

A BILL

FOR

AN ACT TO ESTABLISH THE OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION, PROVIDE FOR ADDITIONAL POWERS AND FUNCTIONS TO THE OFFICE; ESTABLISH THE FEDERAL AUDIT SERVICE COMMISSION; REPEAL THE AUDIT ACT 1956, THE PUBLIC ACCOUNTS COMMITTEES ACT CAP P35 LFN 2004, AND ENACT THE FEDERAL AUDIT SERVICE BILL 2015; AND TO PROVIDE FOR OTHER MATTERS RELATED THERETO, 2015

Sponsored by Hon. E. Y. Orker Jev

[] Commencement

ENACTED by the National Assembly of the Federal Republic of Nigeria-

1 PART A: OFFICE OF THE AUDITOR-GENERAL FOR THE FEDERATION

2 1.-(1) Subject to the provisions of the Constitution, there is hereby
3 established an office known as the Office of the Auditor-General for the
4 Federation, (hereinafter referred to as "the Office"). Establishment of
the Office of the
Auditor-General
for th Federation

- 5 (2) The Office shall be a corporate body:
- 6 (a) with a common seal and perpetual succession; and
- 7 (b) shall sue and be sued in its corporate name.

8 (3) The Office shall be headed by the Auditor-General for the
9 Federation, (hereinafter referred to as "the Auditor-General") who shall be
10 of same rank in public service with the Head of Service of the Federation.

11 (4) The Auditor General shall be assisted by 2 Deputy Auditors-
12 General who shall be of same rank in public service with a permanent
13 secretary or its equivalent and such other staff as may be appointed by the
14 Federal Audit Service Commission on the recommendation of the Auditor-
15 General.

16 (5)The Auditor-General, the 2 Deput Auditors-General and other
17 staff of The Office shall be public servants.

Qualification of
Auditor-General
and Deputy
Auditors-General

1 2.-(1) Subject to the provisions of the Constitution, a person shall not
2 be appointed as Auditor-General unless that person is-

3 (a) a qualified accountant with not less than 15 years cognate
4 professional experience;

5 (b) registered with the Financial Reporting Council of Nigeria;

6 (c) has not been convicted of any offence involving dishonesty by a
7 law court or found guilty of any professional misconduct involving dishonesty
8 by any professional body established by law in Nigeria; and

9 (d) of proven professional ability and expertise.

10 (2) Where the applicant is from the public service, he shall have at
11 least four years (4) to serve before he is due for retirement.

12 (3) Where the applicant is not from the public service, he shall not be
13 less than 45 years and not more than fifty (50) years old at the date of
14 appointment.

15 (4) The Deputy Auditors-General to be appointed from the serving
16 Directors in the Office who must meet the criteria in subsections (1) to (4) of
17 this section.

Procedure for
appointment for
Auditor-General

18 3.-(1) Where the post of the Auditor-General is vacant, the vacancy
19 shall be filled by the appointment of the most qualified person with cognate
20 experience in the service of the Office of the Auditor -General or in the public
21 service of the Federation or State.

22 (2) Subject to sub-section (1), where there is no qualified person in the
23 service of the Office of the Auditor -General or in the public service of the
24 Federation or State, the vacancy shall be filled by the appointment of any
25 person, not being a public servant, who meets the qualifications specified in
26 this Bill.

27 (3) Notwithstanding any provisions of this Section, where more than
28 one person is qualified for appointment as the Auditor-General, the procedure
29 for appointing the Auditor -General shall be uniform, transparent and
30 competitive.

1 (4) For the purpose of this Section, reference to Auditor-General
2 shall include Deputy Auditors-General.

3 4.-(1) Notwithstanding the provision of any Act, the Auditor- Salary
4 General shall be paid such salary and allowances as may be determined by
5 the National Assembly on the recommendation of the Revenue Mobilization
6 Allocation and Fiscal Commission.

7 (2) The salary and allowances of the Auditor-General shall be
8 charged on the Consolidated Revenue Fund of the Federation.

9 (3) Any person who holds office as Auditor-General shall be
10 entitled to pension for life at a rate equivalent to the annual salary of the
11 incumbent Auditor-General. Provided that such a person was not removed
12 from office on grounds on misconduct or convicted for any offence
13 involving dishonesty.

14 (4) Subject to subsection (3) or any other Act, the severance
15 allowance and other retirement benefits of the Auditor-General shall be
16 similar to those of the Head of Service of the Federation.

17 5. The Auditor-General shall be appointed to serve for four years Tenure of the
18 and may be reappointed to serve for another four years and no more. Auditor-General

19 6. A person holding office as the Auditor-General shall hold office Cessation of office
20 until he- of the Auditor-
General

21 (a) attains the age of 65 years or he has served in the public service
22 of the Federation for 35 years depending on which comes first;

23 (b) voluntarily retires by writing a letter in his own handwriting
24 indicating his intention to retire addressed to the President through the
25 Federal Civil Service Commission;

26 (c) is found incapable of discharging the functions of his office
27 either arising from infirmity of mind or body or any other cause or for
28 misconduct.

29 7.-(1) Subject to the Constitution, a person holding the office of the Removal of the
30 Auditor-General shall be removed from office in accordance with the Auditor-General
on grounds of
misconduct

1 provision of section 87 of the Constitution of the Federal Republic of Nigeria
2 (as amended).

3 (2) The Senate shall not initiate proceedings to remove a person
4 holding office as Auditor-General, unless the Senate:

5 (a) serves him with a copy of the allegation of misconduct, and

6 (b) gives him at least 14 days to prepare his defence to the allegation
7 and make representation to the Senate either in person or by his Legal
8 representative.

