The State Auditor-General shall, within ninety (90) days of receipt of the Accountant-General's financial statement and annual accounts of the State, submit his report to the House of Assembly and the House of Assembly shall cause the report to be considered by the Public Accounts Committee of the House of Assembly.
- (2) The State Auditor-General may, at any time, if it appears to him to be desirable, send a Special Report on any matters incidental to his powers and duties under this Law to the House of Assembly or to the Governor or to any other person.
- (3) In preparing its annual audit and reports, the State Auditor-General shall use appropriate work and audit standards and a Code of Ethics, in line with International Public-Sector Accounting Standards and Best Practices, such as those issued by the International Organization of Supreme Audit Institutions (INTOSAI); the International Federation of Accountants (IFAC); the International Public Sector Accounting Standards Board (IPSASB); the Financial Reporting Council of Nigeria (FRC); etc.

- Accounts Of Statutory Corporations, etc.
15. (1) Notwithstanding the provisions of Section 10 of this Law, the State Auditor-General shall not audit the accounts of or appoint auditors for Government Statutory Corporations; Commissions; Authorities; or Agencies, including all persons or bodies established by law, but the State Auditor-General may provide such bodies with a list of auditors qualified to be appointed by them as external auditors and a guideline on the level of fees to be paid to such external auditors.
- (2) The list of external auditors provided under subsection (1) above shall be those auditors who apply to the Office of the State Auditor-General and pay an appropriate fee on the first registration and thereafter an annual renewal fee payable in the month of January of every year, which fees shall be determined by the State Auditor-General.
- Audited Accounts of Statutory Corporations, etc.
16. (1) Within three months after the close of each financial year (or such longer period not exceeding six months as the House of Assembly may approve), the Chief Executive of every State Statutory Corporation, Commission, Authority, Agency, Company, including all persons or bodies established by Law, shall submit their audited accounts, and auditors' report thereon to the State Auditor-General.
- (2) Such audited accounts or statements referred to in sub-clause (1) above shall include the following:
- (a) a statement of assets and liabilities (Balance Sheet);
 - (b) a statement of income and expenditure or a statement of summary of revenue and expenditure or a profit and loss account as the case may be;
 - (c) a comparative statement of estimated revenue / income with actual revenue / income;
 - (d) a comparative statement of estimated expenditure with actual expenditure;
 - (e) a fund-flow statement; and
 - (f) such other statements as the House of Assembly may from time to time require as provided in the law which established the body audited.
- (3) The State Auditor-General shall comment on the annual accounts and the external auditors' reports thereon, and shall submit same together with his comments to the House of Assembly with copies to the Chief Executive / Board of Directors of the Statutory Corporation, Commission, or Company, as the case may be, and to the Ministry or Department that has responsibility for the general supervision of the statutory body. The House of Assembly shall cause the audited accounts and reports / comments thereon, to be considered by the Public Accounts Committee of the House of Assembly.

- (4) In exercise of his / her powers under this Section, the State Auditor-General may call upon any officer of a State Statutory Corporation to furnish him / her with any explanation or information which he / she may require in order to enable him / her discharge his / her duties.

Power
to Sanction
and surcharge

17. (1) The State Auditor-General shall have power to sanction and surcharge any officer through the Ministry or Department or Agency's personnel management department, in respect of offences and sanctions specified in the First Schedule to this Law. The processes of a surcharge are as contained in Section 47 of this Law.
- (2) Any officer or person aggrieved by the action of the State Auditor-General under sub-clause (1) above, may petition the Public Accounts Committee of the House of Assembly for redress.

Establishment
of Audit
Alarm Committee.

18. (1) There is hereby established, an Audit Alarm Committee, which shall compose of the State Auditor-General as Chairman, the Accountant-General and one representative of the Governor. The membership of the State Auditor-General in the Audit Alarm Committee shall not in any way prejudice his other functions and duties provided under this Law.
- (2) The functions of the Committee shall be to:
- (a) prevent irregular payment before they are made if there is an audit alarm raised by the Internal Auditor of a Ministry, Department or Agency of government, or raised by any concerned citizen;
 - (b) examine all cases of alarm brought before it in respect of prepayment audit queries raised by the Internal Auditor but overruled by the Chief Executive of the Ministry, Department or Agency.
 - (c) notify the House of Assembly or the Governor of audit alarms of significant importance and serious prepayment audit reports for which the accounting officer of the Ministry or non-ministerial department is liable or responsible.
- (3) Once a prepayment alarm has been raised, it shall be deemed an offence for any officer to process any further, any queried payment under the audit alarm system without an audit certificate issued by the State Auditor-General.

Internal
Audit Units.

19. (1) The Accounting Officer of each Ministry or non-ministerial department or the Chief Executive of a State Corporation, Commission, or Agency, are to establish and maintain an Internal Audit Unit to provide a complete and continuous audit of the accounts and records of revenue, expenditure and all public property, stores and plants.
- (2) Notwithstanding the existence of an Internal Audit Unit in a Ministry or Corporation, the individual officers' responsibilities shall subsist and departmental checks will continue.

- (3) The Internal Auditor of each establishment shall be directly responsible to the accounting officer and shall submit to his / her accounting officer and the State Auditor-General a detailed audit programme and thereafter, he / she shall report monthly to the accounting officer as well as to the State Auditor-General on the true progress of the audit.
- (4) The Internal Auditor shall also issue Special Reports on any irregularities or apparent departure from earlier internal audit reports/ recommendations or the State Auditor-General's reports/ recommendations.

- Finances 20. (1) The State Auditor-General shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year, the following documents:
- (a) a draft annual plan that describes the State Auditor-General's proposed work programme for the incoming year, which will include the interim report for the current financial year;
 - (b) the estimate of revenues and expenditure for inclusion in the State budget; and
 - (c) the operational, administrative and capital expenses of the State Audit office including salaries, allowances, gratuities and pensions payable to staff.
- (2) The State Auditor-General, after considering the comments of the House of Assembly through the Public Accounts Committee of the House of Assembly that considered the draft plan, may amend the plan as necessary and submit same to the Ministry or Agency in charge of Budget and Economic Planning, for inclusion in the State Budget for appropriation by the House of Assembly. The estimates and plan submitted by the Auditor-General shall not be amended by the Ministry or the Executive without prior agreement of the House of Assembly.
 - (3) To enable the Office of the State Auditor-General have enough finances and funds to effectively perform its statutory duties and functions under this Law, the Office shall be entitled to zero point five percent (0.5%) of the State monthly allocation.
 - (4) The House of Assembly shall ensure that the State Auditor-General's Office is properly and sufficiently funded through budgetary allocations and oversight functions, to enable the Office to perform its statutory functions effectively.
 - (5) Any sum appropriated to the State Audit office by the House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as a first line charge in equal instalments every month of the year.
 - (6) All funds or finances made available to the State Auditor-General for the performance of his statutory responsibilities under this Law shall be controlled and applied exclusively by the State Auditor-General in

accordance with extant financial regulations and without interference by any person or body of persons.

