

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 COMMISSION BILL 2019; AND TO PROVIDE FOR OTHER RELATED THERETO

Sponsored by Senator Matthew Urhoghide

[] Commencement

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

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

Establishment of the Office of the Auditor-General for the Federation

4 (2) The Office shall be a body corporate:

5 (a) with a common seal and in perpetual succession; and

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

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

10 (4) The Auditor-General shall be assisted by 3 Deputy Auditors-
11 General who shall be of same rank in public service as a permanent secretary
12 or its equivalent and such other staff as may be appointed by the Federal
13 Audit Service Commission on the recommendation of the Auditor-General.

14 (5) The Auditor-General, the 3 Deputy Auditors-General and other
15 staff of the Office shall be public servants.

16 2.-(1) Subject to the provisions of the Constitution, a person shall
17 not be appointed as Auditor-General unless that person is-

Qualification of Auditor-General and Deputy Auditors-General

1 (a) a qualified accountant with not less than 15 years cognate
2 professional experience;

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

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

7 (d) of proven professional ability and expertise.

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

10 (3) Where the applicant is not from the Public Service, he shall not be
11 less than fifty (50) years old at the date of appointment.

12 (4) The Deputy Auditors-General to be appointed from the serving
13 Directors in the Office who must meet the criteria in this Section.

Procedure for
Appointment of
Auditor-General

14 3.-(1) Where the post of the Auditor-General is vacant, the vacancy
15 shall be filled by the appointment of the most qualified person with cognate
16 experience in the service of the Office of the Auditor-General or in the Public
17 Service of the Federation or State.

18 (2) Subject to Subsection (1), where there is no qualified person in
19 the service of the Office of the Auditor-General or in the Public Service of the
20 Federation or State, the vacancy shall be filled by the appointment of any
21 person, not being a public servant, who meets the qualifications specified in
22 this Bill.

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

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

Salary

29 4.-(1) Notwithstanding the provision of any Act, the Auditor-General
30 shall be paid such salary and allowances as may be determined by the National

1 Assembly on the recommendation of the Revenue Mobilization Allocation
2 and Fiscal Commission.

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

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

10 (4) Subject to Subsection (3) or any other Act, the severance
11 allowance and other retirement benefits of the Auditor-General shall be
12 similar to those of the Head of Service of the Federation.

13 5. The Auditor-General shall be appointed to serve for four years
14 and may be reappointed to serve for another four years and no more.

Tenure of the
Auditor-General

15 6. A person holding office as the Auditor-General shall hold office
16 until he -

Cessation of the
Office of the
Auditor-General

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

19 (b) voluntarily retires by writing a letter in his own hand writing
20 indicating his intention to retire addressed to the President through the
21 Federal Civil Service Commission;

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

25 7.-(1) Subject to the Constitution, a person holding the Office of
26 the Auditor-General shall be removed from office in accordance with the
27 provisions of Section 87 of the Constitution of the Federal Republic of
28 Nigeria (as amended).

Removal of the
Auditor-General
on Grounds of
Misconduct

29 (2) The Senate shall not commence proceedings to remove a
30 person holding Office as Auditor-General, unless the Senate:

1 (a) serves him a copy of the allegation of misconduct; and
2 (b) gives him at least 14 days to prepare his defence to the allegation
3 and makes representation to the Senate either in person or by his Legal
4 representative.

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

Administrative
Structure of
the Office

8 8.-(1) The Office of the Auditor-General shall consist of such
9 Directorates, Departments, Divisions and Units as may be determined by the
10 Federal Audit Service Commission on the recommendation of the Auditor-
11 General.

12 (2) The Audit Service Commission on the recommendation of the
13 Auditor-General shall from time to time, review the administrative structure of
14 the Office to meet the prevailing needs, and where it so reviews, the new
15 structure shall not be valid unless published in the Official Gazette.

