

ASSENTED to by me this 22<sup>th</sup> day of May 2019



A  
MR. ADEGBOYEGA OYETOLA  
Governor

No. 5



2019

**STATE OF OSUN  
AUDIT LAW, 2019**

**A LAW TO PROVIDE FOR THE ESTABLISHMENT  
OF THE OFFICES OF THE STATE AUDITOR  
GENERAL, THE AUDITOR GENERAL FOR LOCAL  
GOVERNMENTS AND AN AUDIT SERVICE  
COMMISSION FOR THE STATE OF OSUN AND  
FOR OTHER CONNECTED PURPOSES.**

BE IT ENACTED by the State of Osun House of Assembly  
in this Legislative Session convened as follows:

*Enactment*

## STATE OF OSUN AUDIT LAW, 2019



### ARRANGEMENT OF SECTIONS

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16. This Law may be cited as the State of Osun Audit Law, 2019.

*Citation.*

17. There are hereby established offices to be known as the Office of the State Auditor-General and the Office of the Auditor-General for Local Governments.

*Establishment of the two Offices of the Auditor-General.*

The offices shall be headed by the Auditor-General for the State of Osun and the Auditor General for the Local Governments in the State of Osun respectively (both referred to in this Law as the "Auditor-General").

3. The Offices shall be a body corporate:  
(a) with a common seal and perpetual succession; and  
(b) can sue and be sued in its corporate name.

*Body Corporate.*

The Auditor-General for the State shall be appointed by the Governor on the recommendation of the State Civil Service Commission, subject to confirmation by the House of Assembly, while the Auditor General for Local Governments shall be appointed by the Governor subject to confirmation by the House of Assembly.

*Appointment of the Auditor-General.*

5. The Auditor-General shall:  
(a) be a qualified accountant with a minimum of 10 years post qualification experience, and 15 years cognate experience in public sector auditing;

*Qualifications*

(b) be a member of a National or an International recognised professional accountancy body.

(c) not have been convicted of any offence involving dishonesty by a law court or a legally constituted panel of inquiry, or found guilty of any professional misconduct involving dishonesty by any professional body established by law in Nigeria; and

(d) be of proven professional ability and expertise.

(e) the selection process for the position of the Auditor-General shall be advertised in the widely circulating newspaper and shall be open to candidate from within and outside the Public Service.

6. The Auditor-General shall be assisted by up to 2 Deputy Auditors-General who shall be of same rank in public service with a General Manager/Executive Secretary or its equivalent and such other staff as may be appointed by the State Audit Service Commission on the

*Appointment of the Auditor-General.*

recommendation of the Auditor-General.

7. The two Deputy Auditors-General to be appointed from the serving Directors in the Office must meet the criteria in section 5 above.

*Criteria/or the Appointment of Deputy Auditors-General.*

8. In the event of the absence or incapacitation of the Auditor-General or where the office of the Auditor-General is vacant, the Governor may, on the recommendation by the State Civil Service Commission appoint a person temporarily to perform the duties of the Auditor-General, provided that:

*Vacancy in the Office of the Auditor-General.*

(i) no person shall act in the Office of the Auditor-General for a period exceeding six (6) months except with the

sanction of a resolution of the House of Assembly; and

- (ii) a person appointed in line with sub-section 1 above shall possess the qualification set out in section 7 of this Law.

- 9. The Auditor-General shall be paid such remuneration and salaries as may be prescribed by the House of Assembly, but not less than the amount as shall have been determined by the Revenue Mobilisation Allocation and Fiscal Commission and shall be charged upon the Consolidated Revenue Fund of the State; and the remuneration and salaries payable to the Auditor General and his conditions of service other than the allowances, shall not be altered to his disadvantage after his appointment;

*Remuneration*

10. The Auditor-General and the employees of the office of the Auditor-General shall be paid supplementary allowances as required by the appropriation process and the MDAs involved in the remuneration for Public Service.'

*Supplementary Allowances.*

- 11. Any person who holds office as Auditor-General shall be entitled to pension for life at a rate equivalent to the annual salary of the incumbent Auditor-General, provided that such a person was not removed from office on grounds of misconduct or convicted of any offence involving dishonesty.
- 12. The salary of the staff of the Office of the Auditor-General shall be a first line charge.

*Pension.*

*Cessation of Office of the Auditor-General.*

13. The Auditor-General shall remain in office until he has attained the retirement age of 60 years, except he:

- (a) voluntarily retires by writing a letter in his own hand writing indicating his intention to retire addressed to the Governor through the State Audit Service Commission; or
- (b) becomes permanently incapacitated or dies.

(c) The Auditor-General shall be appointed and shall have 4 years tenures guarantee which shall be renewable for another 4 years and no more.

*Tenure.*

15. The Office of the Auditor-General shall consist of such Directorates, Departments, Divisions, and Units as may be determined by the State Audit Service Commission on the recommendation of the Auditor-General.

*Directorates and other components of Auditor-Generals Office.*

16 The State Audit Service Commission, on the recommendation of the Auditor-General, shall from time to time, review the administrative structure of the Office to meet prevailing needs.