- (7) Where the resources provided for the State Auditor-General's Office is insufficient to allow him to fulfil his mandate, the State Auditor-General shall apply to the House of Assembly for a supplement to its annual budget.

Organization/
Staff

21. (1) The office of the State Auditor-General shall have qualified and sufficient manpower and material to execute its responsibilities and functions under this Law. To this end, the State Auditor-General shall have the power to recruit essential staff, but in line with the prevailing State government policy on employment.
- (2) Staff transfers to and from the Office of the State Auditor-General shall not be made except by the request and/or consent of the State Auditor-General in order to maintain stability.
- (3) The State Auditor-General shall, in consultation with the Board, and in line with the guidelines issued by the State Ministry of Finance, determine the salaries, allowances, pensions and other conditions of service of members of staff of the office of the State Auditor-General. The salaries, allowances and conditions of service so determined shall be competitive enough to attract qualitative personnel for the effective discharge of the mandate of the office.
- (4) The office of the State Auditor-General shall run six core departments, namely:
- (a) the Corporations Accounts Department;
 - (b) the Ministerial Accounts Department;
 - (c) the Schools Accounts Department;
 - (d) the Projects Monitoring and Evaluation Department;
 - (e) the Government Accounts Department;
 - (f) the General Service Department; and
 - (g) any other Department which, in the opinion of the State Auditor-General is essential for the due discharge of the functions of his office.
- (5) Without prejudice to the provisions of subsection (4) of this section, the State Auditor-General shall have powers to restructure the Office as he deems fit or if the need arises.

Human
Resource
Management.

22. (1) The State Auditor-General shall establish and implement a comprehensive human resource management system and policy for managing staff Development programmes.
- (2) The responsibility for determining the caliber of staff required to ensure the efficient performance and functioning of the Office of the State Auditor-General shall reside with the incumbent Auditor-General who shall further

be responsible for aligning the cost associated with such recruitment of staff with the funds allocated for remuneration in terms of the vote.

- (3) The State Auditor-General shall be responsible for ensuring that all vacancies are widely advertised, and that all applicants shortlisted are in possession of the required minimum qualifications which are duly verified with the relevant accreditation body, and that the required skills and competence levels are confirmed by means of any combination of interviews; examinations; case-study based simulations of the work environment; and/or other means of assessment, so as to ensure that persons recruited to positions required by the State Auditor-General's Office are consummately suitable for the appointment.
 - (4) When a member of staff, as appointed by the State Auditor-General becomes eligible for promotion on the basis of time served and having met all additional qualification criteria, the State Auditor-General shall recommend to the Board such member of staff for promotion.
 - (5) It shall be the responsibility of the Board to ensure that, once a staff is recommended for promotion by the State Auditor-General, such promotion is effected without undue delay.
 - (6) It shall be the sole responsibility of the State Auditor-General to request the commencement of staff disciplinary processes and to articulate the circumstances and nature of breaches in discipline that shall necessitate the commencement of the process to the Board.
 - (7) The State Auditor-General shall submit an Annual Activity Report to the House of Assembly and the Report is made available to the public thereafter.
 - (8) The Annual Activity Report mentioned in subsection (7) of this section shall cover the following areas:
 - (a) performance achieved by the Audit Office in executing its annual program of work;
 - (b) all activities to improve the capacity of the Audit Office;
 - (c) financial and non-financial impacts achieved by the Office;
 - (d) activities conducted in partnership with other entities;
 - (e) challenges and opportunities;
 - (f) the audited financial statements of the office; and
 - (g) any other information deemed relevant by the State Auditor General.
- Independent Auditor. 23. (1) There shall be appointed by the Public Accounts Committee of the House of Assembly, an external Independent Auditor, who shall audit the State Auditor-General. The Independent Auditor shall be selected from the list of registered external auditors kept by the office of the State Auditor-General.

- (2) The primary duty of the Independent Auditor shall be to audit the accounts, books and records maintained by the office of the State Auditor-General annually, and to submit a report to the House of Assembly through the Public Accounts Committee of the House of Assembly.
- (3) The Independent Auditor shall audit the books, accounts and records of the office of the State Auditor-General for a period of three consecutive years whenever he is appointed for an independent audit exercise.

PART IV – APPOINTMENT OF AUDITOR-GENERAL FOR LOCAL GOVERNMENTS.

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| Establishment
Of the
Office of
The Auditor-
General for Local
Governments. | <p>24. (1) There is hereby established, the Office of the Auditor-General for Local Governments, which office shall be independent and permanent.</p> <p>(2) The Office of the Auditor-General for Local Governments shall be a body Corporate with perpetual succession and common seal and may sue or be sued in its corporate name and may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out its functions under this Law.</p> <p>(3) The Office of the Auditor-General for Local Governments shall be headed by the Auditor-General for Local Governments, who shall be appointed in accordance with the provisions of this Law.</p> |
| Appointment
Of the Auditor-
General for Local
Governments. | <p>25. (1) The Auditor-General for Local Governments shall be appointed by the Governor on the recommendation of the Local Government Service Commission subject to confirmation by the House of Assembly.</p> <p>(2) The Governor shall have power to appoint persons in an acting capacity into the office of the Auditor-General for Local Governments, provided that such a person shall not act in that capacity for a period exceeding six months without the sanction of a resolution of the House of Assembly.</p> <p>(3) In recommending person(s) for appointment as Auditor-General for Local Governments, the Local Government Service Commission shall advertise the vacancy on the State's website; in two national newspapers, in the official Gazette and Procurement Journal for a minimum period of six weeks before the date set for interview.</p> <p>(4) The Local Government Service Commission shall interview the applicants and recommend the top three candidates to the Governor.</p> |
| Qualification | <p>26. (1) A person shall not be appointed into the position of Auditor-General for Local Governments, except the person is a qualified Accountant who has held full membership of a professional accountancy body recognized by an Act of Parliament in Nigeria, for a period of not less than fifteen (15) years post-qualification and is able to demonstrate and provide</p> |

independent testament to a minimum of fifteen (15) years cognate experience in auditing the public sector.

- (2) A candidate from Public Service for the position of Auditor-General for Local Governments shall not be more than fifty-six (56) years of age or have less than four (4) years of service left in his career at the time of appointment.

Tenure

27. (1) The tenure of an Auditor-General for Local Governments appointed from outside the Public Service shall be four (4) years, which may be renewed for another term of four (4) years and no more.
- (2) Appointees from the Public Service shall compulsorily retire at the age of 60 years or after thirty-five (35) years of service (whichever comes first) and shall continue in the post until retirement.