Functions of
Auditor-General

16 9.-(1) Subject to the provisions of the Constitution, the functions of
17 the Auditor-General shall include the following:

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

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

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

27 (d) carrying out performance audit by ensuring that Federal
28 Government and its Agencies' business is economically, efficiently and
29 effectively performed;

30 (e) carrying out audit on classified expenditure;

- 1 (f) carrying out forensic audit;
- 2 (g) carrying out any other emerging audit(s);
- 3 (h) carrying out audit of International Institutions to the extent of
- 4 Nigeria's contributions to such bodies;
- 5 (i) carrying out audit of all Federal Government and its Agencies'
- 6 subsidies and their application;
- 7 (j) carrying out audit of all Federal Government and its Agencies'
- 8 counterpart funded projects in the country;
- 9 (k) carrying out audit of all Nigerian Embassies, Consulates and
- 10 Foreign Missions;
- 11 (l) carrying out audit of performance information;
- 12 (m) carrying out audit of disaster related grants and aids; and
- 13 (n) carrying out audit of public private partnership entered into by
- 14 the Federal government and its agencies;
- 15 (o) carrying out such audits as he may deem necessary to
- 16 safeguard Federal government and its agencies' assets and promote good
- 17 governance.
- 18 (2) Notwithstanding the provision of subsection (1), the Auditor-
- 19 General shall not in person participate in any action or decision the subject
- 20 of which he is an interested party.
- 21 **10. The Auditor-General shall have power to:**
- 22 (a) decide on the methodology to be adopted in respect of an audit;
- 23 (b) determine the nature and extent of audit to be carried out and
- 24 request the details, statements of account and financial statement which he
- 25 considers necessary;
- 26 (c) in writing, require any person in the employment of Federal
- 27 Ministries, Departments and Agencies or other public entities, and
- 28 International Institutions whose accounts are being audited by him to appear
- 29 before him at a time and place mentioned in the request and to produce on
- 30 demand, all such records, books, vouchers and documents in the possessions

1 or under the control of such persons;

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

6 (e) liaise with persons, Federal Ministries, Departments and Agencies
7 or other public entities, and International Institutions in Nigeria or outside
8 Nigeria, on such conditions as he deems fit for the proper performance of his
9 functions;

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

12 (g) revoke any surcharge imposed by him;

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

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

18 (j) audit all money accruing to the nation or Federal Ministries,
19 Departments and Agencies or other public entities, and International
20 Institutions; and

21 (k) audit donations, grants, loans and other forms of assistance
22 accruable to the Federal Government, Federal Ministries, Departments and
23 Agencies or other public entities, and International Institutions, whether from
24 local or International Institutions.

Issuance of
Summons and
Warrant of Arrest

25 **11.-(1)** The Auditor-General may, in the course of exercising his
26 powers or perform his functions, summon a person as witness to give evidence
27 either orally or in writing.

28 (2) Subject to Subsection (1), where a person is summoned as witness
29 and the person refuses or fails to appear, without any reasonable excuse, the
30 Auditor-General may issue warrant to the Police for his arrest.

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

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

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

9 12. Subject to the provisions of the Constitution the Auditor-
10 General, in exercising his powers or performing his functions under this Bill
11 shall not be under the direction or control of any authority or person.

Independence
of Auditor-General

12 13.-(1) The Internal Auditor of any Federal Ministries,
13 Departments and Agencies or other public entities, and International
14 Institutions which is subject to audit by the Auditor-General shall submit a
15 copy to the Auditor-General of each internal audit report issued within seven
16 working days of its issue.

Internal audit
reports

17 (2) Any response by Accounting Officers of Federal Ministries,
18 Departments and Agencies or other public entities, and International
19 Institutions to internal audit reports shall be presented to the Auditor-
20 General within seven working days of receipt of the Audit Report.