9 (3) Any resolution to remove a person occupying the Office of the
10 Auditor-General from office, on grounds of misconduct by the Senate, shall not
11 be valid unless approved by two-thirds majority of the members.

Administrative
structure of the
office

12 8.-(1) The office of the Auditor-General shall consist of such
13 Directorates, Departments, Divisions, and Units as may be determined by the
14 Federal Audit Service Commission on the recommendation of the Auditor-
15 General.

16 (2) The Audit Commission on the recommendation of the Auditor-
17 General shall from time to time, review the administrative structure of the
18 office to meet the prevailing needs, and where it so reviews, the new structure
19 shall not be valid unless published in the official Gazette.

Functions of
Auditor-General

20 9.-(1) Subject to the Constitution, the functions of the Auditor-
21 General shall include the following:

22 (a) expressing an opinion whether the financial statements prepared
23 by the Government of the Federation represent fairly or otherwise the financial
24 position and results of operation;

25 (b) carrying out, except otherwise provided by the Constitution, audit
26 of all revenues accruing to the Federation and all expenditures of the
27 Federation from all sources;

28 (c) carrying out, except otherwise provided by the Constitution, audit
29 of donations, grants and loans accruable to Federal Ministries, Departments
30 and Agencies or other public entities;

- 1 (d) carrying out performance audit by ensuring that Federal Government
2 and its agencies business is economically, efficiently and effectively
3 performed;
- 4 (e) carrying out environmental audit;
- 5 (f) carrying out audit on classified expenditure;
- 6 (g) carrying out forensic audit;
- 7 (h) carrying out any other emerging audit(s);
- 8 (i) carrying out audit of international institutions to the extent of
9 Nigeria contribution to such bodies;
- 10 (j) carrying out audit of all Federal government and its agencies
11 subsidies and their application;
- 12 (k) carrying out audit of all Federal government and its agencies
13 counterpart funded projects, in the country.
- 14 (l) carrying out audit of all Nigerian Embassies, Consulates and
15 Foreign Missions;
- 16 (m) carrying out audit of performance information;
- 17 (n) carrying out audit of disaster related grants and aids; and
- 18 (o) carrying out audit of public private partnership entered into by
19 the Federal government and its agencies;
- 20 (p) carrying out such audits as he may deem necessary to safe guard
21 Federal government and its agencies assets and promote good governance.
- 22 (2) Notwithstanding the provision of subsection (1), the Auditor-
23 General shall not in person participate in any action or decision the subject
24 of which he is an interested party.
- 25 **10. The Auditor-General shall have power to:**
- 26 (a) decide on the methodology to be adopted in respect of an audit;
- 27 (b) determine the nature and extent of audit to be carried out and
28 request the details, statements of account and financial statements which he
29 considers necessary;
- 30 (c) in writing, require any person in the employment of Federal

1 Ministries, Departments and Agencies or other public entities, and
2 international institutions whose accounts are being audited by him to appear
3 before him at a time and place mentioned in the request and to produce on
4 demand, all such records, books; vouchers and documents in the possessions or
5 under the control of such person;

6 (d) investigate and make extracts from any record, book, document
7 and other information of any Federal Ministries, Departments and Agencies or
8 other public entities, and international institutions whose accounts is audited
9 by him;

10 (e) liaise with persons, Federal Ministries, Departments and Agencies
11 or other public entities, and international institutions in Nigeria or outside
12 Nigeria, on such conditions as he deems fit for the proper performance of his
13 functions;

14 (f) surcharge the amount of any expenditure which has not been duly
15 brought into the account or the amount of any loss or deficiency incurred;

16 (g) revoke any surcharge imposed by him;

17 (h) direct the withholding of the emoluments and allowances of
18 person(s) who fail(s) or refuse(s) to reply to audit queries within 30 days and
19 for as long as the person(s) fail(s) to comply;

20 (i) have unrestricted access to persons, documents, records and other
21 information necessary for proper discharge of his statutory obligations;

22 (j) audit all money accruing to the nation or Federal Ministries,
23 Departments and Agencies or other public entities, and international
24 institutions; and

25 (k) audit donations, grants, loans and other forms of assistance
26 accruable to the Federal Government, Federal Ministries, Departments and
27 Agencies or other public entities, and international institutions, whether from
28 local or international institutions.

29 11.-(1) The Auditor-General may, in the course of exercising his
30 powers or perform his functions, summon a person as witness to give evidence

1 either orally or in writing.

2 (2) Subject to subsection (1), where a person is summoned as
3 witness and the person refuses or fails to appear, without any reasonable
4 excuse, the Auditor-General may issue warrant to the police for his arrest.

5 (3) The Auditor-General may administer oath or affirmation to any
6 person who appear before him to give evidence or being examined as a
7 witness by him.

8 (4) Any person who intentionally gives false evidence either orally
9 or in writing as a witness commits the offence of perjury.

10 (5) Except authorized by law or the Auditor-General, any witness
11 who refuses to take oath or affirmation prescribed in accordance with this
12 Bill commits an offence.

13 **12.** Subject to the Constitution the Auditor-General, in exercising
14 his powers or performing his functions under this Bill shall not be under the
15 direction or control of any authority or person.

Independence of
Auditor-General

16 **13.-(1)** The internal auditor of any Federal Ministries,
17 Departments and Agencies or other public entities, and international
18 institutions which is subject to audit by the Auditor-General shall submit a
19 copy to the Auditor-General of each internal audit report issued within seven
20 working days of its issue.