*Administrative Structure of the Auditor-Generals Office.*

14. Subject to the provisions of the Constitution, a person holding office as the Auditor-General shall be removed from office in accordance with the provision of Section 127(i) of the Constitution of the Federal Republic of Nigeria, 1999 (as amended).

*Procedure for Removal.*

17 The Auditor-General, in exercising his powers or performing his function, shall ensure that:

- (a) he expresses an independent opinion on the results of each audit and shall state whether all

*Functions of the Auditor-General.*

reasonable precautions have been taken to safeguard the collection of public monies, and that the laws, directives and instructions relating to them have been duly observed and complied with;

- (b) all monies appropriated or otherwise disbursed have been audited to confirm whether they were expended and all applied for the purpose for which they were appropriated, and that the expenditure conforms to the authority which governs it;
- (c) ensure the audit of quality of financial management and reporting by both the Auditor-General for State and Auditor-General for the Local Government.
- (d) adequate financial regulations exist for Accounting and Financial Operations in the State and that they are duly observed;

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

(f) satisfactory procedures have been established by the Ministries, Departments and Agencies being audited, to measure and report the effectiveness of programmes, where such procedures could appropriately and reasonably be implemented;

(g) the attention of the appropriate authorities have been drawn to any irregularity observed during the examination of the account as soon as facts of such irregularities have been established and confirmed;



(h) all queries and observations arising from audits conducted by him are addressed to the Accountant-General, the Accounting Officer or any other person as may be appropriate, along with a call for such accounts, vouchers, statements, documents and explanation as he deems fit; and, where he deems fit to make surcharge and specify to the appropriate Head of Department or Institution, the amount due from any person upon whom he had made surcharge, and the reason for the surcharge and to report the circumstances of the case to the Accounting Officer and to the affected department or institution.

(i) Notwithstanding the provision of this Law, the Auditor-General shall not in person participate in any action or decision, the subject of which he is an interested party.

18. The Auditor-General shall, in exercising his functions under the provisions of this Law express his opinion as to whether the accounts present fairly the financial information in accordance with applicable Statutory provisions, stated accounting policies of government, with generally accepted accounting principles and standards, and are essentially consistent with those of the preceding year.

*Opinion of  
Auditor-  
General on  
Accounts.*

19. The Auditor-General or any person authorised by him to conduct periodic checks on a statutory corporation shall, in addition to the audit report, draw attention to the following;

*Issues to be considered during periodic check.*

(a) the profitability, liquidity, stability and solvency of the Parastatal, Corporation and educational institution and also the performance of the shares of the Corporation in the capital markets, where applicable;

(b) any delay in payment of the governments portion of any dividend into the Consolidated Revenue Fund;

(c) any significant case of fraud or loss and, if so, their underlying

causes and person(s) responsible for such fraud or losses; and

(d) any internal control weaknesses which were identified and the general corporate performance indicating achievement against set targets and objectives, and whether the finances of the body have been conducted with due regard to economy, efficiency and effectiveness, having regard to resources utilised.

20. The Auditor-General shall evaluate the adequacy of the States/Local Governments enterprise risk management strategies and policies and make recommendations for their improvement.

*Evaluation of risk management strategies and policies.*

21. The Auditor-General in the exercise of his responsibility shall publish the Annual Statutory Audit Report of the State/Local Governments electronically and manually.

*Annual  
Statutory  
Audit  
Report.*

Generals financial statement and annual accounts of the State/Financial Statements for Local Governments, submit his report to the State House of Assembly and the House of Assembly shall cause the report to be considered by the House Committee on Public Accounts; and

22. The Auditor-General shall:

*Powers of  
the Auditor-  
General.*

(a) prepare an audit plan and associated budget for the approval of the House of Assembly at not later than three months before the end of the preceding budget year;

(b) audit all the public accounts of the State/Local Governments and all offices and courts of the State/Local Governments;

(c) within ninety (90) days of receipt of the Accountant-

(d) within ninety (90) days of receipt of the individual financial statement of each Ministry, Department, Agency or Parastatal under his purview, submit his report to the State House of Assembly and the House of Assembly shall cause the report to be considered by the House Committee on Public Accounts Committee. The

Committee shall make recommendations and shall monitor their implementation, after it has been approved by the House.

(e) Submit follow up reports to the House of Assembly

- i. Submit audit report to the Governing Board or Council of an audited entity, as appropriate for review and follow up on specific recommendation for corrective action.
- ii. The Audit Office/Institution shall have internal follow up system including post audit meeting with audited entities properly addressed the observations and recommendations as well as those made by the House of Assembly and confirm that corrective and remedial actions are taken; and
- iii. The Audit office shall submit their follow up reports to the legislative and to the audit's governing board as appropriate.

23. (a) The Auditor-General or any person authorised by him in that behalf shall have access to all the books, records, returns and other documents relating to the accounts referred to in section 22 (c) of this Law.

(b) The Auditors-General should not be involved or seen to be involved in any manner whatsoever in the management of any auditable entity

(c) The Auditor General shall have full discretion in the discharge of his responsible to cooperate with Government or Public entities that strive to improve the use and management of public funds.