21 14.-(1) In exercising his powers or performing his functions under
22 the Constitution or this Bill, the Auditor-General shall express an
23 independent opinion on the results of each audit and shall state whether:

Operations

24 (a) the accounts are in conformity with the requirements of relevant extant
25 Acts and Financial Regulations;

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

29 (c) the financial affairs of the Federal Ministries, Departments and
30 Agencies or other public entities, and International Institutions audited and

1 all revenues received and public moneys under its control have been handled
 2 and conducted with regularity and propriety by the Accounting Officer or any
 3 other public officer responsible for such;

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

7 (e) in his opinion, the accounts reflected fairly the financial position
 8 of the Federal Ministries, Departments and Agencies or other public entities,
 9 and International Institutions audited;

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

12 (g) adequate financial regulations exist for accounting and financial
 13 operations in the Federation and that they are fully observed; and

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

17 (2) The Auditor-General shall, within ninety days of receipt of the
 18 Accountant-General's financial statements, submit his reports under this
 19 Section to each House of the National Assembly and each House shall cause the
 20 reports to be considered by a Committee of each House of the National
 21 Assembly responsible for Public Accounts.

22 (3) The National Assembly shall, after the receipt of the report
 23 submitted to it under Subsection (2), debate, consider at the plenary session and
 24 then submit the report to the President or Chief Justice of Nigeria who may
 25 within one month pass it to the Public Accounts Implementation Tribunal for
 26 immediate action.

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

1 (5) The Auditor-General shall, at any time, submit to the National
2 Assembly a special report on any matter incidental to his powers and
3 functions under this Bill.

4 (6) The reports of the Auditor-General shall become a public
5 document as soon as it is submitted to the National Assembly and may be
6 placed on the Office website; published in the official bulletin of the Office,
7 displayed in the Office Library among others.

8 (7) The report of the Auditor-General hosted on the website or
9 published in accordance with Subsection (6) of this Section shall not be used
10 unless approved by the National Assembly.

11 15.-(1) The Auditor-General shall draw the attention of the Procedure
12 appropriate authorities to any irregularity observed during the audit of the
13 accounts as soon as the facts of such irregularity have been established and
14 confirmed.

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

19 (3) The Auditor-General shall specify to the Accounting Officer or
20 the appropriate Heads of Federal Ministries, Departments and Agencies or
21 other public entities, and International Institutions, the amount due from any
22 person upon whom he had made surcharge, and the reason for the surcharge
23 and to report the circumstances of the case to the Accounting Officer of the
24 affected Federal Ministries, Departments and Agencies or other public
25 entities, and International Institutions.

26 (4)(a) The Auditor-General or any person authorized by him to
27 carry out an audit shall hold an exit conference with the Accounting Officer
28 on observations raised and the parties at the conference shall sign as having
29 been present and having agreed with the observations or sign as having been
30 present and having disagreed with the observations state reasons;

1 (b) The refusal of an Accounting Officer to sign the audit observations
2 mentioned in Subsection (4) (a) of this Section shall not render the audit report
3 invalid.

4 (5) The Auditor-General shall make a report to the National Assembly
5 on any one or more audits conducted by or on his behalf under this Bill or any
6 other Bill which:

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

8 (b) shall include any recommendation(s) arising out of the audit that
9 he thinks fit to make;

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

12 (i) the Accounting Officer or the appropriate head of Federal
13 Ministries, Departments and Agencies or other public entities, and
14 International Institutions to which the draft report or part relates or that, in the
15 Auditor-General's opinion, has a special interest in the draft report or part; and

16 (ii) in the case of a draft report or part of a draft report on a
17 performance audit referred to in Section 22 the appropriate head of Federal
18 Ministries, Departments and Agencies or other public entities, and
19 International Institutions for which the Minister administering that Section is
20 responsible; and

21 (d) request the Accounting Officer or the appropriate Head of Federal
22 Ministries, Departments and Agencies or other public entities, and
23 International Institutions in writing, for submissions or comments before a
24 specified date, being:

25 (i) in the case of a draft report on a performance audit at least 15
26 working days after the draft report or, part is given to the Accounting Officer or
27 the appropriate head of Federal Ministries, Departments and Agencies or other
28 public entities, and International Institutions; or

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

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

4 16.-(1) The Auditor-General shall determine the auditing
5 standards, guidelines, and code of ethics specific to the audits performed by
6 the Office of the Auditor-General.