Internal audit
reports

21 (2) Any response by Accounting officers of Federal Ministries,
22 Departments and Agencies or other public entities, and international
23 institutions to internal audit reports shall be presented to the Auditor-
24 General within seven working days of receipt of the Audit Report.

25 **14.-(1)** In exercising his powers or performing his functions under
26 the constitution or this bill, the Auditor-General shall express an
27 independent opinion on the results of each audit and shall state whether:

Operations

28 (a) the accounts are in conformity with the requirements of the
29 Finance (Control and Management) Act, other Acts and Financial
30 regulations;

1 (b) all moneys appropriated or otherwise disbursed have been
2 expended and applied for the purpose intended and that such expenditure
3 conforms to the authority which governs it;

4 (c) the financial affairs of the Federal Ministries, Departments and
5 Agencies or other public entities, and international institutions audited and all
6 revenues received and public moneys under its control have been handled and
7 conducted with regularity and propriety by the accounting officer or any other
8 public officer responsible for such;

9 (d) all reasonable precautions have been taken to safeguard the
10 resources and property, and that all regulations directives and instructions
11 relating to them have been duly complied with;

12 (e) in his opinion, the accounts reflected fairly the financial position
13 of the Federal Ministries, Departments and Agencies or other public entities,
14 and international institutions audited

15 (f) money has been expended with due regard to economy, efficiency
16 and effectiveness;

17 (g) adequate financial regulations exist for accounting and financial
18 operations in the Federation and that they are fully observed, and

19 (h) satisfactory procedures have been adopted to measure and report
20 the effectiveness of programme, where such procedure could appropriately
21 and reasonably be implemented.

22 (2) The Auditor-General shall, within ninety days of receipt of the
23 Accountant-General's financial statements, submit his reports under this
24 section to each house of the National Assembly and each house shall cause the
25 reports to be considered by a committee of each house of the National
26 Assembly responsible for Public Accounts.

27 (3) The National Assembly shall, after the receipt of the report
28 submitted to it under subsection (2), debate, consider at the plenary session and
29 then submit the report to the President or Chief Justice of Nigeria who may
30 within one month pass it to the Public Accounts Implementation Tribunal for

1 immediate action.

2 (4) The Auditor-General shall follow up the implementation of the
3 recommendations of the National Assembly arising from the reports
4 submitted to it under this Bill and reports back to the National Assembly on
5 outstanding issue(s).

6 (5) The Auditor-General may, at any time, if it appears to him
7 desirable, submit to the National Assembly a special report on any matter
8 incidental to his powers and functions under this Bill.

9 (6) The reports of the Auditor-General in this Bill shall become a
10 public document as soon as it is submitted to the National Assembly and
11 may be placed on the Office website; published in the official bulletin of the
12 Office, displayed in the Office library among others.

13 (7) The report of the Auditor-General hosted on the website or
14 published in accordance with subsection (6) of this section shall not be used
15 unless approved by the National Assembly.

16 15.-(1) The Auditor-General shall draw the attention of the
17 appropriate authorities to any irregularity observed during the audit of the
18 accounts as soon as the facts of such irregularity have been established and
19 confirmed.

Procedure

20 (2) The Auditor-General shall as a result of the audit conducted by
21 him, make such queries and observations addressed to the Accountant-
22 General or any other Accounting Officer and call for such accounts,
23 vouchers, statements, documents and explanations as he deems fit.

24 (3) The Auditor-General shall specify to the Accounting Officer or
25 the appropriate Heads of Federal Ministries, Departments and Agencies or
26 other public entities, and international institutions the amount due from any
27 person upon whom he had made surcharge, and the reason for the surcharge
28 and to report the circumstances of the case to the Accounting Officer of the
29 affected Federal Ministries, Departments and Agencies or other public
30 entities, and international institutions.

1 (4)(a) The Auditor-General or any person authorized by him to carry
2 out an audit shall hold exit conference with the Accounting Officer on
3 observations raised and the parties at the conference shall sign as being present
4 and having agreed with the observations or sign as being present and having
5 disagreed with the observations state reasons;

6 (b) The refusal of Accounting Officer to sign the audit observations
7 mentioned in subsection (4) (a) of this section shall not render the audit report
8 invalid.

9 (5) The Auditor-General may make a report to the National Assembly
10 on anyone or more audits conducted by or on behalf of him under this Bill or
11 any other bill which:

12 (a) shall set out the reasons for opinions expressed in the report;

13 (b) may include any recommendation(s) arising out of the audit that
14 he thinks fit to make;

15 (c) after preparing a draft report, the Auditor-General shall give a
16 copy of it, or part of it, to:

17 (i) the Accounting Officer or the appropriate head of Federal
18 Ministries, Departments and Agencies or other public entities, and
19 international institutions to which the draft report or partrelates or that, in the
20 Auditor-General's opinion, has a special interest in the draft report or part; and

21 (ii) in the case of a draft report or part of a draft report on a
22 performance audit referred to in section 22the appropriate head of Federal
23 Ministries, Departments and Agencies or other public entities, and
24 international institutions for which the Minister administering that section is
25 responsible; and

26 (d) request the Accounting Officer or the appropriate Head of Federal
27 Ministries, Departments and Agencies or other public entities, and
28 international institutions in writing, for submissions or comments before a
29 specified date, being:

30 (i) in the case of a draft report on a performance audit - at least 15

1 working days after the draft report or, part is given to the Accounting
2 Officer or the appropriate head of Federal Ministries, Departments and
3 Agencies or other public entities, and international institutions; or

4 (ii) in the case of a draft report on any other audit - at least 30
5 working days after the draft report or parties given to the authority.