*Access to Books and other Documents.*

*Notice of Irregularities.*

24. If at any time it appears to the Auditor-General that any irregularities have occurred in the receipt, custody or expenditure of public moneys or in the receipt, custody, issue, sale, transfer or delivery of any securities stores or

25 other Government property, or in the accounting of same, he shall immediately bring the matter to the notice of the Governor or the Accounting Officer of the affected Ministry or Agency and to any other officer he may deem fit.

*Other Powers exercisable by the Auditor-General.*

26 The Auditor-General may:  
(a) seek the advice of the Attorney-General of the State in writing on any question or issue arising from the provisions of this Law in respect to all other matters and issues, that may be necessary for the due performance and exercise of duties and powers vested in him; and the Attorney-General shall give his opinion within fourteen (14) days;

(b) deploy to any government department, authority, commission or Agency, any person employed in his office referred to in this Law as the "officer" to enable the officer carry out his duties effectively for a given period, and such Government Agency shall provide the necessary office accommodation and other facilities for the officer so deployed;

26. For the purpose of discharging the functions of the office, the Auditor-General, subject to the provision of this Law, may while acting in good faith enter into any transaction needful to ensure the proper performance of these functions; this may include:

*Optimal performance of the Auditor-Generals Functions.*

(a) establishing and implanting a comprehensive human resource management system and policies for managing such staff, including a staff development programme;

(b) developing and maintaining such systems, whether by computer or other means, for the collection, storage, analysis and retrieval of relevant information, and for the promulgating of procedures for the conduct of audit work;

(c) engaging the services of professionals to serve on a contract basis for limited engagements, including those required as part of agreements with international organisations,

but all audit opinions shall remain those of the Auditor-General; and

- (d) constituting or establishing any standing or ad hoc Committee to facilitate the discharge of the functions of the Office.

27. Nothing in this section shall be construed as authorising the Auditor-General to audit the accounts of or appoint auditors for the government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by Law but the State Auditor-General shall:

(a) provide such bodies with:

- (i) a list of auditors qualified to be appointed by them as external auditors and

from which the bodies shall appoint their external auditors; and

- (ii) a guideline on the level of fees to be paid to external auditors; and

(b) comment on their annual accounts and auditor's report there-on.

*Appointment of External Auditors.*

*Conduct of Periodic Checks.*

28. The State Auditor General shall have powers to conduct periodic checks on all governmental statutory corporation, commissions, authorities, agencies, including all persons and bodies established by law of the State House of Assembly.

*Unlawful Expenditures*

29. (i) The Auditor-General in the performance of his functions under this Law or any other Law

may disallow any item of expenditure which is contrary to Law, and surcharge:

- (a) the amount of any expenditure disallowed upon the person responsible for incurring or authorising the expenditure;
- (b) any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account; and
- (c) the amount of any loss or deficiency upon any person by whose negligence or misconduct

the loss or deficiency has been incurred.

- (ii) A person aggrieved by a disallowance or surcharge made by the Auditor-General may appeal to the High Court of the State of Osun, and such an appeal must be made within thirty (30) days of the decision of the disallowance or issuance of the surcharge.

30. The Auditor-General may:
- (a) require a public officer to give explanation or information which the Auditor-General may require in order to enable him discharge his duties; and

*Supply of Information and Records.*

(b) without the payment of a fee, cause a search to be made and extracts to be taken or copies made from any book, document or record in any public office.

31. (a) The Auditor General shall not be subject to the direction or control of any other person or authority in the exercise of the functions conferred on him under this Law.

*Auditor-General not subject to other Authority.*

(b) The Auditor General shall be free to:

- (i) Decide the content of the audit reports
- (ii) Make observations in the audit reports, taking into consideration as appropriate the view of the amended entity and
- (iii) Publish and disseminate the report, once they have been formally submitted to the House of Assembly.

*Protection from Litigation.*

32. (i) The Auditor-General or any person acting in that behalf is not personally liable for any act or omission done or omitted to be done in good faith in the exercise of the functions of the Office.

(ii) Subject to sub-section (i) of this section, no civil or criminal

proceeding shall be instituted against the Auditor-General on the basis of any actions or omissions committed by him or any report submitted to the State House of Assembly.

33. (i) The Internal Auditor of any Ministries, Departments and Agencies or other public entities which are subject to audit by the Auditor-General shall submit a copy to the Auditor-General of each internal audit report issued within seven working days of its issue.

*Internal Audit Reports.*

(ii) Any response by Accounting Officers of Ministries, Departments and Agencies or other public entities to internal



audit reports shall be presented to the Auditor-General within seven working days of receipt of the response.

34. (i) There is hereby established, the State Audit Service Commission (referred to in this Law as "the Commission")

(ii) The Commission shall be a corporate body with perpetual succession and shall have power to sue and be sued.

35. (i) The Commission shall comprise a Chairman and four other members, and the Chairman and at least two other members shall be qualified Accountants or Auditors with a minimum of fifteen (15) years of

*Establishment  
of the State  
Audit  
Service  
Commission.*

*Composition  
of the  
Commission.*

cognate experience in public sector auditing.

