

A LAW TO REPEAL THE AUDIT LAW CAP.11 LAWS OF SOKOTO STATE, 1996 AND ENACT THE SOKOTO STATE AUDIT LAW TO PROVIDE FOR FINANCIAL AUTONOMY AND INDEPENDENCE OF THE OFFICE OF THE AUDITOR GENERAL FOR OPTIMUM DELIVERY AND OTHER MATTERS CONNECTED THERETO



LAW NO:4.....2020

BE IT ENACTED by the Sokoto State House of Assembly as follows:

Citation

1. CITATION

This Law may be cited as the Sokoto State Audit Law, 2020.

Interpretation

2. INTERPRETATION

In this Law:

“Accountant General” means the Chief Accounting Officer of the receipts and payments of the Government;

“Accounting Officer” means any Permanent Secretary or the Head of the Extra Ministerial Department;

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

“Auditor General” means the Auditor General of the State;

“Committee” means the Public Accounts Committee of the House of Assembly

“Erring Officer” means any employee of Government under the State Civil Service Rules or any other Staff of an organ of government as enumerated under Section 7(1) and (2) of this law alleged to have breached any provisions of this Law;

“Executive Council” means the Sokoto State Executive Council;

“External Auditors” means Independent Auditors appointed to audit reports;

“Financial Year” means the fiscal or financial year of the Government;

“Governor” means the Governor of the State;

“House” means the Sokoto State House of Assembly;

“Office of the State Auditor General” means the Office of the State Auditor General of Sokoto State;

“Parastatal” means Public Enterprises and Agencies (both profit and non profits making)

“State” means Sokoto State;

“Statutory Bodies” refers to Government entities established by law or legislation

*Establishment
of the Office of
the State
Auditor
General*

3. ESTABLISHMENT OF THE OFFICE OF THE STATE AUDITOR GENERAL

- (1) Pursuant to the provisions of Section 125 of the Constitution of the Federal Republic of Nigeria 1999 (as amended): there is established for the State an Office to be known as the Office of the State Auditor General.
- (2) The Office of the State Auditor General shall be separated from other Organs of Government, distinct, independent, devoid of and free from any control or superintendence by any one individual or corporate entity whatsoever.
- (3) The Auditor General shall be appointed by the Governor in accordance with the provisions of Section 126 of the Constitution of the Federal Republic of Nigeria 1999 (as amended).
- (4) The Auditor General shall be:
 - (a) a holder of a first degree (B.sc) in Accounting/Auditing or Finance based discipline;
 - (b) a Professional Accountant with a minimum of fifteen (15) years post qualification and cognate experience in Accounting and/or Auditing Field, Ten (10) years of which must have been spent in the public office/sectors;
 - (c) a member of a nationally recognized professional body of Accountants.

*Remuneration
and Allowances
of the State
Auditor
General*

4. REMUNERATION AND ALLOWANCES OF THE STATE AUDITOR GENERAL

- (1) The Auditor General shall be paid such remuneration, salaries and allowances equivalents to the status of a Permanent Secretary in the State Civil Service.
- (2) The remuneration, salaries and allowances of the Auditor General shall be charged upon the Consolidated Revenue Fund of the State.
- (3) The remuneration, salaries and allowances payable to the Auditor General and his conditions of service shall not be altered to his disadvantages after his appointment.

*Tenure of
Office and
Cessation*

5. TENURE OF OFFICE AND CESSATION

- (1) The Auditor General shall remain in office until he attains the retirement age of Sixty (60) years or has spent thirty – five (35) years in service, whichever comes first.
- (2) A Person holding the office of the Auditor General shall cease to hold office where:
 - (a) he is removed in accordance with the provisions of Section 127 of the Constitution of the Federal Republic of Nigeria 1999 (as amended).
 - (b) he resigns.
- (3) The provisions of sub-section (2) hereof are without prejudice to the rights of any private individual or organization to levy official allegations of misconduct in which case such allegation shall formally be addressed to the Head of Service, the Civil Service Commission and a copy forwarded to the House of Assembly through the Head of Service for deliberations on the floor of the House. The Auditor General shall thereafter be invited to defend himself and where indicted, the process of valid removal would be resorted to.
- (4) In the case of an indictment leading to removal and based on financial impropriety or fraud, the House of Assembly shall also refer to the Attorney General of the State for necessary prosecution without prejudice to necessary surcharges, forfeiture of benefits and/or deduction

*Vacancy in the
Office of the
Auditor
General*

6. VACANCY IN THE OFFICE OF THE AUDITOR GENERAL

Where a vacancy exist in the Office of the Auditor General either as a result of removal, retirement, resignation or incapacitation of the holder of the Office to

continue to perform the functions of the Office, the Deputy Auditor General shall act pending the appointment of a substantive Auditor General in accordance with Section 126 of the Constitution of the Federal Republic of Nigeria 1999 (as amended).