Removal
from Office.

28. (1) A person holding the office of Auditor-General for Local Governments shall be removed from Office by the Governor acting on an address supported by two-thirds majority of the House of Assembly praying that he be so removed for inability to discharge the functions of his office (whether arising from infirmity of mind or body or any other cause) or for misconduct PROVIDED that the Auditor-General for Local Governments shall be entitled to a notice for a period of 21 days to enable him prepare and present a defence before the vote for removal is taken in the House of Assembly.
- (2) The Auditor-General for Local Governments shall not otherwise be removed from office before such retiring age as prescribed in Section 27 of this Law, or his conditions of service, and save in accordance with the provisions of this Law.

Salary/
Allowances

29. (1) The Auditor-General for Local Governments shall be paid such remuneration and salary as prescribed by the House of Assembly but not exceeding the amount determined by the Revenue Mobilization Allocation and Fiscal Commission (RMAFC).
- (2) In addition to the salary prescribed pursuant to subsection (1) of this Section, the Auditor-General for Local Governments shall be paid such special allowances that may be created for the Office from time to time.
- (3) The salary and allowances payable to the Auditor-General for Local Governments and his conditions of service shall not be altered to his disadvantage after his appointment and the salary and allowances shall be a charge on the Consolidated Revenue Fund of the State.
- (4) The Auditor-General for Local Governments shall, upon reaching the age of retirement be entitled to pension for life at a rate equivalent to the annual salary inclusive of all allowances of the incumbent Auditor-

General for Local Governments, and the pension so granted shall be a charge on the Consolidated Revenue Fund of the State.

**PART V – FUNCTIONS, POWERS AND FINANCES OF THE
AUDITOR-GENERAL FOR LOCAL GOVERNMENTS.**

- Functions 30. (1) The Auditor-General for Local Governments shall inquire into and audit and certify the public accounts of:
- (a) Local Governments;
 - (b) the Joint Accounts and Allocation Committee (JAAC);
 - (c) The Abia State Universal Basic Education Board (Subject to the extent of its funding by Local Governments);
 - (d) the Local Government Education Authorities;
 - (e) the Local Government Health Authorities;
 - (f) the Local Government Pensions Board;
 - (g) the One Percent (1%) Training Fund of the Local Government Service Commission; and
 - (h) other Statutory Corporations or Agencies or any persons or bodies established by law, where Local Government funds are traceable or used, including all persons entrusted with the collection and administration of public monies and assets of the Local Government system.
- (2) For purposes of subsection (1) above, the Auditor-General for Local Governments or any person authorized by him shall have access to all books, returns and other documents relating to those accounts.
- (3) The Auditor-General for Local Governments shall also audit:
- (a) the use of Local Government public monies, resources, or assets by a recipient or beneficiary regardless of its legal nature;
 - (b) collection of revenues owed to the Local Governments;
 - (c) the quality of financial management and reporting by the Local Governments; and
 - (d) the economy, efficiency and effectiveness of the Local Governments' operations.
- (4) In carrying out his functions, the Auditor-General for Local Governments shall satisfy himself that:
- (a) all reasonable precautions have been taken to safeguard the collection of Local Governments' public monies and that Byelaws or regulations thereto have been duly observed and that all precautions relating thereto have been obeyed;
 - (b) all monies appropriated or otherwise disbursed by the Local Governments have been expended and applied for the purpose or purposes for which it was intended and the expenditure conforms with the authority which governs it including Joint Accounts and Allocation

Committee and the Local Governments' Finance and General Purposes Committee (F&GPC);

- (c) value is received with due regard to economy, efficiency and cost effectiveness for all money disbursed and in the use of Government resources; and
 - (d) adequate Byelaws and/or regulations exist for the guidance of public officers of Local Governments and that these Byelaws and/or regulations have been duly observed.
- (5) Anything under the authority of this Law or of any other written law in force at the commencement of this Law which is directed to be done by the Auditor-General for Local Governments may be done by any officer of his office or any other person authorized by him / her, except the certifying of accounts and signing of reports as set out in this Law.
- (6) The Auditor-General for Local Governments shall not be required to undertake any examination of accounts in the nature of pre-audit inspection or instruction which involves acceptance by him / her of responsibility which will preclude him / her from full criticism of any accounting transactions after such transactions have been duly recorded.
- (7) The Auditor-General for Local Government shall not be required to undertake any duties outside those pertaining to his / her office, if he / she considers that such duties are incompatible with the responsibilities of his / her office.
- (8) The Auditor-General for Local Governments shall not while holding his / her office hold any other office of profit.

Powers

31. (1) In the exercise of his / her duties under this Law, the Auditor-General for Local Governments may:
- (a) call upon any Local Government or other officer to furnish him forthwith with any explanation or information which he may require in order to enable him efficiently discharge his duties;
 - (b) authorize any officer, Federal officer or Officer of any other State of the Federation on his behalf to conduct any inquiry, examination or audit and such officers shall report thereupon to the Auditor-General for Local Governments PROVIDED, that the prior consent of the Chief Executive of the Office in which the officer is employed has been obtained.
 - (c) without payment of any fees, cause a search to be made in and extracts to be taken from any book, documents or record in any public office in the State;
 - (d) examine upon oath, declaration or affirmation (which oath, declaration or affirmation the Auditor-General for Local Governments is hereby empowered to administer) on all persons whom he may think fit to examine respecting the receipt or expenditure of money or the receipt

- or issue of any stores or other public property of any kind whatsoever affected by the provisions of the Law, and respecting all other matters and things necessary for the due performance and exercise of the duties and powers vested in him;
- (e) lay before the Attorney-General of the State a case in writing as to any question regarding the interpretation of any written law or Bylaw, or regulation concerning the powers of the Auditor-General for Local Governments on the discharge of his duties, and the Attorney-General of the State shall give a written opinion on such case;
 - (f) investigate all matters relating to the receipt, disbursement and application of public funds and to make recommendations which are likely to enhance the economy or efficiency and effectiveness of public expenditure by Local Governments;
 - (g) have access to sites for purposes of auditing or monitoring contract performance; and
 - (h) recommend to the State Attorney-General for prosecution, erring public office holders, if after three months of the end of the fiscal year involved, outstanding audit queries issued by the Auditor-General for Local Governments against those public officers are not properly or reasonably addressed or to the satisfaction of the Auditor-General for Local Governments.
- (2) Any person examined in pursuance of paragraph (d) of subsection (1) above who gives a false answer to any question put to him or her, or who makes any false statement on any matter, knowing that answer or statement to be false or not knowing or believing it to be true shall be deemed to be guilty of perjury and shall be liable to prosecution and, on conviction, shall be punishable in accordance with this law or other extant laws of the State.
- (3) In the performance of his functions under this Law, the Auditor-General for Local Governments or any officer duly authorized by him shall have access to all books, records, vouchers, documents, cash, stamps, securities, stores or other Government property of any kind whatsoever in the possession of any public officer.
- (4) In the performance of his functions and duties under this Law, the Auditor-General for Local Governments shall not be subject to the direction, control, or interference of any authority or persons, or any institution(s) or branches of government in:
- (a) the selection of audit issues;
 - (b) planning, programming, conduct, reporting, and follow-up of the audits;
 - (c) organization and management of his office; and
 - (d) enforcement of his decisions on the application of sanctions.
- (5) It shall be the responsibility of the Auditor-General for Local Governments to approve all audit plans and programs, and also the actual conduct of the Audit of Local Governments and Local Government entities and he / she shall also develop an internal follow-up system, which shall include post-