(i i) The Chairman and other members shall be appointed by the Governor, and their appointments shall be subject to confirmation by the House of Assembly.

36. (i) No person shall be qualified for appointment as a member of the Commission if:

- (a) he is of questionable integrity;
- (b) within the preceding ten (10) years he has been removed as a member of any of the bodies established by Section 197 of the Constitution of the Federal Republic of

*Qualification  
of  
Membership.*

Nigeria, 1999 (as amended) or as the holder of any other office on the ground of misconduct; or

(c) he has been convicted of a criminal offence by a court of competent jurisdiction or tribunal.

(ii) Any person employed in the Public Service of the Federation or of a State shall not be disqualified for appointment as a Chairman or member of the Commission provided that where such person has been duly appointed, he shall on his appointment be deemed to have resigned or retire from his

former office as from the date of his appointment.

\ ( A member of the Commission shall hold office for a period of four (4) years from the date of his appointment and may be reappointed for another term only, subject to further confirmation by the House of Assembly.

*Tenure of Office.*

\, The Chairman and members of the Commission shall be paid such remuneration and allowances as may be applicable to other Commissions.

*Remuneration and Allowances.*

\ , (i) There shall be appointed by the Commission, a Secretary who shall be:  
(a) a Senior Officer not below the rank of a Director in the State Civil

*Secretary to the Commission.*

service or its equivalent who on appointment shall enjoy all rights and privileges of a Permanent Secretary in the State Civil Service; and

(b) the accounting officer of the Commission

(i) The Secretary shall hold office on such remuneration and employment terms and conditions as may be applicable in the State Civil Service.

(ii) Subject to the general direction of the commission,

the secretary shall be responsible for the day to day administration of the commission and for the keeping of books and proper records of proceedings of the commission.

(iii) The Secretary shall perform all other duties affecting the commission as may be assigned to him by the Chairman.

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

40. (i) A member of the commission shall cease to hold office if he has:

- (a) resigned his appointment as a member of the commission by notice under his hand, addressed to the Governor;
- (b) by reason of permanent incapacity or death;

(c) been convicted of an offence which involves moral turpitude;

*Removal of  
Members of  
the  
Commission.*

(d) been involved in any act that may be considered inimical to the interest of the Office or the State; or

(e) become bankrupt or made a compromise with his creditors; and

(ii) The Governor may remove any member of the Commission if he is satisfied that is in the public interest to do so; and acting on an address supported by two-thirds majority of the House of Assembly praying that he be so removed for inability to discharge the functions of his office (whether arising from the infirmity of mind or body) or for misconduct.

41. At the commencement of this Law, or upon the expiration of the tenure of members of the Commission at any time or upon a vacancy occurring in the membership of the Commission, the Governor shall within thirty (30) days fill the vacancy upon confirmation by the House of Assembly.

*Filing of Vacancies*

42. (i) The Commission shall appoint persons to hold or act in such other Offices as may constitute the Directorates and Units of the Office of the Commission.
- (ii) The power of the Commission to appoint under subsection (1) of this Section shall include power to:
- (a) promote, transfer and confirm appointments of

*Power and Functions of the Commission.*

- persons employed by the Commission.
- (b) dismiss and exercise disciplinary control over such persons holding or acting in such offices;
- (c) formulate and implement guidelines;
- (d) implement Government Policies on audit matters
- (e) advise the Governor on the need to provide for the welfare for of staff of the Commission and of the Office of the Auditor General (State/Local); and
- (f) perform such other duties and functions as are necessary or expedient for the

discharge of its functions under this Law.

(iii) Nothing In this Law shall preclude the creation of more Departments/Units by the office as the need arises, and the powers of the Commission in accordance with subsection (i) of this Section to make appointment into them.

(iv) If the Commission thinks it is expedient that any vacancy in the staff of the Office of the Commission should be filled by a person holding office in any Service of the State, it shall notify the appropriate Service Commission to that effect and the Commission may, by arrangement with the Service

Commission concerned cause such vacancy to be filled by way of secondment or transfer.

(v) Where any member of staff of any Service Commission is seconded under sub-section (iv) of this section, he shall be notified of the terms and condition of the secondment, and such secondment shall be without prejudice to any pension rights which, despite the secondment would still accrue to the secondee.

(vi) A person seconded pursuant to sub-section (iv) of this Section may elect subject to the approval of the Commission, to be transferred to the service of

the office in which case any previous service in the service concerned shall count as service for the purpose of pensions subsequently payable by the Office.

(vii) In exercising its power to make appointments or discipline of persons under this Law, the Commission shall not be subjected to the direction or control of any authority or person.

(viii) The Commission shall have the power to:

(a) implement a code of conduct and ethics for auditors employed in the Office;

(b) make rules and regulations, which shall not be inconsistent with the intendment of this Law, in order to realise the objectives of this Law;

(c) delegate its powers under this section to an Auditor-General or any other person in the service of the Offices of the Auditors-General or the State Audit Service Commission;

(d) advice the State Governor on audit policy and on audit matters;

(e) implement Government policy on audit matters.