*Duties of the
Auditor
General*

7. DUTIES OF THE AUDITOR GENERAL

- (1) All heads of Ministries, Agencies, Parastatals, Government Offices, Revenue Generating Organs of Government, all such offices to which government funding is disbursed by and on behalf of the State Government shall submit themselves to audit by the Office of the State Auditor General and in that wise shall afford every necessary cooperation to ensure effective audit in the public accounts of all funding and human resources.
- (2) The Public Accounts of the State, all offices, Courts, authorities and agencies of the State or of those carrying out functions for the benefit and on behalf of the State including Office of the Auditor General for Local Governments, all persons and bodies established by law and entrusted with the collection and administration of public monies and assets whether disbursed directly by or for the State, or held in trust and for the benefit of the State shall be audited and reported on by the Auditor General and for that purpose, the Auditor General or any Person, entity and/or consultants authorized by him shall have access to all books, records, returns and other documents relating to those accounts.
- (3) All heads of expenditure by the Government, budget estimate internally generated revenue and management of disbursements for projects and contracts to ensure project implementation and full compliance shall be audited by the Auditor General.
- (4) The records of all human resources in the employment of the Government particularly in entities enumerated in subsections (1) and (2) hereof shall be audited by the Office of the Auditor General, in determining the employee strength, the State Civil Service Commission, Office of the Head of Service, Directorate of Establishment, Training and Pension shall forward all such records as may be necessary for effective human resource audit.
- (5) The Auditor General shall ensure that:
 - (a) all reasonable precautions have been taken to safeguard the collection of public monies and that the laws, directions and instructions relating to it have been duly observed and complied with;
 - (b) all monies appropriated or otherwise disbursed have been expended on and applied for the purpose for which the grant made by the Executive Council of the State and House of Assembly were intended and that the expenditure conforms to the authority which governs it.

- (c) adequate audit regulations exist for Accounting and Financial operations in the State as well as Project and Contracts implementation; and that they are duly observed;
- (d) monies have been expended with efficiency and effectiveness in compliance with the processes laid down in the Public Financial Management Law, Fiscal Responsibility and the Public Procurement Laws of the State;
- (e) satisfactory procedures have been established to measure and report the effectiveness of programmes, where such procedures could appropriately and reasonably be implemented;
- (f) 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;
- (g) as a result of the audit conducted by the Office, all queries and observations are addressed to the Accountant General, the Accounting Officer or any other appropriate Person and call for such accounts, vouchers, statements, documents and explanations as deemed fit;
- (h) where appropriate, erring officers are surcharged while the Auditor General shall specify to the appropriate Head of Department or Institution, the amount due from any person upon whom the Office has directed any surcharge and the rationale for same, reporting circumstances of the case to the Accounting Officer of the affected department or institutions;
- (i) an audit committee comprising of all chief executives of agencies, particularly Accounting Officers of entities enumerated in Section 7(2) is inaugurated. The Audit Committee shall hold meetings to be chaired by the Auditor General of the State quarterly in a financial year; at the beginning and close of same. Attendance at such meetings shall be mandatory for all members and unexplained absence shall be sanctioned appropriately in consonance with the Penalty section of this law.
- (j) in conjunction with the Office of the Head of Service appropriate trainings to educate Staff and serve as continuing education in auditing process shall be organized while Office of the State Auditor General shall submit Training Schedules to the Commission at the commencement of each Financial Year.
- (k) policies in compliance with emerging trends and national legislations are formulated and circulated to entities enumerated in this section 7(1) and (2) for strict compliance. Infractions shall be enforced with

the approval of the Head of Service and punishable according to the provisions of this Law.