Auditing Standards
and Code of Ethics

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

10 (3) Notwithstanding the provisions of Subsection (2) of this
11 Section, where the auditing standards recommended by the Financial
12 Reporting Council of Nigeria is silent on an issue, the Auditor-General may
13 apply the auditing standards and code of ethics recommended by the
14 International Organization of Supreme Audit Institutions (INTOSAI)
15 and/or African Organization of English Speaking Supreme Audit
16 Institutions (AFROSAI-E).

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

Specific issues
to be addressed
in Audit of MDAs,
etc., Accounts

20 (a) the profitability, liquidity, stability and solvency of the
21 Parastatals, Corporations, or Agencies and also the corporation on the
22 capital markets, where applicable;

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

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

28 (d) any internal control weakness identified and the general
29 corporate performance indicating achievements against set targets and
30 objectives; and

1 (e) whether the finances of the body have been conducted with due
2 attention to economy, efficiency and effectiveness, having regard to the
3 resources utilized.

Audit of Public
Money in Private
Organizations
and Bodies

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

Reporting of
Fraud

8 19.-(1) When, the course of conducting a financial, compliance or
9 performance audit or any emerging audit, staff from the Office of the Auditor-
10 General, or auditors appointed under this Bill, discover what they believe to be
11 criminal, fraudulent or corruption acts, they shall immediately notify the
12 Auditor-General.

13 (2) Where the Auditor-General is satisfied that sufficient evidence
14 exists to warrant special investigation, he shall carry out detailed investigation
15 and make a special report on his findings to the National Assembly and the
16 Police.

Reference to
National Assembly

17 20. Where the Auditor-General becomes aware of:

18 (a) any payment made without due authority;

19 (b) any deficiency or loss occasioned by negligence or misconduct;
20 and

21 (c) any sum which ought to have been but was not brought to account,
22 he shall, in the case of expenditure, disallow the sum as a charge upon public
23 funds and in all cases, call in question the sum concerned and makes a report on
24 the sum to the National Assembly which shall refer the report to the
25 Committees of both Houses responsible for Public Accounts.

Performance
Audit

26 21.-(1) The Auditor-General shall, for the purpose of enhancing
27 economy, efficiency and effectiveness of the operations of any Federal
28 Ministries, Departments and Agencies or other public entities, and
29 International Institutions in respect of which appropriation, or other accounts
30 are required to be prepared under any Act of the National Assembly or the

1 Constitution, enquire into, examine, investigate or undertake performance
2 audits and report as he considers necessary on:

3 (a) the expenditure of public money(s) and the use of public
4 resources by Federal Ministries, Departments and Agencies or other public
5 entities, and International Institutions;

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

7 (i) Accounting Officers;

8 (ii) Heads of Federal Ministries, Departments and Agencies;

9 (iii) other Public Entities, and International Institutions.

10 (c) the extent to which Federal Ministries, Departments and
11 Agencies or other public entities, and International Institutions established
12 by an Act of the National Assembly, is carrying out its activities
13 economically, efficiently and effectively;

14 (d) any act of omission of Federal Ministries, Departments and
15 Agencies or other public entities, and International Institutions to determine
16 whether waste has resulted or may have resulted or may result;

17 (e) any act showing or appearing to show a lack of probity or
18 financial prudence by Federal Ministries, Departments and Agencies or
19 other public entities, and International Institutions or any of its members,
20 office holders and employees; and

21 (f) any other activity undertaken by the Federal Ministries,
22 Departments and Agencies or other public entities, and International
23 Institutions.

24 (2) Any report prepared by the Auditor-General as a result of an
25 examination, enquiry or investigation under this Section shall be laid before
26 the National Assembly.

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

29 23.-(1) The financial statements of the Federal Government shall
30 be submitted to the Auditor-General not later than the 30th June of the

Special Audits
and Investigations

Submission of
Annual Financial
Statements

1 following financial year.