(f) the Auditor-General shall be free from direction and interference from the House of Assembly and the executive in the;

- i. Selection of Audit issue;
- ii. Planning programming, conduct, reporting and follow up of the Audits; or
- iii. Organization and management of his office
- iv. Enforcement of their decisions where the application of sanctions is part of their mandate.

(g) the Auditor-General shall have executive authority over all human resource matters in consultation with the Audit Service Commission with respect to recruitment, promotion, sanction, dismissal implementing code of conduct and ethics and making changes to the administrative structure of the office.

43. The Commission may co-opt person(s) who are not members of the Commission for any meeting of the Commission or its committee and such co-opted person(s) may take part in the deliberations of the Commission or any of its Committees but shall not be entitled to vote or be counted as part of the quorum of the meeting.

*Co-opt.*

44. The meetings of the Commission shall be convened by the Chairman or by a simple majority of members at least once in a quarter.

- (i) At any meeting of the Commission, the Chairman shall preside and in his absence, any member of the

*Meeting and Quorum.*

Commission as the other members may elect from among themselves shall

*Power 10*

- (ii) The quorum for any meeting of the Commission shall be simple majority of members including the Chairman.
- (iii) Any matter which comes before the Commission for decision shall be decided by the vote of a simple majority of members present, and in the event of equality of votes, the Chairman presiding shall have a casting vote.
- (iv) Any member of the Commission with any personal interest in any matter before the



Commission for consideration shall disclose in writing the nature of his interest, and:

(a) Such a person should be disqualified from participation in any deliberation in respect of the matter; and,

(b) A member who contravenes subsection (a) of this subsection shall be removed from the Commission and may face prosecution.

45. The Commission shall have power to regulate its proceedings and may make standing orders for that purpose.

*Proceedings of the Commission.*

46. No member of the Commission or Committee shall be liable to be sued in any Court for any act done in the course of exercising his legal duty or function imposed on him by the Commission.

*Protection of Members of the Commission.*

47. (i) Any report, statement, communication, record of any meeting or proceeding which the Commission may make in the due exercise of its functions or which any member of the Commission may make in the course of performing his official duties shall be confidential.

*Privileges of the Commission.*

(ii) Subject to subsection (i) above, a report, statement, communication, record of any meeting or proceeding of the Commission may be released

on the order of court or by a Resolution of the House of Assembly.

48. The Commission shall appoint such persons as may be necessary to enable it carry out its functions under the provisions of this Law.

*Staff of the Commission.*

49. (i) The terms and conditions of service (including remunerations, allowances, benefits and pension) of the employees of the Office of the Commission shall be as applicable by other Commissions.

*Conditions of Service of Employees.*

(ii) Notwithstanding the provision of subsection (i) of this section, the Governor may, upon the recommendation of the Commission approve such

remuneration, allowances, and benefits for the employees of the Office of the Commission.

(iii) A staff of the Office appointed pursuant to section 49 above, from the Civil Service of the State, shall not be transferred to any other office or department without the written consent of the Commission.

0. (i) The Commission may after consultation with the Chairman of the Commission make regulations relating to the conditions of service of the employees of the Office and without prejudice to generality of the foregoing such regulations may provide for:

*Staff Regulations.*

(a) the appointment, promotion and disciplinary control (including dismissal) of employees of the Office; and

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

1. (i) Service In the Commission shall be service in the Public Service for the purpose of pension law and accordingly, officers of the Commission shall in respect of their services in the Commission be entitled to such pensions, gratuities and other retirement benefits as are prescribed under the Osun State Contributory Pension Law, 2008.

(ii) The period of service of any person in the Commission shall be joined to and deemed to be continuous with the period served by that person previously or subsequently in any other pensionable service.

(iii) For the purpose of the application of the provisions of the State Contributory Pension Law, any power exercisable under the provisions of that Law by a Commissioner or other authority of the State (not being the power to make regulations) are vested in and shall be exercisable by the Commission and not by any other person or authority.

(iv) Nothing in the foregoing provisions of this section shall prevent the appointment of a person to any office in the Commission on terms which preclude the grant of a pension or gratuity in respect of services in the office.

52. (i) There shall be established a fund for the Commission and the provision for the fund shall be made in the annual budget of the State.

*Fund*

- (ii) There shall be paid and credited to the fund established under subsection (i) of this section;
- (a) any sum appropriated to the Commission by the House in each financial year;
  - (b) All monies raised for the purposes of the Commission by way of gifts, grants-in-aid;
  - (c) Take off grant; and
  - (d) Proceeds from all other assets that may from time to time accrue to the Commission.

(iii) The Commission shall defray all expenditures incurred by it from the fund referred to in subsection (i) of this section and shall include:

(a) the cost of administration;

(b) the payment of salaries, fees or other remunerations or allowances and pensions and gratuities payable to members and employees of the Commission; and

(c) anything done in furtherance to any of its functions under this Law.

53. (i) The Auditor-General shall defray from the fund established under this Law, all the amount payable being sums representing:

(a) salaries and running cost of the Office;

(b) cost of acquisition, rent or upkeep of premises; and

(c) any other payment incidental to the performance of his function under this Law.