- (l) directorates in the Office of the State Auditor General are established as at when the need arises for effective implementation of tasks of audits and carrying out functions enumerated in this Law. At such establishment, the Commission shall be notified of some modifications in the Office of the State Auditor General.
- (m) there shall be an established communication process With other agencies including Civil Service Commission, law enforcement agencies including the Commissioner of Police, Directorate of Establishment, Training and Pension and implement such sanctions, including criminal prosecution of infractions of this law provided the Committee is kept informed while the Attorney General institutes and defends any prosecution in this regard;
- (n) a Research Unit saddled with the study and adaptation of relevant legislations and International Standards shall be put in place to ensure compliance of entities enumerated in Section 7(1) and (2) hereof;
- (o) audit forum meetings with stakeholders shall be held (at least twice in each financial year) with entities enumerated in Section 7(1) and (2); intimating them of activities of the office;
- (p) an online interactive portal for communications with the Office of the State Auditor General shall be put in place, maintained and upgraded regularly for publication of reports, audit reports and whistle - blowing;
- (q) that adequate financial laws and regulations exist for the guidance of accounting officer, store keepers and store accountants especially in compliance with the Fiscal Responsibility, Public Financial Management and Public Procurement Laws of the State;
- (r) assistance is provided for agencies enumerated in this Section 7(1) and (2) in establishing their internal audit committee for the purpose of ensuring compliance within their establishment and prompt response to queries and inquiries as may be made by the Office;
- (s) keep, audit, maintain a list and specify such pre qualification process for the appointment of external auditors, review of their classification and disengagement process as may be appropriate;
- (t) stipulate and review remuneration for external auditors to ensure compliance with the appropriate Public Financial Management Law, Public Procurement and Fiscal Responsibility Laws of the State. This

is without prejudice to such other regulations inclusive of Tax which such External Auditors shall comply with in carrying out expert services in the State;

- (u) every and all Assets procured for all such entities as enumerated in Section 7(1) and (2) shall be tagged by the Office of the State Auditor General and periodic audit shall be conducted to determine depreciation, losses and destruction. Every Public Officer shall provide all such necessary assistance to the Office of the State Auditor General as may be required to keep proper records of all government assets.
- (6) Any function which the Office of the State Auditor General is saddled with, whether under this Law or as provided for under the relevant provisions of the Constitution of the Federal Republic of Nigeria, other than certification of accounts and signing Reports, may be delegated to' such other officer or entity designated by the Office of the State Auditor General;
- (7) Nothing in this section shall be construed as authorizing the Auditor General to audit the accounts of or appoint auditors for government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by law by the 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 thereon.
- (8) Without prejudice to the provisions of this Law, the House of Assembly or its Committee shall continue to retain powers and discretion exercisable in the drafting of legislations establishing any entity for the State; wherein the manner of auditing such bodies or entities shall be expressly stated in such legislation establishing them and which may empower Office of the State Auditor General with such audit responsibilities.

Powers of the Auditor General

8. POWERS OF THE AUDITOR - GENERAL

- (1) In conjunction with the other organs, Ministry of Justice, Civil Service Commission and the Commissioner of Police, the Auditor General shall have powers to prescribe and enforce sanctions and defend actions pursuant to the provisions of this Law;

- (2) The Auditor General shall convene such meetings as may be necessary for the efficient dispatch of the functions and duties of the Office of the State Auditor General;
- (3) As considered expedient, the Office of the State Auditor General shall have powers to formulate all such policies and regulations for accountability, financial responsibility, transparency and prudence in the activities of government agencies and bodies;
- (4) The Office of the State Auditor General shall have powers to issue Queries, make inquiries and conduct checks as relating to Section 7(1) and (2) of this Law;
- (5) The Auditor General shall in addition recommend and enforce any surcharge, recommend suspension and/or dismissal without prejudice to further penal punishments inclusive of criminal prosecution of erring staff, government employee or such entities engaged in activities which are government related or providing goods and services to the State.
- (6) The Auditor General may:-
 - (a) seek the advice or opinion of the Attorney General of the State in writing on any question or issue arising from the provisions of this law in respect of all matters and issues, that may be necessary for the due performance and exercise of the duties and powers vested in the Office of the State Auditor General while the Attorney General shall give such required Opinion and/or Advice in writing within fourteen (14) days;
 - (b) subject to the directive of the Head of Service or the Civil Service Commission, deploy any Officer from the Office of the State Auditor General to any government department, authority, Commission, Agency to enable the Officer carry out duties effectively for a given period.
- (7) The Auditor General may:-
 - (a) require a Public Officer to give explanation or information which the Office of the State Auditor General may require in order to enable the discharge of its functions and duties;
 - (b) without the payment of fee, cause a search to be made and extracts to be taken or copies made from any book, document or record in a public office.