2 (2) The Accounting Officer of all Federal Ministries, Departments
3 and Agencies and Public Institutions shall submit their financial statements to
4 the Accountant-General not later than 90 days following the end of the
5 financial year.

6 (3) Subject to the provisions of the Constitution, the Accounting
7 Officer of all Statutory Corporations, Parastatals, Authorities, Commissions,
8 Agencies, including all persons and bodies established by an Act of the
9 National Assembly shall submit their audited financial statements to the
10 Auditor-General for review not later than 90 days following the end of a
11 financial year.

12 (4) Any person who contravenes the provisions of subsections (1),
13 (2) and (3) of this section commits an offence and on conviction shall be
14 personally liable to a fine of not less than N500, 000.00 or two (2) years
15 imprisonment or both.

16 (5) Notwithstanding the provisions of Subsection (4) of this Section,
17 any Federal Ministry, Department and Agency or other public entity, and
18 International Institution that contravene the provisions of subsections (1), (2),
19 and (3) of this section shall be caused to make a representation to the National
20 Assembly for further disciplinary action.

Submissions of
Audited Financial
Statements to
the National
Assembly

21 **24.-(1)** The Auditor-General shall, within ninety days of receipt of the
22 Accountant-General's financial statement, submit his reports under this
23 Section to each House of the National Assembly and each House shall cause the
24 reports to be considered by a Committee of the House of the National
25 Assembly responsible for Public Accounts.

26 (2) After the reports have been examined by the Committee
27 responsible for Public Accounts, it shall be presented in the plenary sessions of
28 the two Houses.

29 (3) The National Assembly shall publish its findings on the Auditor-
30 General's report on the Accountant-General's financial statement mentioned

1 therein, within 120 days of receiving such report.

2 (4) the report under this Section may include any information and
3 recommendation(s) that the Auditor-General thinks fit:

4 (a) for the more effective and efficient management of public
5 resources; and

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

8 25.(1) All reports issued by the Auditor-General shall be
9 considered public documents after the reports are submitted to the National
10 Assembly.

Publication of
Audit Reports

11 (2) The Auditor-General shall provide copies of his published
12 reports to:

13 (a) the National Archives; and

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

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

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

24 26.(1) The Committee responsible for the Public Accounts shall
25 consider each report from the Auditor-General which is tabled in the
26 National Assembly.

Public Accounts
Committee Review
of all Audit
Reports

27 (2) The Committee responsible for Public Accounts shall make
28 recommendations on the basis of this consideration and shall monitor their
29 implementation; after it has been approved by the House at the plenary
30 sessions.

Estimates of
Revenue and
Expenditure

1 27. The Office of the Auditor-General shall prepare and submit to the
2 National Assembly 6 months to the end of every financial year, the Estimates of
3 Revenue and Expenditure of the Office for the following financial year, which
4 shall be included in the appropriation Bill.

Expenses of the
Office of the
Auditor-General

5 28.-(1) All monies approved by the National Assembly to defray the
6 expenses that may be incurred in the discharge of the functions of the Office of
7 the Auditor-General or in carrying out the purposes of this bill shall be a first
8 line charge on the Consolidated Revenue Fund of the Federation.

9 (2) Any amount standing to the credit of the Office of the Auditor-
10 General in the annual budget shall be paid directly to the Auditor-General and
11 disbursement as approved by National Assembly.

Charging Fees

12 (3) The Auditor-General shall charge fees for the conduct of audits
13 undertaken on behalf of International Aid Agencies, unanticipated audit
14 requests, State Owned Enterprises (Government Business Enterprises - GBE)
15 Funds and autonomous commissions that are not funded directly from the state
16 budget and such amounts shall be remitted to the Consolidated Fund, net of
17 Audit costs.