6 (6) The Auditor-General shall include in the report to the National
7 Assembly any submission(s) or comment(s) made before the specified date,
8 or a summary of them in a form determined by him.

9 16.-(1) The Auditor-General shall determine the auditing
10 standards, guidelines, and code of ethics specific to the audits performed by
11 the Office of the Auditor-General.

Auditing
standards and
code of ethics

12 (2) In the performance of his functions, the Auditor-General shall
13 apply the auditing standards and code of ethics recommended by the
14 Financial Reporting Council of Nigeria.

15 (3) Notwithstanding the provisions of subsection (2) of this
16 section, where the auditing standards recommended by the Financial
17 Reporting Council of Nigeria is silent on an issue, the Auditor-General may
18 apply the auditing standards and code of ethics recommended by the
19 International Organization of Supreme Audit Institutions (INTOSAI)
20 and/or African Organization of English Speaking Supreme Audit
21 Institutions (AFROSAI-E).

22 17. In the exercise of the powers conferred on him under the
23 Constitution, the Auditor-General shall have powers to or authorize persons
24 under him to draw attention to the following:

Specific issues to
be addressed in
audit of MDAs,
etc. accounts

25 (a) the profitability, liquidity, stability and solvency of the
26 parastatals, corporations, or agencies and also the corporation on the capital
27 markets, where applicable;

28 (b) whether there was any delay in payment of the government's
29 portion of any declared dividend into the Consolidated Revenue Fund of the
30 Federation;

1 (c) any significant case of fraud or losses and if so, their underlying
2 causes and persons responsible for such fraud or losses;

3 (d) any internal control weakness which were identified and the
4 general corporate performance indicating:

5 (i) achievements against set targets and objectives; and

6 (ii) whether the finances of the body have been conducted with due
7 attention to economy, efficiency and effectiveness, having regard to the
8 resources utilized.

Audit of public
money in private
organizations
and bodies

9 **18.** The Auditor-General may inquire into, examine, investigate and
10 report, as he considers necessary, on the expenditure of public monies
11 disbursed, advanced or guaranteed to a private organization or body in which
12 Federal Government has controlling interest.

Reporting of
Fraud

13 **19.**-(1) When, in the course of conducting a financial, compliance or
14 performance audit or any emerging audit, staff from the Office of the Auditor-
15 General, or auditors appointed under this Bill, discover what they believe to be
16 criminal, fraudulent or corruption acts, they shall immediately notify the
17 Auditor-General.

18 (2) Where the Auditor-General is satisfied that sufficient evidence
19 exists to warrant special investigation, he shall carry out detailed investigation
20 and make a special report on his findings to the National Assembly or the
21 Police.

Reference to
National Assembly

22 **20.** Where the Auditor-General becomes aware of:

23 (a) any payment made without due authority;

24 (b) any deficiency or loss occasioned by negligence or misconduct;

25 (c) any sum which ought to have been but was not brought to account,
26 he shall, in the case of expenditure, disallow the sum as a charge upon public
27 funds and in all cases, call in question the sum concerned and makes a report on
28 the sum to the National Assembly which shall refer the report to the committees
29 of both Houses responsible for public finance.

1 21.-(1) The Auditor-General shall, for the purpose of enhancing
2 economy, efficiency and effectiveness of the operations of any Federal
3 Ministries, Departments and Agencies or other public entities, and
4 international institutions in respect of which appropriation, or other
5 accounts are required to be prepared under any Act of the National Assembly
6 or the Constitution, enquire into, examine, investigate or undertake
7 performance audits and report as he considers necessary on:

8 (a) the expenditure of public moneys and the use of public
9 resources by Federal Ministries, Departments and Agencies or other public
10 entities, and international institutions;

11 (b) the conduct of, and performance of their functions by:

12 (i) accounting officers;

13 (ii) heads of Federal Ministries, Departments and Agencies;

14 (iii) other public entities, and international institutions.

15 (c) the extent to which Federal Ministries, Departments and
16 Agencies or other public entities, and international institutions established
17 by an Act of the National Assembly, is carrying out its activities
18 economically, efficiently and effectively;

19 (d) any act of omission of Federal Ministries, Departments and
20 Agencies or other public entities, and international institutions to determine
21 whether waste has resulted or may have resulted or may result;

22 (e) any act showing or appearing to show a lack of probity or
23 financial prudence by a Federal Ministries, Departments and Agencies or
24 other public entities, and international institutions or any of its members,
25 office holders and employees; and

26 (f) any other activity undertaken by the Federal Ministries,
27 Departments and Agencies or other public entities, and international
28 institutions.

29 (2) Any report prepared by the Auditor-General as a result of an
30 examination, enquiry or investigation under this section shall be laid before

Performance
Audit

Section 21
Performance
Audit

Section 21
Performance
Audit

1 the National Assembly.

Special audits
and investigations

2 22. The Auditor-General may carry out special audits, investigations
3 or any other audit considered necessary by him.

Submissions of
annual financial
statements

4 23.-(1) The financial statements of the Federal Government shall be
5 submitted to the Auditor-General not later than the 30th June of the following
6 financial year.

7 (2) The Accounting Officers of all Federal Ministries, Departments
8 and Agencies and public institutions shall submit their financial statements to
9 the Accountant-General not later than 90 days following the end of the
10 financial year.