audit meetings with the audited entities, to ensure that the audited entities properly address the observations and recommendations as well as those made by the House of Assembly and to confirm that corrective and remedial actions are taken.

- (6) In reporting the result of the audit work, the Auditor-General for Local Governments shall be free to:
- (a) decide the content of the audit reports;
 - (b) make observations and recommendations in the audit reports taking into consideration the views of the audited entity;
 - (c) decide the timing of the audit reports except where specific reporting requirements are prescribed by any law;
 - (d) publish and disseminate the reports, once they have been formally submitted to the House of Assembly.
- (7) In the discharge of his duties under this Law, the Auditor-General for Local Governments may accommodate specific requests for audit or investigation made by either the House of Assembly or the Governor.

Audit
Report and
Queries.

32. (1) If at any time it appears to the Auditor-General for Local Governments that any irregularity has occurred in the receipt, custody or expenditure of public monies or in the receipt, custody, issue, sale, transfer or delivery of any securities, stores or other property of the Local Governments or in accounting for the same, he shall immediately bring the matter to the notice of the accounting officer of the Local Government concerned.
- (2) The accounting officer of the Local Government concerned shall acknowledge the receipt of any such audit report or query mentioned in subsection (1) above and shall give full replies to the satisfaction of the Auditor-General for Local Governments within thirty days after receipt of such audit report or query.
- (3) The Auditor-General for Local Governments shall at least once but not more than twice every year submit a summary of outstanding audit report and queries to the House of Assembly which shall cause the appropriate disciplinary action to be taken against the officer responsible for the default.
- (4) The Auditor-General for Local Governments may also send copies of the outstanding audit reports sent to the House of Assembly under sub-clause (3) above, to the Ministry in charge of Local Government Affairs, the audited entity and the Governor.
- (5) The Auditor-General for Local Governments may, in a Public Audit Forum, attended by the audited entities present details of outstanding routine or special annual accounts audit queries and follow-up report status of matters raised in previous audits.
- (1st Schedule) (6) Offences and sanctions for irregularities resulting in losses to Local Government due to fraud, or negligence or incompetence, of officers or Staff

of the Office of the Auditor-General for Local Government are as contained in the First Schedule to this Law.

Post
Audit.

33. (1) There shall be an exit conference between the audit team and audited entity at the conclusion of an audit exercise. The purpose of the exit conference shall be to:
- (a) present audit observations to audited entity management in conference before leaving;
 - (b) allow management the opportunity to provide clarification to audit observations in conference;
 - (c) isolate observations that will be reported on.
- (2) The Auditor-General for Local Governments shall schedule a post audit meeting with an audited entity within 30 days of issuing the Audit report. The post-audit meetings shall hold at the office of the audited entity to assess the entity's compliance to audit observations and recommendations and any unresolved query or issue will be forwarded to the House of Assembly for further action.
- (3) Any comments on audit observations by the House of Assembly shall be forwarded to responsible audited entities for compliance and to the Auditor-General for Local Governments and a post-audit meeting shall be convened by the Auditor-General to resolve such issues.
- (4) The Auditor-General for Local Governments shall forward reports of non-compliance with the directives of the House of Assembly, and with audit recommendations in respect of the queries of previous audits to the House of Assembly.

Local
Government
Annual Financial
Statement.

34. (1) Within a period of six months after the close of each financial year, the Treasurers of Local Governments shall sign and present to the Auditor-General for Local Governments, Annual Financial Statements showing fully the financial position of the Local Governments on the last day of such financial year.
- (2) Notwithstanding the provisions of subsection (1) above, the House of Assembly may by direction to the Local Governments, extend the time to a further period not exceeding three months within which such accounts shall be presented, and any direction so given shall be notified to the Auditor-General for Local Governments.
- (3) The Statements referred to in sub-clause (1) of this Clause includes:
- (a) Statement of Financial Position (Statement 1);
 - (b) Statement of Financial Performance (Statement 2);
 - (c) Statement of Changes in Net Assets / Equity (Statement 3);
 - (d) Statement of Cash Flow (Statement 4);
 - (e) Statement of Comparison of Budget and Actual (Statement 5);
 - (f) Notes to the Accounts (Statement 6); and

(g) Schedule of Notes to the Accounts.

- (4) The Statements mentioned in sub-clause (3) above shall as much as it is practicable, be in line with the International Accounting Standard Manuals published by the Nigeria Federal Accounts Allocation Committee (FAAC).

Annual
Audit Certificate
and Report

35. (1) The Auditor-General for Local Government shall, within ninety (90) days of receipt of the Annual Financial Statements signed and presented to him by the Local Government Treasurers, together with an Annual Audit Certificate and Report upon his examination; and audit of all accounts relating to the public monies, stamps, securities, stores and other Local Government properties of any kind whatsoever submit the aforementioned documents and his report to the House of Assembly and the House of Assembly shall cause the report to be considered by the Public Accounts Committee of the House of Assembly.

- (2) The Auditor-General for Local Governments may at any time, if it appears to him to be desirable, send a Special Report on any matters incidental to his powers and duties under this Law to the House of Assembly or to the Governor or to any other person or persons.

- (3) In preparing its annual audit and reports, the Auditor-General for Local Governments shall use appropriate work and audit standards and a Code of Ethics, in line with International Public-Sector Accounting Standards and Best Practices, such as those issued by the International Organization of Supreme Audit Institutions (INTOSAI); the International Federation of Accountants (IFAC); the International Public Sector Accounting Standards Board (IPSASB); the Financial Reporting Council of Nigeria (FRC) or others.

Power
to Sanction
and surcharge

36. (1) The Auditor-General for Local Governments shall have power to sanction and surcharge any officer through the Ministry or Department or Agency's personnel management department, in respect of offences and sanctions specified in the First Schedule to this Law. The processes of a surcharge are as contained in Section 47 of this Law.