Annual Report
of the Auditor-
General

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

21 (a) Annual Financial Statements of his office prepared in accordance
22 with generally accepted accounting principles, pursuant to Section 33 of this
23 Bill;

24 (b) list of Federal Ministries, Departments and Agencies or other
25 public entities, and International Institutions whose financial statements were
26 audited by the Auditor-General;

27 (c) list of Federal Ministries, Departments and Agencies or other
28 public entities, and International Institutions that fail to comply with Section
29 15 of this Bill;

30 (d) Annual Reports in accordance with Section 11 and 15 of this Bill;

1 (e) Performance Audit Report on Programme, projects; and

2 (f) Annual Audit Report on taxes and other revenue collections.

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

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

Protection from
Litigation

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

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

20 31.-(1) The Auditor-General may appoint, subject to the Public
21 Procurement Act, Private Auditors to assist him in the performance of his
22 functions under this Bill.

Power to appoint
Private Auditors

23 (2) An auditor appointed under this Section shall be supervised by
24 the Auditor-General.

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

29 32.-(1) The Accounts of the Office of the Auditor-General shall, in
30 each financial year, be audited and reported upon by an Independent Auditor

Independence
Auditor for the
Auditor-General's
Office

1 appointed, subject to the Public Procurement Act by the National Assembly.

2 (2) 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 Service Commission
8 or any Federal Ministries, Departments and Agencies or other public entities,
9 and International Institutions which is subject to audit by the Office for at least
10 a period of three years before such appointment; and

11 (d) has not been a consultant to the Office or Audit Service
12 Commission for at 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, willfully 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; and

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
14 the Auditor-General if he:

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

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
24 N2,000,000.00; or a term of imprisonment of not less than three years or
25 both; and

26 (b) in the case of a body Corporate, to a fine not less than
27 N10,000,000.00.

28 (4) any person who commits an offence under Subsection (2) of
29 this Section shall on conviction, be liable to a fine not less than

1 N2,000,000.00; or a term of imprisonment of not less than three years or both.

2 (5) Except otherwise provided by this Bill, where the Bill provides
3 for an offence and no penalty is prescribed for the offence, any person who
4 contravenes any of the provisions of those Sections, shall be liable to a fine not
5 exceeding N1,000,000.00 or a term of imprisonment not exceeding 2 years or
6 both.

7 PART B: ESTABLISHMENT OF A FEDERAL AUDIT SERVICE COMMISSION

Establishment
of Federal Audit
Service
Commission

8 35.-(1) There is established a body known as the Federal Audit
9 Service Commission (hereinafter referred to as 'the Audit Service
10 Commission').

11 (2) The Audit Service Commission shall be a body corporate-

12 (a) with a common seal and in perpetual succession, and

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

Composition of
the Audit Service
Commission

14 36.-(1) The Audit Service Commission shall consist of:

15 (a) a Chairman who shall have not less than 15 years cognate
16 experience in Accounting and Auditing, in public or private sector or both;

17 (b) six (6) persons known as Commissioners, one each from the six
18 (6) geo-political zones of the Federation, and three (3) of whom shall be from
19 accounting and auditing profession and other 3 from Law or Public
20 Administration, with not less than 15 years cognate experience

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

23 (d) two persons who retired from the Service of the Office of the
24 Auditor-General who must have attained the rank of a Director on grade level
25 17; and

26 (e) two persons appointed to represent the two Professional
27 Accounting bodies in Nigeria.

28 (2) Except the ex-officio Members, the Chairman and other Members
29 of the Commission shall be appointed by the President subject to confirmation
30 by the Senate.

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

2 (4) A serving member of any Board or its equivalent of Parastatals,
3 Commission, or any other Agency of Government cannot be appointed as
4 Member of the Commission in Subsection (1) of this Section.

5 37.-(1) There shall be a Secretary to the Audit Service Commission
6 and such other staff as may be determined by the Audit Service Commission.

Secretary and
Staff of the
Audit Service
Commission

7 (2) The Secretary, who shall be on same rank with a Permanent
8 Secretary or its equivalent in the Federal Public Service shall be the
9 Accounting Officer of the Audit Service Commission and shall be
10 responsible to the Chairman for the daily running of the Audit Service
11 Commission.