11 (3) Subject to the provisions of the Constitution, the Accounting
12 Officers of all statutory corporations, parastatals, authorities, commissions,
13 agencies, including all persons and bodies established by an Act of the National
14 Assembly shall submit their audited financial statements to the Auditor-
15 General for audit not later than 90 days following the end of financial year.

16 (4) Any person who contravenes the provisions of subsections (1), (2)
17 and (3) of this section commits an offence and on conviction shall be personally
18 liable to a fine of not less than N500,000.00.

19 (5) Notwithstanding the provisions of subsection (4) of this section,
20 any Federal Ministries, Departments and Agencies or other public entities, and
21 international institutions that contravene the provisions of subsections (1), (2)
22 and (3) of this section shall be caused to make a representation to the National
23 Assembly.

Submission of
audited annual
financial statements
to the National
Assembly

24 24.-(1) Subject to the Constitution, the Auditor-General shall within
25 90 days of receipt of the Accountant-General's financial statement, submit his
26 reports under this section to the President of the Senate and the Speaker of the
27 House of Representatives and each House shall cause the reports to be
28 considered by a committee of the House of the National Assembly responsible
29 for public accounts.

30 (2) After the reports have been examined by the Committee

1 responsible for Public Accounts, it shall be presented in the plenary sessions
2 of the two Houses.

3 (3) National Assembly shall publish its findings on the Auditor-
4 General's report on the Accountant-General's financial statement mentioned
5 therein, within 120 days of receiving such report.

6 (4) The report under this section may include any information and
7 recommendation(s) that the Auditor-General thinks fit:

8 (a) for the more effective and efficient management of public
9 resources; and

10 (b) for the keeping of proper accounts and records of the
11 transactions relating to public resources.

12 25.-(1) All reports issued by the Auditor-General shall be
13 considered public documents after the reports are presented to the National
14 Assembly.

Publication of
audit reports

15 (2) The Auditor-General may provide copies of his published
16 reports to:

17 (a) the National Archives; and

18 (b) the website of the Federal Government, Government press and
19 approved print and electronic media.

20 (3) No person shall, without the written consent of the Auditor-
21 General, publish or disclose information obtained in the course of an audit to
22 any person (other than in the course of his duties or when lawfully required
23 to do so by a court of competent jurisdiction).

24 (4) It is only the Auditor-General, after giving due consideration to
25 the public interest and an auditor's professional obligations with regards to
26 confidentiality of information, may determine what information, beyond the
27 publicly available report, can appropriately be disclosed.

28 26.-(1) The committee responsible for the Public Accounts may
29 consider each report from the Auditor-General which is tabled in the
30 National Assembly.

Public accounts
committee review
of all audit reports

1 (2) The Committee responsible for Public Accounts shall make
 2 recommendations on the basis of this consideration and shall monitor their
 3 implementation, after it has been approved by the House at the plenary
 4 sessions.

Estimates of
 revenue and
 expenditure

5 27. The office of the Auditor-General shall prepare and submit to the
 6 National Assembly 6 months to the end of every financial year, the Estimates of
 7 Revenue and Expenditure of the office for the following financial year, which
 8 shall be included in the appropriation Bill.

Expenses of the
 Office of the
 Auditor-General

9 28.-(1) All monies approved by the National Assembly to defray the
 10 expenses that may be incurred in the discharge of the functions of the Office of
 11 the Auditor-General or in carrying out the purposes of this bill shall be a first
 12 line charge on the Consolidated Revenue Fund of the Federation.

13 (2) Any amount standing to the credit of the Office of the Auditor-
 14 General in the annual budget shall be paid directly to the Auditor-General for
 15 management and disbursement as approved by National Assembly.

Annual Report
 of the Auditor-
 General

16 29.-(1) The Auditor-General shall prepare and submit the following
 17 reports to the National Assembly in accordance with section 15 and 16 of this
 18 Bill:

19 (a) annual financial statements of his office prepared in accordance
 20 with generally accepted accounting principles, pursuant to section 33 of this
 21 Bill;

22 (b) list of Federal Ministries, Departments and Agencies or other
 23 public entities, and international institutions whose financial statements were
 24 audited by the Auditor-General;

25 (c) list of Federal Ministries, Departments and Agencies or other
 26 public entities, and international institutions that fail to comply with section 15
 27 of this Bill;

28 (d) annual reports in accordance with section 11 and 15 of this Bill;

29 (e) performance audit report on Programme, projects; and

30 (f) annual audit report on taxes and other revenue collections.

1 (2) The reports mentioned in subsection (1)(a) and (b) of this
 2 section shall be submitted to the National Assembly along with other reports
 3 in accordance with section 23 of this Bill.

4 **30.-(1)** The Auditor-General or an employee of the Office or a
 5 person acting on the authorities of Auditor-General shall not be personally
 6 liable for any action or omission committed in good faith in the performance
 7 of the functions or exercising the powers of the office:

Protection from litigation

8 **(2)** All reports and documents presented by the Auditor-General to
 9 the National Assembly shall be deemed to be National Assembly reports or
 10 documents and shall be accorded the same rights and privileges enjoyed by
 11 the reports and other documentary evidence emanating from or presented to
 12 the National Assembly by the Legislative Houses (Powers and Privileges)
 13 Act.

14 **(3)** Subject to sub-section (1) of this section, no civil or criminal
 15 proceedings shall be instituted against the Auditor-General on the basis of
 16 any actions or omissions committed by him or any report submitted to the
 17 National Assembly.

18 **31.-(1)** The Auditor-General may appoint, subject to the Public
 19 Procurement Act, private auditors to assist him in the performance of his
 20 functions under this Bill.