- (2) Any officer or person aggrieved by the action of the Auditor-General for Local Governments under sub-clause (1) above, may petition the Public Accounts Committee of the House of Assembly for redress.

Establishment
of Audit
Alarm Committee.

37. (1) There is hereby established, an Audit Alarm Committee, which shall compose of the Auditor-General for Local Governments as Chairman, the Treasurers of Local Governments, the Account Heads of the Local Government Education Authorities (LGEAs); the Account Heads of the Local Government Health Authorities; and one representative of the Governor. The membership of the Auditor-General for Local Governments in the Audit Alarm Committee shall not in any way prejudice his other functions and duties provided under this Law.

- (2) The functions of the Committee shall be to:
- (a) prevent irregular payment before they are made, if there is an audit alarm raised by the Internal Auditor of a Local Government, or the Internal Auditor of a Local Government Education or Health Authority, or raised by any concerned citizen;
 - (b) examine all cases of alarm brought before it in respect of prepayment audit queries raised by the Internal Auditors but overruled by the Chief Executives of the Local Government; the Local Government Education Authority; or Local Government Health Authority.
 - (c) notify the House of Assembly or the Governor of audit alarms of significant importance and serious prepayments audit reports for which the Accounting Officer of the Local Government; Local Government Education Authority; or Local Government Health Authority is liable or responsible.
- (3) Once a prepayment alarm has been raised, it shall be deemed an offence for any officer to process any queried payment under the audit alarm system any further without an audit certificate issued by the Auditor-General for Local Governments.

Internal
Audit Units.

38. (1) The Accounting Officer and Chief Executive of each Local Government; the Local Government Education Authority and the Local Government Health Authority are to establish and maintain an Internal Audit Unit to provide a complete and continuous audit of the accounts and records of revenue, expenditure and all public property, stores and plants.
- (2) Notwithstanding the existence of an Internal Audit Unit in a Local Government; Local Government Education Authority, or Local Government Health Authority, the individual officers' responsibilities shall subsist and departmental checks will continue.
- (3) The Internal Auditors of the Local Governments; the Local Government Education Authority and the Local Government Health Authority shall be directly responsible to the accounting officer and shall submit to his / her accounting officer and the Auditor-General for Local Governments, a detailed audit programme and thereafter, he / she shall report monthly to the accounting officer as well as to the Auditor-General for Local Governments on the true progress of the audit.
- (4) The Internal Auditors mentioned in subsection (3) above shall also issue Special Reports on any irregularities or apparent departure from earlier internal audit reports/ recommendations or the Auditor-General for Local Governments' reports/ recommendations.

Finances

39. (1) The Auditor-General for Local Governments shall prepare and submit to the House of Assembly at least ninety (90) days before the beginning of each year, the following documents:

- (a) a draft annual plan that describes the Auditor-General for Local Government's proposed work programme for the incoming year, which will include the interim report for the current financial year;
 - (b) the estimate of revenues and expenditure for inclusion in the State budget; and
 - (c) the operational, administrative and capital expenses of the Local Government Audit office including salaries, allowances, gratuities and pensions payable to staff.
- (2) The Auditor-General for Local Governments, after considering the comments of the House of Assembly through the Public Accounts Committee of the House of Assembly that considered the draft plan, may amend the plan as necessary and submit same to the Ministry or Agency in charge of Budget and Economic Planning, for inclusion in the State Budget for appropriation by the House of Assembly. The estimates and plan submitted by the Auditor-General shall not be amended by the Ministry or the Executive without prior agreement of the House of Assembly.
- (3) To enable the Office of the Auditor-General for Local Governments have enough finances and funds to effectively perform its statutory duties and functions under this Law, the Office shall be entitled to zero point five percent (0.5%) of the State monthly allocation.
- (4) The House of Assembly shall ensure that the Auditor-General for Local Government's Office is properly and sufficiently funded through budgetary allocations and oversight functions, to enable the Office to perform its statutory functions effectively.
- (5) Any sum appropriated to the Local Government Audit office by the House of Assembly in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as a first line charge in equal instalments every month of the year.
- (6) All funds or finances made available to the Auditor-General for Local Governments for the performance of his statutory responsibilities under this Law shall be controlled and applied exclusively by the Auditor-General for Local Governments in accordance with extant financial regulations and without interference by any person or body of persons.
- (7) Where the resources provided for the Auditor-General for Local Government's Office is insufficient to allow him to fulfil his mandate, the Auditor-General for Local Governments shall apply to the House of Assembly for a supplement to its annual budget.

- Organization/ Staff 40. (1) The office of the Auditor-General for Local Governments shall have qualified and sufficient manpower and material to execute its responsibilities and functions under this Law. To this end, the Auditor-

General for Local Governments shall have the power to recruit essential staff, but in line with the prevailing State government policy on employment.

- (2) Staff transfers to and from the Office of the Auditor-General for Local Governments shall not be made except by the request and / or consent of the Auditor-General in order to maintain stability.
- (3) The Auditor-General for Local Governments shall, in consultation with the Board, and in line with the guidelines issued by the State Ministry of Finance, determine the salaries, allowances, pensions and other conditions of service of members of staff of the office of the Auditor-General for Local Governments. The salaries, allowances and conditions of service so determined shall be competitive enough to attract qualitative personnel for the effective discharge of the mandate of the office.
- (4) The Office of the Auditor-General for Local Governments shall run seven core departments, namely:
 - (a) the Local Government Accounts Department;
 - (b) the Local Government Education Authority Accounts Department;
 - (c) the Local Government Health Authority Accounts Department;
 - (d) the Finance Department;
 - (e) the Administration Department;
 - (f) the Pensions Department; and
 - (g) the Information Communication Technology (ICT) Department.
- (5) Without prejudice to the provisions of subsection (4) of this section, the Auditor-General for Local Governments shall have powers to restructure the Office as he deems fit or if the need arises.

Human
Resource
Management.

41. (1) The Auditor-General for Local Governments shall establish and implement a comprehensive human resource management system and policy for Managing Staff Development programmes.
- (2) The responsibility for determining the caliber of staff required to ensure the efficient performance and functioning of the Office of the Auditor-General for Local Governments shall reside with the incumbent Auditor-General who shall further be responsible for aligning the cost associated with such recruitment of staff with the funds allocated for remuneration in terms of the vote.
- (3) The Auditor-General for Local Governments shall be responsible for ensuring that all vacancies are widely advertised, and that all applicants shortlisted are in possession of the required minimum qualifications which are duly verified with the relevant accreditation body, and that the required skills and competence levels are confirmed by means of any combination of interviews; examinations; case-study bases simulations of the work

environment; and/or other means of assessment, so as to ensure that persons recruited to positions required by the Auditor-General for Local Government's Office are consummately suitable for the appointment.