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

14 38. Except for ex-officio Members, a member of the Audit Service
15 Commission may be removed from the Office by the President, subject to
16 approval of the Senate for inability to perform the functions of his Office,
17 arising from physical infirmity or infirmity of mind or for misconduct.

Removal from
Office of a
Member of the
Commission

18 39.-(1) The Audit Service Commission shall, on the basis of
19 recommendations by the Auditor-General:

Functions of the
Commission

20 (a) determine the administrative structure of the Office of the
21 Auditor-General;

22 (b) appoint persons to offices in the Office of the Auditor-General
23 and the Audit Service Commission;

24 (c) handle all matters referred to it on recruitment, promotion and
25 discipline of members of staff of the Office of the Auditor-General and the
26 Audit Service Commission;

27 (d) determine in consultation with the National Salaries, Incomes
28 and Wages Commission and any other relevant Government Agencies the
29 salaries and other conditions of service of members of staff of the Office of
30 the Auditor-General and the Audit Service Commission; and

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

3 (2) The Audit Service Commission shall have authority under this
4 Section to delegate its power under this Section to the Auditor-General or any
5 other person in the service of the Office of the Auditor-general or the Audit
6 Service Commission.

Length of Service
of Staff of the
Office of the
Auditor-General
and the Audit
Service
Commission

7 40.-(1) Notwithstanding the provision of any Act, a staff of the Office
8 of the Auditor-General other than the Audit Service Commission shall retire
9 from service when he attains the age of 60 years or has served 35 years in the
10 Public Service of the Federation depending on which comes first.

11 (2) Notwithstanding the provision of any Act, a staff of the Audit
12 Service Commission shall retire from service in accordance with general
13 retirement guidelines in the Public Service of the Federation.

Oath of Secrecy
of the Staff of
the Commission

14 41. The staff of the Audit Service Commission shall swear to an oath
15 of secrecy in the performance of their duties as in Part B of Schedule to this
16 Bill.

Tenure of Members
of the Commission

17 42. Except for the ex-officio Members, other Members of the Audit
18 Service Commission shall serve for a term of four years and may be re-
19 appointed for another term of four years and no more.

Resignation of
Members of
Audit Service
Commission

20 43.-(1) Where a Member of the Audit Service Commission resigns,
21 dies or is removed from office for whatever reason, the Chairman shall inform
22 the President in writing, and the President shall appoint another person to hold
23 office for the unexpired period of the term, subject to the approval of the
24 Senate.

25 (2) A Member of the Audit Service Commission may at any time
26 resign his office in writing, addressed to the President through the Chairman of
27 the Audit Service Commission.

28 44.-(1) The Audit Service Commission shall meet ordinarily for the
29 transaction of business at such time and place as it may fix at least once in a
30 quarter.

1 (2) A special meeting of the Audit Service Commission shall be
2 convened upon written request of the Chairman or by a majority decision of
3 Members addressed to the Secretary of the Audit Service Commission.

4 (3) The Chairman shall preside at any meeting of the Commission
5 but in his absence Members may appoint one of their own to preside in a
6 meeting.

7 (4) Decisions shall be determined by a simple majority of
8 Members present and voting; where there is equality of votes, the presiding
9 officer shall have a casting vote.

10 (5) The quorum at a meeting shall be one-third of the total
11 Members including the Chairman.

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

15 (7) Except the ex-officio Members, a Member who is absent from
16 three consecutive meetings of the Audit Service Commission without
17 written consent of the Chairman ceases to be a Member.

18 (8) Except otherwise provided by this Bill, the Audit Service
19 Commission shall regulate its own proceedings.

20 **45.-(1)** Any member of the Audit Service Commission with
21 interest in any matter before the Audit Service Commission for
22 consideration shall disclose in writing the nature of his interest.

Declaration of
Interest on
Matters before
the Audit Service
Commission

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

25 (3) A Member who contravenes Subsection (1) of this Section
26 shall be removed from the Audit Service Commission and may face
27 prosecution.

28 **46.-(1)** The Audit Service Commission may appoint committees
29 consisting of its Members and non-members to exercise any of its functions.