- (8) The Auditor General in the performance of the functions of the Office of the State Auditor General under this law or any other law may disallow any item of expenditure or direct suspension of further disbursement of Public Funds which is contrary to law or not in compliance with the Public Financial Management Law, Public Procurement and Fiscal Responsibility Laws of the State; and surcharge:
- (a) the amount of any expenditure disallowed upon the person responsible for incurring or authorizing the expenditure;
 - (b) any sum which has not been duly brought into account upon the person by whom the sum ought to have been brought into account;
 - (c) the amount of any loss or deficiency upon any person through whose negligence or misconduct the loss or deficiency has been incurred.
- (9) A Person aggrieved by a disallowance or surcharge made by the Auditor General may appeal to the Head of Service, the Committee and then seek for redress at the High Court of the State. Any surcharge or deduction prescribed may be charged to gratuity, retirement benefits and allowances which such erring officer or his estate shall bear even after disengagement from Public service.
- (10) The Auditor General shall examine upon Oath or Affirmation (which Oath or affirmation the Auditor General or anyone empowered by the Office of the State Auditor General is hereby empowered to administer) any person whom the Office of the State Auditor General may deem fit to examine in respect of any receipt or expenditure of monies or the receipt and issuance from public stores, or as may be related to effective discharge of the functions and duties of the Auditor General;
- (11) To investigate all matters relating to the receipts, disbursement and application of Public funds and to make recommendations which will enhance the economy or efficiency in public expenditure.
- (12) The Auditor General shall examine books, records, documents, visit construction places, project sites for physical inspection and offices of any Contractor including those of its subcontractors to whom negotiated contracts are awarded by the State Government or its agencies;
- (13) Any Person examined pursuant to the provisions of Subsection (10) hereof, and provides answer fraught with falsehood or information shall be deemed guilty of perjury and liable to prosecution with the attendant penalty as the State Criminal law may provide.

- (14) The Office of the State Auditor General shall conduct periodic checks of all government statutory corporations, commissions, authorities, agencies, including all persons and bodies established by a law of the House of Assembly of the State
- (15) In the exercise of functions, the Office of the State Auditor General shall not be subject to the direction or control of any other authority or person.
- (16) The Auditor General shall, in exercising functions under the provisions of this law, express opinion as to whether the financial statement/accounts represent the financial information in accordance with applicable statutory provisions, stated accounting policies of government, generally accepted accounting principles and standards, and are essentially consistent with those of the preceding year.
- (17) The Office of the State Auditor General or any other Person or entity authorized to conduct periodic checks on a Statutory corporation shall, in addition to the audit report, draw attention to the following:
 - (a) the profitability, liquidity, stability and solvency of a Parastatal, Corporation and Educational Institution and also the performance of the shares of the Corporation in the capital market, where applicable;
 - (b) any delay in the payment of the government's portion of any dividend into the Consolidated Revenue Fund;
 - (c) any fraud or loss and if so, their underlying causes and person(s) responsible for such fraud or losses;
 - (d) any internal control weaknesses which are identified;
 - (e) the general corporate performance indicating achievement against set targets and objectives; and
 - (f) whether the finances of the body have been conducted with due regard to economy, efficiency and effectiveness, having regard to the resources utilized.
- (18) The Auditor General shall evaluate the adequacy of the State's enterprise risk, management strategies and policies and make recommendations for their improvement.

- (19) The Office of the State Auditor General in the exercise of its functions shall be statutory report of the State Government electronically and manually.

*Audit Reports
and Standards*

9. AUDIT REPORT AND STANDARDS

- (1) All reports of the Auditor General submitted to the House of Assembly shall be treated as House of Assembly reports and shall enjoy all privileges accorded to the House of Assembly reports.
- (2) The Auditor General shall determine which auditing standards should be applied and may establish Audit Programmes and Code of Ethics specific to the audits performed by the Office of the State Auditor General. The auditing standards shall include:-
- (a) Public Sector Auditing Standards issued by Conference of Federal and State Auditors General;
 - (b) Accounting Standards issued by the Financial Reporting Council;
 - (c) the Auditing Standards and Code of Ethics published by the International Auditing and Assurance Standards Board (IA&ASB);
 - (d) the Accounting Standards and Code of Ethics published by the International Federation of Accountants (IFAC);
 - (e) International Public Sector Accounting Standards (IPSAS);
 - (f) relevant provisions of the Financial Regulations, Public Procurement as well as Fiscal Responsibility Laws of the State and the Federal Republic of Nigeria; and
 - (g) other recognized or required standards issued or accepted as current best practices by funding or donor organizations at every point in time.