- (4) When a member of staff, as appointed by the Auditor-General for Local Governments becomes eligible for promotion on the basis of time served and having met all additional qualification criteria, the Auditor-General shall recommend to the Board such member of staff for promotion.
- (5) It shall be the responsibility of the Board to ensure that, once a staff is recommended for promotion by the Auditor-General for Local Governments, such promotion is effected without undue delay.
- (6) It shall be the sole responsibility of the Auditor-General for Local Governments to request the commencement of staff disciplinary processes and to articulate the circumstances and nature of breaches in discipline that shall necessitate the commencement of the process to the Board.
- (7) The Auditor-General for Local Government shall submit an Annual Activity Report to the House of Assembly and the Report is made available to the public thereafter.
- (8) The Annual Activity Report mentioned in subsection (7) of this section shall cover the following areas:
 - (a) performance achieved by the Audit Office in executing its annual program of work;
 - (b) all activities to improve the capacity of the Audit Office;
 - (c) financial and non-financial impacts achieved by the Office;
 - (d) activities conducted in partnership with other entities;
 - (e) challenges and opportunities;
 - (f) the audited financial statements of the office; and
 - (g) any other information deemed relevant by the Auditor-General for Local Governments.

Independent
Auditor.

42. (1) There shall be appointed by the Public Accounts Committee of the House of Assembly, an external Independent Auditor, who shall audit the Auditor-General for Local Governments. The Independent Auditor shall be selected from the list of registered external auditors kept by the office of the State Auditor-General.
- (2) The primary duty of the Independent Auditor shall be to audit the accounts, books and records maintained by the office of the Auditor-General for Local Governments annually, and to submit a report to the House of Assembly through the Public Accounts Committee of the House of Assembly.
- (3) The Independent Auditor shall audit the books, accounts and records of the office of the Auditor-General for Local Governments for a period of three consecutive years whenever he is appointed for an independent audit exercise.

PART VI – ACCESS TO INFORMATION AND POWER TO SURCHARGE.

- Access to Information Generally. 43. The Auditors-General and their staff shall have unrestricted access to such people, documents, computers and other information storage systems and assets as they may consider necessary for the proper performance of their functions, PROVIDED that the Auditors-General shall:
- (a) advise the person in writing of the nature of the information and why it is needed;
 - (b) state that the information is required in accordance with the execution of this law;
 - (c) reimburse the person for any reasonable costs associated with producing such information on condition that the person shall not use such produced information for any other purpose.
- Access to Banking Information 44. (1) For the purpose of performing their functions and duties or exercising their powers under this Law, the Auditors-General may examine or audit the account of any person held at any bank if the Auditors General have reason to believe that the money held in such an account are public funds which have been fraudulently or wrongfully paid into such account;
- (2) As a pre-requisite to exercising the authority in subsection 1 of this Section, the Auditors-General may enter into a non-disclosure agreement with the holder of the account and afford such holder absolute assurance that any information disclosed for purposes of examination or audit, shall not be used for any other purpose other than as legally intended under this law, and shall not proceed with any such examination or audit without first obtaining *ex-parte*, a warrant of the High Court authorizing such examination.
- (3) Any Manager of a bank or an officer of a bank who has been presented with such a warrant for access to a customer's bank account shall be required to produce all relevant records for the account in question to the Auditors-General. The Auditors-General shall have the right to make copies of any of such record in hard or soft copies or in any other format of electronic or digital means of making copies.
- (4) The officer of the bank who has provided the records, shall append a suitable endorsement either electronically, or in indelible writing in ink, which shall show the identity of the bank from which such records were obtained and the date on which such records were obtained. Every page of the records so provided shall also be initialed by the bank officer either manually or electronically.
- (5) All copies of information or records obtained by the Auditors-General in accordance with subsections (3) and (4) of this Section, shall be notarized by a Court appointed notary, the cost of which shall be borne by the Auditors-General.

Power to
Issue Summons

45. (1) In the course of fulfilling their functions, duties or powers under this Law, the Auditors-General shall have powers to issue summons to a person to appear as a witness to give evidence (orally or in writing) in any audit investigation being conducted by the Auditors-General. For the purpose of examining such a person, the Auditors-General may administer an oath.

Power to
Conduct
Search.

46. (1) The Auditors-General shall have power under this law to:

- (a) at any time, access any government facility, examine the records of an auditee and have extracts taken from any book(s) of account, accounting entries recorded electronically and any other form of accounts maintained that relate to money or stores that may have relevance to the subject of an audit without paying any fee;
- (b) at any time, execute a search, without any need for a warrant of the Court, on any State-owned property, or person present on such property, or vehicle located on such property, in order to locate and appropriate any such records, accounts or general information relevant to an audit;
- (c) under the authority of the warrant of a court, enter and conduct a search of any private property, premises, vehicle or person if there is reasonable suspicion that a document, account, written or electronic record, general information, or asset which the Auditor-General needs to inspect for reasons of relevance to an audit, is hidden or kept on such property, premises, person or in a vehicle located on such property or premises;
- (d) appropriate and retain any such document, written or electronic record, general information, or asset, for purposes of completing an audit;
- (e) request the support of relevant law enforcement agencies in the execution of the warrant of the Court, where considered necessary.

(2) The persons executing the Court warrant in conducting a search, shall identify themselves to the person in charge of the premises, property or vehicle and shall hand over a copy of the warrant of the court to the person in charge as aforesaid, or affix a copy of the warrant in a prominent place on the premises, property or vehicle.

(3) Any such entry and search of property shall be conducted with due regard for decency, order and the constitutional rights of the affected person.

Power
to surcharge

47. (1) In the performance of their functions under this Law, the Auditors-General may disallow any item of expenditure which is contrary to law and surcharge fully or partially:

- (a) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;