(ii) The Auditor-General shall manage the funds of the office in conformity with the budget as

*Payments from the Fund*

approved by the House of Assembly and expenses to be paid from the funds, which shall include -

- (a) salaries and allowances of staff of the Auditor-General;
  - (b) costs of training and professional development;
  - (c) any capital development project or special expenditure.
- (iii) The Auditor General shall have the right to appeal directly to the House of Assembly, where the resources provided are insufficient to allow him to fulfill his mandate.

54. All reports of the Auditor-General shall be submitted to the House of Assembly and shall enjoy all privileges accorded to House of Assembly reports.

*Submission of Auditor-Generals Report.*

55. (i) The Auditor-General shall determine which auditing standards should be applied

(ii) The Auditor-General may establish audit programmes specific to the audits performed by the Office of Auditor-General.

(iii) The Auditor-General may establish a code of ethics specific to the work performed by the Office of Auditor-General.

(iv) The auditing standards shall include:  
(a) Public Sector Auditing Standards recommended by the Conference of Federal and State

Auditors-General and/or  
Auditors-General for  
Local Governments as  
the case maybe.

(b) The Auditing standard and code of this published by the International Organization of Supreme Audit Institution (INTOSAL), International Federation of Accountants, Financial Reporting Council of Nigeria FRC and International Auditing and Assurance Board (IA&ASB).

(c) Other recognised or required standards issue or accepted as current best practices by funding or donor organisations.

(v) The accounting standards to be applied by the Office of the Auditor General in the course of its work shall include:

(a) accounting and financial reporting standards adopted by the State Government of Osun, and;

(b) any amendments to accounting and financial reporting standards, as published within the Financial Regulations for the State.

56. Without prejudice to any other provision of this Law, every person who fails or refuses to reply to an audit query or observation within the period specified in the audit query or

*Refusal to  
Answer  
Audit.*

a reasonable time thereafter shall have his emoluments and allowances withheld for so long as the person fails to reply, or shall be liable to disciplinary action under the Civil Service Rules.

57. (i) Where during the course of an audit, the Auditor-General becomes aware of an improper retention or misappropriation of public money or another activity that may constitute an offence under the Criminal Law of State of Osun or any existing law, the Auditor-General shall immediately report the improper retention or misappropriation of public money or other activity to the prosecuting authority or any other authority charged with that function by the State.

*improper  
Retention of  
Public  
Funds.*

- (ii) In addition to reporting under sub-section (i) of this Section, the Auditor-General shall attach to his annual report to the House of Assembly, a list containing a general description of the incidents referred to in sub-section (1) and the dates on which those incidents were reported.
- (iii) The provisions of sub-section (i) of this section shall apply to all staff of the Office or any auditor appointed pursuant to the provisions of this Law.

8. (i) Within a period of six months after the end of each fiscal year, the Accountant-General of the State shall present to the State Auditor-General, accounts

*Annual  
Accounts.*



showing the financial position of the State as at the last day of the preceding year.

(ii) The financial statements must be prepared in compliance with the extant accounting and financial reporting standards adopted by the State of Osun via its Ministry of Finance and the Office of the Accountant General for the State of Osun.

(iii) Within six (6) months after the close of each fiscal year, the Director of Finance of each Local Government shall prepare and transmit to the Auditor-General for the Local Governments, accounts of the monies expended under the

votes for which they are responsible, showing the:

(a) services for which the monies were voted',

(b) sums actually expended on each service during the period of the accounts; and

(c) state of each vote compared with the appropriation;

(iv) Each account so prepared shall contain such variations between the expenditure and the sums voted, such other required information, and shall be in such form as the Auditor-General may direct; and the statement as well as the

appropriated accounts shall be signed by the accounting officer, who shall also forward a copy to the Accountant-General.

59. (i) The Auditor-General shall within ninety (90) days of receipt of the Financial Statements and Annual accounts of the State/Local Government, submit his report to the House of Assembly and the House shall cause the report to be considered by a Committee of the House responsible for Public Accounts (referred to in this Law as "the PAC").

(ii) The Auditor-General's report shall be published and made

*Annual Certificate and Report of the Auditor-General.*

available to the public after its submission to the House of Assembly.

60. The PAC shall;  
(a) Consider each report from the Auditor-General and the process may include questioning the Accounting Officer from the relevant public body, receipt of explanations from the Auditor-General, and official responses from the Government;

(b) make recommendations on the basis of the consideration and monitor their implementation.

*Review of Audited Reports by the PAC.*

(c) have the power to summon the accounting officers, public officials and any member of the public for questioning about the Auditor-General's findings;

(d) hold its hearing in public but may choose to hold all or part of its hearings in private sessions;

(e) prepare a report to the house of assembly, which may include com rn e n t san d recommendations at the end of its review of each of the Auditor-General's reports; such reports

shall be sent to the Auditor-General and all organisations reported on and shall be made available to the public on the PAC's website

61 (i) The Auditor-General shall prepare and submit to the State House of Assembly, at least Ninety (90) days before the beginning of each financial year;

(a) a draft annual plan, that: describes the Auditor-General's proposed work programme for that year; and include the interim report for that financial year; the estimates of revenues and expenditure for inclusion in the State budget; and the operational and administrative expenses of the Office including salaries

*Annual  
Estimates  
and  
Expenditure.*

allowances, gratuities and pensions payable to staff.