Power to appoint private auditors

21 **(2)** An auditor appointed under this section shall be supervised by
 22 the Auditor-General

23 **(3)** The Auditor-General may, in the performance of his functions
 24 under this Bill, engage the services of or work in consultation with
 25 professionals or technical experts or consultants to enhance the performance
 26 of the Office of the Auditor-General.

27 **32.-(1)** The accounts of the Office of the Auditor-General shall, in
 28 each financial year, be audited and reported upon by an independent auditor
 29 appointed, subject to the Public Procurement Act by the National Assembly.

Independence Auditor for the Auditor-General's Office

30 **(2)** The Independent Auditor appointed under this section shall

1 serve for a maximum period of three years.

2 (3) Notwithstanding subsection (1) of this section, a person is
3 qualified for appointment as Independent Auditor to the Office where:

4 (a) he holds a valid practicing license whether within or outside the
5 country for at least a period of ten years before such appointment;

6 (b) has proven track records of performance and integrity;

7 (c) is not involved or has not audited the Audit Commission or any
8 Federal Ministries, Departments and Agencies or other public entities, and
9 international institutions which is subject to audit by the Office for at least a
10 period of three years before such appointment;

11 (d) has not been a consultant to the Office or Audit Commission for at
12 least a period of three years before such appointment.

13 (4) Notwithstanding anything to the contrary in any law, the Office of
14 the Auditor-General shall, within three months after the end of its financial
15 year, prepare and submit to the auditor appointed under subsection (1),
16 financial statements of the performance and integrity.

17 (5) The auditor shall have access to all books of accounts, vouchers
18 and other records of the Office of the Auditor-General and is entitled to any
19 information and explanation required in relation to those records.

Oath/Affirmation
of Office, Secrecy

20 33.-(1) No person shall assume office as Auditor-General unless the
21 person takes the oath or affirmation specified in Part A of the schedule to this
22 Bill.

23 (2) Every person appointed to the services of the Office of the
24 Auditor-General shall before assuming duty take the Oath or affirmation of
25 secrecy specified in Part B of Schedule to this Bill.

Offences and
penalties

26 34.-(1) It shall be an offence under this Bill if a person:

27 (a) without lawful justification or excuse, wilfully obstructs, hinders
28 or resists the Auditor-General or any person authorized by the Auditor-General
29 in the performance of his functions;

30 (b) without lawful justification, refuses or fails to comply with any

1 lawful request, order or directives of the Auditor-General or any person
2 authorized by the Auditor-General;

3 (c) without any lawful justification, refuses or fails to give to the
4 Auditor-General or any person authorized by the Auditor-General, access to
5 any property, books, records, returns or other documents, information
6 referred to in section 10; or

7 (d) knowingly presents to the Auditor-General or any person
8 authorized by the Auditor-General, a false or fabricated document or makes
9 a false statement with intent to deceive or mislead the Auditor-General or
10 any person authorized by the Auditor-General;

11 (e) Presents himself directly as having authority under this Bill
12 without such lawful authority.

13 (2) A person commits an offence while, working in the Office of the
14 Auditor-General if he:

15 (a) misuses any information obtained while performing his official
16 function or exercising his official power;

17 (b) colludes with any Accounting officer or internal auditor or
18 other public officers in the conduct of his functions or exercising his power,
19 omit or commit any act; where such omission or commission leads to loss of
20 public funds.

21 (3) Any person who commits an offence under subsection (1) of
22 this section shall on conviction be liable:

23 (a) in the case of an individual, to a fine of not less than N300,000;
24 or a term of imprisonment of not less than three years or both;

25 (b) In the case of a body corporate, to a fine not less than
26 N5,000,000.

27 (4) Any person who commits an offence under subsection (2) of
28 this section shall on conviction, be liable to a fine not less than N300, 000; or
29 a term of imprisonment of not less than three years or both.

30 (5) Except otherwise provided by this Bill, where the Bill provides

1 for an offence and no penalty is prescribed for the offence, any person who
 2 contravenes any of the provisions of those sections, shall be liable to a fine not
 3 exceeding N200,000 or a term of imprisonment not exceeding 2 years or both.

4 PART B - ESTABLISHMENT OF A FEDERAL AUDIT SERVICE COMMISSION

Establishment of
 Federal Audit
 Service
 Commission

5 35.-(1) There is established a body known as the Federal Audit
 6 Service Commission (Hereinafter referred to as "the Audit Commission").

7 (2) The Audit Commission shall be a corporate body:

8 (a) with a common seal and perpetual succession, and

9 (b) shall sue and be sued in its corporate name.

Composition of
 the Audit
 Commission

10 36.-(1) The Audit Commission shall consist of:

11 (a) a Chairman who shall be the Auditor-General;

12 (b) six (6) persons known as Commissioners, one each from the six (6)
 13 geo-political zones of the Federation, and each of who shall be a member from
 14 any recognized professional accounting body with not less than 15 years
 15 standing;

16 (c) a representative of the Head of Civil Service of the Federation not
 17 below the rank of a Director;

18 (d) two persons who retired from the service of the Office of the
 19 Auditor-General and who must have attained at least Deputy Auditor-General;

20 (e) two persons appointed to represent the two professional
 21 accounting bodies in Nigeria;

22 (2) Except the ex-officio members, other members of the
 23 Commission shall be appointed by the President subject to confirmation by the
 24 Senate.

25 (3) Membership shall be on a part-time basis.

26 (4) A serving member of any Board or its equivalent of parastatal,
 27 commission, or any other agency of government cannot be appointed as
 28 member of the commission in subsection (1) of this section.