*Annual
Accounts*

10. ANNUAL ACCOUNTS

- (1) Within a period of Ninety (90) days after the end of each financial year, the Auditor General shall receive from the Account General, accounts showing the fiscal position of the State as at the last day of the preceding year.
- i. Such accounts which must be regularly reviewed in compliance with International Public Sector Accounting Standards (IPSAS) specifications shall include:
 - (a) Statutory Financial Statements;

- (b) Performance Reports
 - (c) Statistical Reports
- ii. Cash Basic General Purpose/Statutory Financial Statements including:
 - (a) Cash Flow Statement,
 - (b) Statement of Assets and Liabilities,
 - (c) Statement of Consolidated Revenue Fund,
 - (d) Statement of Capital Development Fund.
 - (e) Notes to the Accounts, and
 - (f) Supplementary Notes.
- iii. Cash Basic GP Performance Reports including:
 - (a) Revenue Performance Reports;
 - (b) Recurrent Expenditure Performance Reports
 - (c) Capital Expenditure Performance Reports
 - (d) Periodic Bank Reconciliation Statements, and
 - (e) Monthly Cash Advances Report.
- iv. Cash Basis GP Statistical Reports including:
 - (a) Functional Report;
 - (b) Programme Report; and
 - (c) Geo Location Report
- v. Accrual Basis GP Statutory Financial Statements including:
 - (a) Consolidated Statement of Financial Performance (Income& Expenditure),
 - (b) Consolidated Statement of Financial Position (Balance Sheet),
 - (c) Statement of Consolidated Statement of Cash Flow,
 - (d) Statement of Changes in Net assets / Equity,
 - (e) Notes to the Accounts, and
 - (f) Basis Supplementary Notes
- vi. Accrual Basis GP Performance Reports including:
 - (a) Revenue Performance Report;
 - (b) Recurrent Expenditure Performance Report;
 - (c) Capital Expenditure Performance Report;
 - (d) Periodic Bank Reconciliation Statements, and
 - (e) Monthly Cash Advances Report.
- vii. Accrual Basis GP Statistical Reports including:
 - (a) Functional Report;

- (b) Programme Report; and
 - (c) Geo Location Report.
- (2) Other Statements that may be required by Auditing Standards, Practices or Statutes from time to time:
- (a) the Notes to the financial statements shall provide information about the basis of preparation of the financial statements and the specific accounting policies selected and applied for significant transactions and other events for the purpose of users' understanding and comparability.
 - (b) the Notes shall include the following:
 - i. statement of compliance with approved accounting standards;
 - ii. statement of accounting policies applied;
 - iii. supporting information for items presented on the face of the financial statements; and
 - iv. supporting statements.
- (3) Within Ninety (90) days after the close of each financial year, the Accounting Officer shall prepare and submit to the Accountant-General with copy to the Auditor General, appropriation 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.

Provided that each account shall contain such variation between the expenditure, and the sums voted, such other required information and 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. Any such unspent funds shall be accounted for and remitted appropriately back to the Treasury of the State.

*Annual
Estimates and
Expenditure*

11. ANNUAL ESTIMATES AND EXPENDITURE

The Auditor General shall prepare and submit to the Executive at least ninety (90) days before the beginning of each financial year the estimates of revenues and expenditure of his office for inclusion in the State Budget

*Annual
Certificate and
Report*

12. ANNUAL CERTIFICATE AND REPORT OF THE OFFICE OF THE STATE AUDITOR GENERAL

(1) The Auditor General shall within Ninety (90) days of receipt of the Accountant General's Financial Statements and Annual Accounts of the

State, submit Report to the House which shall cause the report to be considered by the Public Accounts Committee.

- (2) The Auditor General's Report shall be published and made available to the Public after its deliberation by the House of Assembly this shall be on demand and on payment of a minimal fee.