- (ii) The Auditor-General, after considering any comments of the State House of Assembly or of the Public Accounts Committee that considered the draft plan, may amend the plan as necessary and submit to the Ministry of Economic Planning and Budget for inclusion in the State Budget for appropriation by the State House of Assembly.
- (iii) Any sum appropriated to the Office of the Auditor-General by the House of Assembly of the State in each financial year shall be charged upon the Consolidated Revenue Fund of the State and paid as a first line charge in equal installments every month of the year.

(vi) No charges shall be made to the estimate submitted by the Auditor General to the Ministry of Economic Planning Budget and Development without prior agreement of the State House of Assembly and the executive must not control or direct access to the resources of the Auditor General's Office.

v. The House of Assembly shall be responsible for ensuring that the Auditor General and other offices have proper resources to fulfill their mandate.

62. (i) The Accounting Officer in any Ministry, Department and Agency of the State shall establish an Audit Committee, and members of the Audit Committee shall be appointed by the Governor or his delegate.

*Establishment  
and  
junctions of  
Committees.*

any other resolution or directive of the House of Assembly; and

(ii) The Audit Committee shall among other duties relevant to such a committee in accordance with good practice in corporate governance:

(a) monitor the implementation of all recommendations contained in the Auditor-General's report which are approved by the House of Assembly and

(b) prepare annually a report showing the status of the implementation of the provisions of sub-section (ii) (a) of this section.

(iii) The report prepared pursuant to subsection (ii) (a) and (b) of this Section shall contain a statement showing the remedial action taken or being taken to avoid or minimise the occurrence of the undesirable features in the accounts and operations of the ministry, department or agency and the

time frame within which the remedial action will be completed if any.

(iv) A copy of the report shall be forwarded to the Auditor-General.

63. (i) No person shall assume office as Auditor-General unless the Person takes the oath or affirmation specified in Part A of the Schedule to this Law.

*Oath  
Affirmation  
of Office.*

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

64. (i) It is an offence for any person who without lawful justification or excuse to:

(a) Obstruct, intimidate, harass, hinder the Auditor-General or any person authorised by him in the exercise of his duties and powers under this Law;

(b) Refuse or fail to comply with any lawful request, order or directives of the Auditor-General or his representative;

(c) fail to produce for inspection to the Auditor-General or otherwise refuses the Auditor-

*Offences and  
Penalties.*

General access to any book, record, returns, payment voucher

,  
revenue receipt or other documents relating or relevant to any account to be audited by the Auditor-General, when so requested,

(d) fail to keep proper books of account or proper records and such failure results in any loss of public funds;

(e) make a statement or give information to the Auditor-General or his representative which is false or misleading; and

(f) suppress any information required by the Auditor General in the performance of his functions under this Law or any other enactment.

(ii) offence under the provisions of this Law shall on conviction be liable:

(a) individual, to a fine of not less than N250,000.00 or to a term of imprisonment not exceeding 2 years or both; and

(b) body or firm, to a fine of not less than N500,000.00



(iii) Where a corporate body or firm is convicted of an offence under this section, every director of the company or firm shall be liable to a fine of not less than N250,000.00 or to a term of imprisonment not exceeding 2 years or both unless he proves that the offence upon which the conviction was based was committed without his knowledge, consent or connivance.

65. (i) Any member of staff of the Office of the Auditor-General who:

- (a) demands or takes any bribe, gratification, recompense or reward for the neglect or non-performance of his duty;  
or

*Sanctions on Staff of the Auditor-General.*

(b) fails to report to the Auditor-General, any abuse or irregularity coming to his notice in the course of his duties in relation to any account audited; or

(c) makes any report to the Auditor-General which he knows to be false or which he has no reason to believe to be true; commits an offence under this Law and shall be liable on conviction to a fine of not less than N100,000.00 or imprisonment for two (2) years or both.

(ii) Accounting officers shall be held responsible for full recovery of losses discovered from erring officers.

(iii) Where an Accounting Officer fails to make necessary recovery and it is proved that he fails to make reasonable effort to recover the said loss, he shall be guilty of an offence and shall be liable to a penalty of N500,000.00 plus the amount of loss involved.

66. (i) All private audit firms and consultants taking up consultancy jobs relating to audit work, must be registered with the Office of the Auditor-General and their engagement

*Regulation  
a/Audit  
Contracts.*

letters shall be issued by the Auditor-General.

- (ii) Such contracts on audit work shall include:
- (a) revenue audit and consultancy work including tax audit;
  - (b) government bank accounts audit;
  - (c) audit of Government offices including special investigations;
  - (d) staff audit including payment at sight;
  - (e) pension audit including verification;

(f) contracts in respect of estate/building valuation or valuation of some specialised government assets; and

(g) assessment and evaluation of effective government information systems.

(iii) Copies of the report of such contracts shall be submitted to the organisations involved and to the Auditor-General.