- (b) 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) the amount of any loss or deficiency upon any person by whose negligence or misconduct the loss or deficiency has been incurred.
- (2) Where the Auditors-General make a surcharge or disallow any expenditure, they shall specify to the appropriate head of department or institution the amount due from any person upon whom they have imposed a surcharge and shall state the reason for imposing such surcharge and report the results of the examination of relevant accounts, operational processes and circumstances that caused the surcharge to be imposed, to the accounting officer of the affected department or institution.
- (3) Every sum specified by the Auditors-General as a surcharge shall become due for payment by the person on whom such surcharge is imposed within sixty (60) days after the date on which such surcharge was formally imposed.
- (4) Any such sum as may become payable under this section and which remains outstanding beyond the prescribed period of sixty (60) days shall become recoverable by the relevant accounting officer who may, where necessary, initiate civil proceedings and whereupon judgment is obtained in a court of competent jurisdiction shall consider any such sum recoverable as a civil debt.
- (5) Where such sum owed as a civil debt under subsection (4) of this section is recoverable from a person who receives remuneration from the State Government or any government institution, such remuneration shall be attached either in full or incrementally to the extent of the sum lawfully due.
- (6) Where an accounting officer is compelled in terms of this section to initiate civil proceedings for the recovery of a surcharge raised by the Auditor-General, a certificate signed by the Auditor-General stipulating the amount payable and describing the circumstances that compelled the raising of such surcharge shall be considered *prima facie* evidence of the facts certified.
- (7) The Auditors-General if satisfied by new evidence may, at any time, revoke any surcharge imposed under this section.
- (8) Any person aggrieved by a surcharge, or the withholding of an emolument or allowance under this section, may appeal to the Public Accounts Committee of the House of Assembly within sixty (60) days from the date of such directive being issued by the Auditors-General for redress and, thereafter, be afforded a further avenue of appeal to the High Court, PROVIDED that such appeal is filed in the High Court not later than fourteen (14) days from the date of the decision of the Public Accounts Committee appealed against.

**PART VII – ESTABLISHMENT, MEMBERSHIP AND POWERS OF
THE AUDIT SERVICE BOARD.**

- Establishment and Membership of the Audit Service Board.
48. (1) There is hereby established a body to be known as the Abia State Audit Service Board.
- (2) The Board shall consist of:
- (a) a Chairman who shall be appointed by the Governor;
 - (b) three other persons also appointed by the Governor;
 - (c) the Auditors-General;
 - (d) one representative of the following Ministries, Parastatals and Agencies who shall not be below the rank of a Director:
 - (i) Ministry of Finance;
 - (ii) Ministry of Local Government and Chieftaincy Affairs;
 - (iii) State Civil Service Commission;
 - (iv) Local Government Service Commission; and
 - (e) a Secretary to the Board.
- (3) A member of the Board appointed under subsections (2)(a), (2)(b) and (2)(e) of this Section shall be a qualified Accountant with a minimum of five (5) years cognate experience in auditing public sector accounts.
- Tenure.
49. A member of the Board appointed under subsections (2)(a), (2)(b) and (2)(e) of Section 48 above shall hold office for a term of four (4) years in the first instance and may be reappointed for a further term of four (4) years and no more; and shall hold office on part-time basis.
- Remuneration.
50. There shall be paid to members of the Board, such allowances as the State Government may from time to time direct.
- Powers of the Board.
51. The Board shall have power to:
- (a) confirm the selection and appointment of persons recruited by the Auditors-General;
 - (b) subject any staff of the offices of the State Auditors-General to disciplinary processes and impose sanctions based on the recommendation of the Auditors-General; and
 - (c) perform such other duties and functions as are necessary or expedient for the purpose of efficiently discharging its functions under this law.
- Meetings.
52. (1) The Chairman and any four members of the Board shall form a quorum for the purpose of any meeting of the Board.
- (2) The Board shall convene its meetings periodically as it may deem fit, provided the Board shall meet not less than once in every quarter of the year.
- (3) The Secretary of the Board shall summon meetings of the Board, as may be directed by the Chairman, or pursuant to a requisition made by two-thirds of the members of the Board.

- Power to
make
Regulations.
53. The Board may make regulations for the effective performance of its functions under this law, and may in particular make such regulations as to provide for processes for the confirmation of appointments made by the Auditors-General, and disciplinary processes of staff of the Audit Offices.

PART VIII – OFFENCES AND PENALTIES.

- Confidential
Information.
54. Except as otherwise provided under this Law, or authorized by the Auditors' General, any employee or former employee of the Audit Offices, who communicates or attempts to communicate any confidential information or the content of any confidential information to any unauthorized person commits an offence and shall upon conviction be liable to a fine of ₦100, 000 (One Hundred Thousand Naira only) or to imprisonment for a term of one year or both.
- Obstructing
duly Authorized
Officers.
55. Any person who:
- (a) obstructs, hinders, molests or assaults any person or authorized officer of the Auditors'- General Office in the performance of any function or duty or exercise of any power under this Law; or
 - (b) does anything which impedes or is intended to impede the carrying out of any search, seizure, removal or distrain; or
 - (c) rescues, damages or destroys anything liable to seizure, removal or distrain, or does anything intended to prevent the procurement or giving of evidence as to whether or not anything is liable to seizure, removal or distrain; or
 - (d) prevents the arrest of any person by a person duly authorized, commits an offence and shall upon conviction be liable to a fine of ₦200,000 (Two Hundred Thousand) or imprisonment for a term of one year or both.
- Refusing
Access to
Information
56. Any person, whether an individual or a body corporate who denies an authorized officer of the Auditors' General's Office, access to information after due request for same, or upon service of a warrant, or fails to answer to a summons as provided in Part 6 of this Law, with the intention of obstructing or frustrating an audit exercise or investigation, commits an offence and shall be liable upon conviction to a fine of ₦200, 000 (Two Hundred Thousand Naira only) or imprisonment for a term of one year or both.
- False
Declaration.
57. Any person who:
- (a) makes, signs, or causes to be made, signed or delivered to the Auditors'- General or any of their authorized officers, any declaration, notice, certificate or other document whatsoever which is false in any material particular; or

- (b) makes any false statement in answer to any enquiry put to him by any officer of the Auditors'-General's office which he is required to make under this law; or
- (c) brings a document or statement produced or made for any audit purpose, which is false in any material particular, commits an offence and shall on conviction be liable to a fine of ₦200,000 (Two Hundred Thousand Naira only) or to imprisonment for a term of one year or both.
- Connivance. 58. Any person who being a staff or agent of the Auditors'-General's office, initiates, connives or participates in the commission of any of the offences prescribed under this Law or any other enactment, commits an offence and shall, on conviction be liable to a fine of ₦200, 000 (Two Hundred Thousand Naira only) or to imprisonment for a term of one year or both.
- Offence
Committed
By Body
Corporate 59. Where an offence under this Law is committed by a body corporate or firm or other association of individuals:
- (a) every Director, Manager, Secretary or officer of the body corporate; or
- (b) every partner of the firm; or
- (c) every person concerned in the management of the affairs of the association; or
- (d) every person purporting to act in any capacity aforesaid, shall be liable to be proceeded against and punished for the offence in like manner as if he had himself committed the offence, unless he proves that the act or omission constituting the offence took place without his knowledge, consent or connivance.
- Authority
Of the
Attorney General. 60. Criminal proceedings for an offence committed under this Law shall be instituted by the State Attorney-General or by any person whom the Attorney General has authorized to undertake the prosecution of such proceedings.