*Establishment
and
Appointment
of the Deputy
Auditor
General*

13. ESTABLISHMENT AND APPOINTMENT OF THE DEPUTY AUDITOR GENERAL

- (1) There shall be a Deputy Auditor General for the State to be appointed by the Governor on the recommendation of the State Civil Service Commission.
- (2) The person to be appointed as Deputy Auditor General shall be the most Senior Director in the Office of the State Auditor General and the qualification for his appointment shall be the same with that of the Auditor General.
- (3) The Deputy Auditor General shall be of the same status as that of a Director General in the State Civil Service.
- (4) The Deputy Auditor General shall deputize and assist the Auditor General in the discharge of his Duties.

*Departments
of the Office
of the Auditor
General*

14. DEPARTMENTS OF THE OFFICE OF THE AUDITOR GENERAL

The Office of the Auditor General shall comprise of the following Departments:-

- (a) Department of Government Accounts; comprising of Local inspection, salaries and allowances, treasury and query sections;
- (b) Department of Parastatals; comprising of External Audit Unit and Periodic Audit Unit;
- (c) Department of Planning Research and Special Audit; comprising of Quality Assurance, Capital & Performance Audit;
- (d) Department of Pension and Retirement Services;
- (e) Department of Administration;
- (f) Department of Finance;
- (g) Forensic and System Audit; and
- (h) Legal & Public Relations Services.

*Financial
Autonomy*

15. FINANCIAL AUTONOMY

- (1) For the effective and practical independence of the Office of the Auditor General, the approved budget for the Office shall be released on monthly basis.

- (2) Any amount standing to credit of the Office of the State Auditor General in the annual Appropriation Law shall be paid on a first line charge to the State Auditor General and disbursed as approved by the State House of Assembly.

Provided that where there is deficit in the State Revenue, the disbursement shall be on pro rata basis subject to availability of funds.

- (3) The Auditor General shall manage the office subvention in conformity with extant financial regulations.
- (4) Expenses to be paid from this subvention shall include, but not limited to:
 - (i) cost of training and professional development activities
 - (ii) the monies for travelling, transportation and subsistence needed by staff engaged in conducting duties of the Auditor General
 - (iii) the administrative expenses of the Office of the Auditor General; and
 - (iv) any capital development project or special expenditure.

*Pension for
the Auditor
General and
other
Allowances*

16. PENSION FOR THE AUDITOR GENERAL AND OTHER ALLOWANCES

- (1) The Auditor General shall be entitled to pension for life at a rate equivalent to the annual salary and allowances of the incumbent Auditor General.
- (2) Any pension granted by virtue of (1) hereof shall be charged upon the consolidated revenue fund of the state.
- (3) Apart from the normal allowance currently enjoyed in the service, there shall be paid additional allowances as follows:-
 - (a) consolidated allowance to the Auditor General and officers in auditing cadre
 - (b) hazard allowances to all staff
 - (c) clothing allowance to all staff, and;
 - (d) such other allowances as the Governor of the State may approve from time to time.
- (4) Members of the Office of the Auditor General other than the Auditor General shall in addition to the provisions of this Law enjoy rights and privileges as contained in the public service of the State.

*Establishment
and Functions
of the Audit
Committee*

17. ESTABLISHMENT AND FUNCTIONS OF AUDIT COMMITTEE

- (1) The Accounting Officers in any Ministry, Department and Agency of the State, particularly as enumerated in Section 7(1) and (2) of this Law shall establish audit committees to aid their internal activities;
- (2) The Audit Committee shall:-
 - (a) implement all recommendations contained in the Auditor General's Report which are approved by the House of Assembly and any other resolution or directive of the House of Assembly; and
 - (b) prepare annually a report showing the status of the implementation of the provisions of subsection 2(a) of this Section.
- (3) The report prepared pursuant to subsection 2(a) and (b) of this Section shall contain a statement evincing the remedial action taken or being taken to avoid or minimize 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.
- (4) A copy of the Report shall be forwarded to the Auditor General of the State.

*Audit of the
Office of the
State Auditor
General*

18. AUDIT OF THE OFFICE OF THE STATE AUDITOR GENERAL

- (1) The Auditor General shall provide a list of qualified Auditors to, the House, two of which must be appointed by the House for the annual audit of the Office of the State Auditor General.
- (2) The appointed Auditors shall possess the same powers and perform the same functions and duties in auditing the Office of the Auditor General.
- (3) The Auditor shall submit copies of Reports to the Commission, House, Governor and the Auditor General,
- (4) The Speaker of the House shall cause to be tabled, the Auditors' report before the House within a reasonable time before commencement of any financial year.
- (5) The House Committee shall determine the remuneration payable to the Auditors' which shall be charged to the operational funds of the Commission.