Secretary and
 Staff of the Audit
 Commission

29 37.-(1) There shall be a Secretary to the Audit Commission and such
 30 other staff as may be determined by the Audit Commission.

1 (2) The Secretary, who shall be on same rank with a Director-
2 General or its equivalent in public service shall be the accounting officer of
3 the Audit Commission and shall be responsible to Chairman for the daily
4 running of the Audit Commission.

5 (3) The Secretary shall serve for a term of 4 years and shall be
6 eligible for re-appointment for another term of 4 years and no more.

7 38. Except for ex-officio members, a member of the Audit
8 Commission may be removed from the office by the President, subject to
9 approval of the Senate for inability to perform the functions of his office,
10 arising from physical infirmity or infirmity of mind or for misconduct.

Removal from
Office of a
Member of the
Commission

11 39.-(1) The Audit Commission shall:

Functions of the
Commission

12 (a) determine on the recommendation of the Auditor-General, the
13 administrative structure of the Office of the Auditor-General;

14 (b) except for the Office of the Auditor-General, appoint persons to
15 offices in the Office of the Auditor-General and the Audit Commission;

16 (c) handle all matters of recruitment, promotion and discipline of
17 members of staff of the office and the Audit Commission;

18 (d) determine in consultation with relevant government agencies
19 the salaries and other conditions of service of members of staff of the Office
20 and the Audit Commission; and

21 (e) make rules and regulations, which shall not be inconsistent
22 with the intendment of this Bill, in order to realize the objectives of this Bill.

23 (2) The Audit Commission shall have authority under this section
24 to delegate its powers under this section to the Auditor-General or any other
25 person in the service of the Office of the Auditor-General or the Audit
26 Commission.

27 40.-(1) Notwithstanding the provision of any Act, a staff of the
28 Office of the Auditor General other than the Audit Commission shall retire
29 from service when he attains the age of 65 years or has served for 35 years in
30 the public service of the Federation depending on which comes first.

Length of service
of staff of the
Office of the
Auditor-General
and the Audit
Commission

1 (2) Notwithstanding the provision of this Bill and any other Act, any
2 staff of the Office of the Auditor-General who has served for 8 cumulative
3 years as a Director or Deputy Auditors-General shall retire from the service.

4 (3) Notwithstanding the provision of any Act, a staff of the Audit
5 Commission shall retire from service in accordance with general retirement
6 guidelines in the public service of the Federation.

Oath of Secrecy
of the staff of the
Commission

7 **41.** The staff of the Audit Commission shall swear to an oath of
8 secrecy in the performance of their duties as in Part B of Schedule to this Bill.

Tenure of
Members of the
Commission

9 **42.** Except for the ex-officio members, other members of the Audit
10 Commission shall serve for a term of four years and may be re-appointed for
11 another term of four years and no more.

Resignation of
members of the
Audit Commission

12 **43.**-(1) Where a member of the Audit Commission resigns, dies or is
13 removed from office for whatever reason, the Chairman shall inform the
14 President in writing, and the President shall appoint another person to hold
15 office for the unexpired period of the term, subject to the approval of the
16 Senate.

17 (2) A member of the Audit Commission may at any time resign his
18 office in writing, addressed to the President through the Chairman of the Audit
19 Commission.

Meetings of the
Audit Commission

20 **44.**-(1) The Audit Commission shall meet ordinarily for the
21 transaction of business at such time and place as it may fix at least once in a
22 quarter.

23 (2) A special meeting of the Audit Commission shall be convened
24 upon written request of the Chairman or by a majority decision of members
25 addressed to the Secretary of the Audit Commission.

26 (3) The Chairman shall preside at any meeting of the Commission but
27 in his absence members may appoint one of their own to preside in a meeting.

28 (4) Decisions shall be determined by a simple majority of members
29 present and voting; where there is equality of votes, the presiding officer shall
30 have a casting vote.

1 (5) The quorum at a meeting shall be one-third of the total members
2 including the Chairman.

3 (6) The Audit Commission may co-opt any person to attend its
4 meeting but such person shall not vote on any matter affecting the decision
5 of the Audit Commission.

6 (7) Except for the ex-officio members, a member who is absent
7 from three consecutive meetings of the Audit Commission without written
8 consent of the Chairman ceases to be a member.

9 (8) Except otherwise provided by this Bill, the Audit Commission
10 shall regulate its own proceedings.

11 45.-(1) Any member of the Audit Commission with interest in any
12 matter before the Audit Commission for consideration shall disclose in
13 writing the nature of his interest.

Declaration of
Interest on Matters
before the Audit
Commission

14 (2) Such a person should be disqualified from participation in any
15 deliberation in respect of the matter.

16 (3) A member who contravenes subsection (1) of this section shall
17 be removed from the Audit Commission and may face prosecution.

18 46.-(1) The Audit Commission may appoint committees consisting
19 of its members and non-members to exercise any of its functions.

Appointment of
Committees

20 (2) The Chairman of a committee of the Audit Commission shall be
21 appointed from within the membership of the Audit Commission or the
22 Committee.

23 (3) A Committee of the Audit Commission may co-opt such
24 person(s) as it may determine at its meetings and shall abide by the terms of
25 reference given to it by the Audit Commission.

26 47.-(1) The Audit Commission may engage, subject to the Public
27 Procurement Act the services of such consultants and experts, as it may
28 consider desirable for the efficient discharge of its functions.