PART IX – MISCELLANEOUS.

- Conflict
of interest 61. The Auditors-General or their officers; staff; or agents shall not be involved in any manner whatsoever in the ownership, membership or management of any auditable entity in the State.
- Limitation
of Action. 62. (1) In the performance of their duties under this Law, the Auditors'-General or any person authorized by them to act on their behalf, shall not be personally liable for any act or omission done in good faith in the normal discharge of their duties.
- (2) Subject to the provisions of this Law, the provisions of the Public Officers' Protection Law shall apply in relation to any suit instituted against the Offices of the State Auditor-General and the Auditor-General for Local Governments; or their staff, officers or agents.

- (3) No suit commenced against the Auditors'-General offices or their staff or officers or agents for any act done in pursuance or execution of this Law or any other law or any public duty or authority, or in respect of any alleged neglect or default in the execution of this Law or any other law, duty or authority, shall lie or be instituted in any court of law, unless it is commenced within six (6) months after the act, neglect or default complained of.
- Pre-action Notice. 63. No suit shall be commenced against the Auditors'-General offices or staff or their agents before the expiration of a period of one month after written notice of intention to commence the suit shall have been served on the Auditors'-Generals' Office by the intending plaintiff.
- Repeal 64. Subject to the provisions of Section 13 of the Interpretation Law, Cap. 105 Laws of Abia State of Nigeria 2005, the following enactments are hereby repealed:
- (a) The Audit Law Cap 13 Laws of Eastern Nigeria, insofar as it is applicable to Abia State;
 - (b) The Audit Law (Amendment) Law No. 21 of 1973;
 - (c) The Audit Law (Amendment) Law No. 6 of 1983;
 - (d) The Audit Law (Amendment) Law No. 2 of 1985;
 - (e) The Abia State Audit Law, 1997;
 - (f) The Abia State Audit Law, Cap. 4 Laws of Abia State of Nigeria 2005.
 - (g) The Abia State Audit Law (No.15) of 2021.

SCHEDULES.

FIRST SCHEDULE (Clauses 11 and 32)

SCHEDULE OF OFFENCES AND SANCTIONS.

A. Irregularities resulting in losses to Government due to either fraudulent activities of the functionaries or due to their negligence or incompetence.

S/NO.	OFFENCE	TIME LIMIT FOR REPLY OF QUERY	SANCTIONS
1.	Inflation of Contract.	30 days	If the offence is committed by accounting officer, make a report to the Governor. If committed by any officer, appropriate surcharge shall be imposed and the officer removed from the schedule.
2.	Unauthorized variation of Contracts.	30 days	If the offence is committed by accounting officer, make a report to the Governor. If committed by any officer, appropriate surcharge shall be imposed and the officer removed from the schedule.
3.	Inflation of prices of procurements.	21 days	Impose appropriate surcharge.
4.	Payment for job not executed through payment of mobilization fee, or false certificate of completion.	30 days	(a) Recovery from beneficiary and blacklisting of the affected contractor. (b) Refer case to police for prosecution.
5.	Poor quality work (buildings, roads, etc.)	42 days	(a) Blacklist the Contractor. (b) Demote the official who certified the job.
6.	Irregular or wrong payments.	21 days	Recovery of the amount involved and removal of the officer from the schedule.
7.	Shortages or losses of stores by storekeeper.	14 days	Surcharge the affected officer and transfer to another schedule.
8.	Shortages or losses of cash by cashier.	7 days	Recovery of the amount involved and removal of the officer from the schedule.
9.	Assets paid for and not collected.	21 days	(a) Recover the amount involved. (b) Blacklist the Supplier. (c) Remove the officer from the schedule.

10.	Payment to "Ghost Workers"	7 days	Interdict the official and report the matter to the police.
11.	Overpayment of salaries and allowances to staff.	21 days	Recovery of the amount overpaid and warning to negligent officer.
12.	Failure to collect Government revenue.	21 days	Surcharge the affected officer and remove him from the schedule.
13.	Failure to account for Government revenue.	7 days	Recover the amount involved and report the officer involved to the police for prosecution.
14.	Non-payment for use of Government property.	30 days	Recover the amount.
15.	Premature scrapping of Government fixed assets and selling same at a ridiculously low price.	30 days	Demotion in rank of affected Officer.
16.	Poor cash management.	30 days	The affected Officer shall be formally warned and /or surcharged where loss occurs.

B. Irregularities arising through poor of inefficient accounting and which may result in loss.

S/NO.	OFFENCE	TIME LIMIT FOR REPLY OF QUERY	SANCTIONS
1.	Non-recovery of advance.	21 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.
2.	Non-posting of ledger accounts.	21 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.

3.	Cash in transit for too long (over three months).	21 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.
4.	Failure to prepare bank reconciliation Statement.	14 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned and removed from the schedule.
5.	Non-rendering of Statement in support of A.I.E. granted	30 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.
6.	Non-retiring of touring advances.	21 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.
7.	Non-rendition of monthly or other periodic returns apart from annual accounts.	21 days	All losses should be recovered from or surcharged against the defaulting officer if he is a civil servant. Where no losses are involved the defaulting civil servant will be warned.
8.	Non-preparation of annual accounts / financial statements.	30 days	The officer responsible to be surcharged with fifty percent (50%) of his annual salary or with the cost of hiring external hands to prepare the Statements.

FORM A

This printed impression has been carefully compared by me with the Bill which has been passed by the Abia State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.

.....
SIR JOHNPEDRO NNAMDI IROKANSI Ph.D
Clerk of the House of Assembly
Abia State of Nigeria

DATED this day of 2021

FORM B

I ASSENT



.....
OKEZIE VICTOR IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of 2021

FORM C

I WITHHOLD MY ASSENT



.....
OKEZIE VICTOR IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of 2021

A.

FORM A

This printed impression has been carefully compared by me with the Bill which has been passed by the Abia State House of Assembly and found by me to be a true and correctly printed copy of the said Bill.

.....
SIR JOHNPEDRO NNAMDI IROKANSI Ph.D
Clerk of the House of Assembly
Abia State of Nigeria

DATED this day of 2021

FORM B

I ASSENT




.....
OKEZIE VICTOR IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this day of 2021

C.

FORM A

This printed impression has been carefully compared by me with the Bill which has been passed by the Abia State House of Assembly and found by me to be a true and correctly printed copy of the said Bill



.....
SIR JOHN PEDRO NNAMDI IROKANSI Ph.D
Clerk of the House of Assembly
Abia State of Nigeria

DATED this 9th day of NOV. 2021

FORM B

I ASSENT




.....
OKEZIE VICTOR IKPEAZU Ph.D
Governor
Abia State of Nigeria

DATED this 9th day of NOVEMBER 2021

C.