Appointment
of Committees

30 (2) The Chairman of a Committee of the Audit Service

1 Commission shall be appointed from within the Members of the Audit Service
2 Commission or the Committee.

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

Engagement
of Consultants

6 47.-(1) The Audit Service Commission may engage, subject to the
7 Public Procurement Act the services of such consultants and experts, as it may
8 consider desirable for the efficient discharge of its functions.

9 (2) In addition to the provisions of Subsection (1), the Consultants
10 and experts shall be engaged on such terms and conditions as the Audit Service
11 Commission may determine.

12 (3) Nothing in this Section or any other provision of this Bill shall be
13 construed as empowering the Audit Service Commission to interfere in the
14 operations of the Office of the Auditor-General for the Federation or engage
15 any consultant or any other body or person to act in that regard.

Independent
Auditors for
the Audit Service
Commission

16 48.-(1) The National Assembly shall appoint, subject to the Public
17 Procurement Act, an Independent Auditor to audit the accounts of the Audit
18 Service Commission for each financial year.

19 (2) The independent Auditor appointed under this Section (1) shall
20 serve for a maximum period of three years.

21 (3) Notwithstanding Subsection (1) of this Section, a person is
22 qualified for appointment as Independent Auditor to the Audit Service
23 Commission where:

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

26 (b) has proven track record of performance and integrity;

27 (c) is not involved or has not audited the Office of the Auditor-
28 General or any Federal Ministries, Departments and Agencies or other public
29 entities, and International Institutions which is subject to audit by the Office of
30 the Auditor-General for at least a period of three years before such

1 appointment; and

2 (d) has not been a consultant to the Office of the Auditor-
3 General or the Audit Service Commission for at least a period of three years
4 before such appointment.

5 49.-(1) The Audit Service Commission shall prepare its statements
6 of accounts and a report of its performance in the previous year(s), and
7 submit to the National Assembly not later than six months after the end of
8 the financial year.

Submission of
Statements of
Accounts and
Annual Reports

9 (2) The independent auditor appointed by the National Assembly,
10 in pursuance of this Section and Section 48 of this Bill shall submit their
11 audited accounts to the National Assembly.

12 50.-(1) The appointment of the Auditor-General and the existing
13 staff of the Office of the Auditor-General shall remain valid upon coming
14 into force of this Bill.

Transition and
Savings

15 (2) In accordance with the provision of Subsection (1) of this
16 Section, the existing staff of the Office of the Auditor-General shall be
17 subject to terms and conditions of service to the Audit Service Commission
18 from the commencement of this Bill.

19 51. The following Acts are hereby repealed:

Repeal

20 (a) The Audit Ordinance Act of 1958; and

21 (b) The Public Account Committee Act, CAP. P35, LFN 2004.

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

Interpretation

23 "Auditor-General for the Federation" includes persons authorized by him;

24 "the Office" means the Office of the Auditor-General for the Federation
25 established by and under Section 1 of this Bill;

26 "appropriate authorities" means the Accounting Officers of the Public
27 Institutions being audited;

28 "MDAS" means Ministries, Departments and Agencies;

29 "Body" means Public Entities (i.e. Parastatals, Commissions, etc.);

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

1 "Cognate experience" means working experience as Auditors;
 2 "Members" include Chairman;
 3 "National Assembly" means the Senate and House of Representatives;
 4 "Police" includes other Law Enforcement Agencies;
 5 "Presiding Officer" means Chairman of the Commission or his delegate;
 6 "President" means the President of the Federal Republic of Nigeria;
 7 "the Commission" means the Federal Audit Service Commission;
 8 "Surcharge" means make somebody responsible for repayment or extra
 9 payment.

Short Title

10 53. This Bill may be cited as the Federal Audit Service Commission
 11 Bill, 2019.

SCHEDULE

PART A

OATH OF OFFICE OF AUDITOR-GENERAL

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

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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.

PART C

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.

EXPLANATORY MEMORANDUM

This Bill seeks 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 Commission Bill 2019.