Engagement of
Consultants

29 (2) In addition to the provisions of subsection (1), the Consultants
30 and experts shall be engaged on such terms and conditions as the Audit

1 Commission may determine.

2 (3) Nothing in this section or any other provision of this Bill shall be
3 construed as empowering the Audit Commission to interfere in the operations
4 of the Office of the Auditor-General for the Federation or engage any
5 consultant or any other body or person to act in that regard.

Independent
Auditors for the
Audit Commission

6 48.-(1) The National Assembly may appoint, subject to the Public
7 Procurement Act, an Independent Auditor to audit the accounts of the Audit
8 Commission for each financial year.

9 (2) The independent Auditor appointed under this section (1) shall
10 serve for a maximum period of three years.

11 (3) Notwithstanding subsection (1) of this section, a person is
12 qualified for appointment as Independent Auditor to the Audit Commission
13 where:

14 (a) he holds a valid practicing license whether within or outside the
15 country for at least a period of ten years before such appointment;

16 (b) has proven track of performance and integrity;

17 (c) is not involved or has not audited the Office of the Auditor-General
18 or any Federal Ministries, Departments and Agencies or other public entities,
19 and international institutions which is subject to audit by the Office for at least a
20 period of three years before such appointment;

21 (d) has not been a consultant to the Office or the Audit Commission
22 for at least a period of three years before such appointment.

Submission of
statements of
accounts and
annual report

23 49.-(1) The Audit Commission shall prepare its statement of accounts
24 and a report of its performance in the previous year, and submit to the National
25 Assembly not later than six months after the end of the financial year.

26 (2) The independent auditor appointed by the National Assembly, in
27 pursuance of this section and section 53 of this Bill shall submit their audited
28 accounts to the National Assembly.

Transition and
Savings

29 50.-(1) The appointment of the Auditor General and the existing staff
30 of the Office of the Auditor-General shall remain valid upon coming into force

1 of this Bill.

2 (2) Notwithstanding the provision of subsection (1) of this section,
3 the existing staff of the Office of Auditor General shall be subject to terms
4 and conditions of service of the Audit Commission from the commencement
5 of this Act.

6 **51.** The following Acts are hereby repealed:

Repeal

7 (a) The Audit Ordinance Act of 1958;

8 (b) The Public Account Committee Act, CAPP35, LFN 2004.

9 **52.** In this Bill, unless the context otherwise requires:

Interpretation

10 "Auditor-General of the Federation" includes persons authorized by him;

11 "the office" means the Office of the Auditor-General for the Federation
12 established by and under section 1 of this Bill;

13 "appropriate authorities" means the accounting officers of the public
14 institutions being audited;

15 "MDAs" means Ministries, Departments and Agencies;

16 "Body" means public entities (i.e. parastatals, commissions, etc.);

17 "Constitution" means the Constitution of the Federal Republic of Nigeria;

18 "Cognate experience" means working experience as Auditors;

19 "Members" include Chairman;

20 "National Assembly" means the Senate and Federal House of
21 Representatives;

22 "police" includes other Law enforcement agencies;

23 "presiding officer" means Chairman of the Commission or his delegate;

24 "President" means the President of the Federal Republic of Nigeria;

25 "the Commission" means the Federal Audit Service Commission;

26 "Surcharge" means make somebody responsible for repayment or extra
27 payment.

28 **53.** This Bill may be cited as the Federal Audit Service Short Title
29 Commission Bill, 2015.

SCHEDULES

SCHEDULE - PART A

OATH OF OFFICE OF AUDITOR-GENERAL

I..... having been appointed Auditor-General, do solemnly swear (affirm) in the name of the Almighty God /Allah that I will be faithful and bear true allegiance to the Federal Republic of Nigeria; that as the Auditor-General for the Federation, I will discharge my duties to the best of my ability, faithfully and in accordance with the Constitution of the Federal Republic of Nigeria and the Act; that I will not allow my personal interest to influence my official conduct or my official decisions, that I will abide by the Code of Conduct contained in the Fifth Schedule to the Constitution of the Federal Republic of Nigeria; that in all circumstances, I will do right to all manner of people, according to law, without fear or favour, affection or ill-will; that I will not directly or indirectly communicate or reveal to any unauthorized person, any matter which shall be brought under my consideration or shall become known to me as the Auditor-General for the Federation, except as may be required for the due discharge of my duties as the Auditor-General for the Federation; that I will devote myself to the service of the Nation.

So help me God/Allah.

SCHEDULE - PART B

Oath of Office of member of staff of the office of the Auditor-General

I, do solemnly swear (affirm) in the name of the Almighty God/Allah that I will be faithful and bear true allegiance to the Federal Republic of Nigeria; and that I will discharge my duties and perform my functions honestly to the best of my ability and faithfully in accordance with the Constitution of the Federal Republic of Nigeria and the Law;

So help me God/Allah.

SCHEDULE - PART C

Oath of a Evidence/Witness

I..... do solemnly swear (affirm) before the Auditor-General/this Honourable assembly, that the evidence I shall give here shall be the truth, the whole truth, and nothing but the truth.

So help me God/Allah.

SCHEDULE - PART D

Oath Of Secrecy for Member of Staff

I..... do solemnly swear (affirm) that as officer/employee in the Office of the Auditor-General, I will not directly or indirectly, while in service or after retirement from service reveal to any unauthorized person, any matter, document, communication or information that comes to my knowledge in the discharge of my duties.

So help me God/Allah.

PASSED BY THE HOUSE OF REPRESENTATIVES ON THURSDAY, 21STMAY, 2015

.....

Speaker
House of Representatives

.....

Clerk
House of Representatives