67. (i) The Auditor-General may, where in his opinion such an assignment does not interfere with his primary responsibilities under this Law, whenever the Governor or the House of

*Special Assignments.*

Assembly by resolution so requires, inquire into and report on-

(a) a matter relating to the financial affairs of the State or to public property; or

(b) a person or Organisation that has received financial aid from the State Government or in respect of which financial aid from the State Government is sought.

(c) Where the Auditor-General makes a report in accordance with subsection (i), the Auditor-General shall report to

the Governor or the House of Assembly.

deemed to have been appointed in accordance with this Law.

68. The Auditor-General and each person employed in the office or appointed or engaged to assist the Auditor-General for a limited period of time or in respect of a particular matter shall keep confidential all matters that come to his knowledge in the course of his employment or duties under this Law and shall not communicate those matters to another person, except as may be required in connection with the discharge of his responsibilities.

*Confidentiality.*

(i) No suit shall be commenced against the Office of the Auditor-General (State/Local) or the Commission before the expiration of a period of three (3) months after written notice of the intention to commence the suit shall have been served on the Office of the Auditor-General or the Commission by the intending plaintiff or his representative.

*Pre-action Notice.*

69. Subject to the provisions of this Law, Officers serving in the Office of the Auditor General shall at the commencement of this Law be

*Transitional Provisions.*

(ii) The notice referred to in subsection (i) of this section shall clearly and explicitly state:  
(a) the cause of the action;

(b) the particulars of the claim;

(c) the name and place of abode of the intending plaintiff; and

(d) the relief sought.

71. In this Law, unless the context otherwise requires:

*"Accountant-General"* means the Accountant-General of the State;

*"Accounting Officer"* means any Permanent Secretary or the Head of an Extra-Ministerial Department;

*"Attorney-General"* means the Attorney-General and Commissioner for Justice, State of Osun;

*Interpretation.*

*"Auditor-General"* means respectively, the Auditor-General of the State established by section 125(1) of the Constitution of the Federal Republic of Nigeria 1999, and the Auditor General for Local Governments;

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

*"Cognate experience"* means working experience as Auditors;

*"Executive Council"* means the State of Osun Executive Council;

*"External Auditors"* means Independent Auditors appointed to audit reports;



(b) the particulars of the claim;

(c) the name and place of abode of the intending plaintiff; and

(d) the relief sought.

71. In this Law, unless the context otherwise requires:

*"Accountant-General"* means the Accountant-General of the State;

*"Accounting Officer"* means any Permanent Secretary or the Head of an Extra-Ministerial Department;

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

*"Coqnete experience"* means working experience as Auditors;

*"Executive Council"* means the State of Osun Executive Council;

*"External Auditors"* means Independent Auditors appointed to audit reports;

28.

*"Financial year"* means the financial year of the State Government;

*"PAC"* means Public Accounts Committee of the House;

*"State"* or *"The State"* means the State of Osun;

*"The State"* or *"State Government"* means the Government of the State of Osun;

*"The Commission"* or *"Commission"* means the State Audit Service Commission;

*"MDAs"* mean Ministries, Departments and Agencies.

## SCHEDULES

### SCHEDULE A

#### OATH OF OFFICE OF THE STATE 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 State of Osun and to the Federal Republic of Nigeria; that as the Auditor-General of the State of Osun, 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 Law; that I will not allow my personal interest to influence my official decisions, that I will abide by the Code of Conduct contained in the Fifth Schedule to 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 of favour, affection or ill-will; that I will not directly or indirectly communicate or reveal to any unauthorised person, any matter which shall be brought under my consideration or shall become known to me as the Auditor-General of the State of Osun, except as may be required for the due discharge of my duties as the Auditor-General of the State of Osun; that I will devote myself to the service of the State of Os un and the Nation.  
So help me God/Allah.

## SCHEDULE B

### OATH OF OFFICE OF THE AUDITOR-GENERAL FOR LOCAL GOVERNMENTS

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 State of Osun and to the Federal Republic of Nigeria; that as the Auditor-General for Local Governments of the State of Osun, 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 Law; that I will not allow my personal interest to influence my official decisions, that I will abide by the Code of Conduct contained in the Fifth Schedule to 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 of favour, affection or ill-will; that I will not directly or indirectly communicate or reveal to any unauthorised person, any matter which shall be brought under my consideration or shall become known to me as the Auditor-General for Local Governments of the State of Osun, except as may be required for the due discharge of my duties as the Auditor-General for Local Governments of the State of Osun; that I will devote myself to the service of the State of Osun and the Nation.  
So help me God/Allah.

## SCHEDULE C

### OATH OF OFFICE OF A 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 State of Osun and the Federal Republic of Nigeria as a whole; and that I will discharge my duties and perform my function 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.

30.

This printed impression has been carefully compared with the Law that has been passed by the State of Osun House of Assembly and it is hereby certified to be a true and correct copy of the Bill.

*Clerk of the House  
State of Osun House of Assembly*

  
.....  
**MR. SIMEON A. AMUSAN**

.....  
RT. HO:qEM.E SALAAM  
HOn.S~  
*State of Osun House of Assembly*