19. OFFENCES AND PENALTIES

- (1) It is an offence for any Person who, without lawful justification or excuse to:
 - (a) obstruct, intimidate, harass, hinder the Auditor General, any Staff of the Office of the State Auditor General or Consultant authorized by it in the exercise of its duties and powers under this Law;
 - (b) refuse or fail to comply with any lawful request of the Auditor General or his representative within a maximum period of 14 days;
 - (c) fail to produce for inspection to the State Auditor General or his representative or otherwise refuse the Auditor General or representative of Office of the State Auditor 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 or representative of Office of the State Auditor General; when so requested;
 - (d) fail to keep proper books of account or proper records leading to any loss of public funds;
 - (e) make a statement or give information to the Auditor General, or representative of Office of the State Auditor General which is false or misleading and;
- (2) Without prejudice to other sanctions as provided under this law, particularly under the Schedule to this Law as well as the discretionary Penal powers of the Office of the State Auditor General, sanctions under the Public Financial Management Law, Civil Service Rules, relevant to State Penal Laws in force at any point in time, Federal laws, Civil Service Rules, Fiscal Responsibility and Public Procurement laws of the State, any Person who commits an offence under the provisions of this Law shall, on conviction be liable;
 - (a) in the case of an individual, to a Fine of not less than N250,000.00 (Two Hundred and Fifty Thousand Naira Only) or to a term of imprisonment not exceeding two (2) years or both; and
 - (b) in the case of a body Corporate or Firm, to a Fine of not less than N500,000.00 (Five Hundred Thousand Naira Only)

- (3) Where a body Corporate 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 (Two Hundred and Fifty Thousand Naira Only) or to a Term of imprisonment not exceeding Two (2) years or both unless the Person proves that the offence upon which the conviction was based was committed without his knowledge, consent or connivance.

*Sanctions on
Staff of Office
of the State
Auditor
General*

20. SANCTIONS ON STAFF OF OFFICE OF THE STATE AUDITOR GENERAL.

- (1) Any member of Staff of the Office of the State Auditor who:-
- (a) demands or takes any bribe, gratification, compensation or reward for the neglect or non-performance of his duty; or
 - (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(s) 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 N 100,000.00 (One Hundred Thousand Naira Only) or imprisonment for Two (2) years or both;

- (2) Accounting Officers shall be held responsible for full recovery of losses discovered from erring officers. Nothing in this Law shall preclude the Pensions Office, Commission, Civil Service Commission, Office of the State Auditor General from attaching terminal benefits, gratuities and Pensions was effecting relevant deductions from the erring officer and where deceased from his/her estate and where disengaged, from instituting appropriate debt recovery and criminal prosecutions.
- (3) Where an Accounting Officer fails to make necessary recovery and it is proved that he fails to initiate reasonable actions to recover the said loss, he shall be guilty of an offence and liable to a Penalty of the sum of N500,000.00 (Five Hundred Thousand Naira Only) in addition to the amount of loss involved.

*Improper
Retention of
Public Funds
and Assets*

21. IMPROPER RETENTION OF PUBLIC FUNDS AND ASSETS

- (1) Where, during the course of an audit, the Auditor General becomes aware of an improper retention or misappropriation of public monies, physical assets, receivables and/or any other goods or services due to the State government which act or omission may constitute an offence under the Penal Law of the

State or any existing State or Federal Law, the Auditor General shall immediately bring such to the attention of the officer(s) concerned and where such officer(s) fails within the time permitted to give reasonable explanation, then the Auditor General shall report the improper retention or misappropriation of public money, assets or any such infraction to the Commissioner of Police and the Attorney General and or any other authority charged with that function by the State.

- (2) In addition to making such official Report under subsection (1) hereof, the Auditor General shall attach to his Annual Report to the House, a list containing a general description of the incidents referred to and the dates on which those incidents were reported.
- (3) The provisions of subsection (1) hereof shall apply to a Staff of the Office or any Auditor appointed pursuant to the provisions of this Law.

*Refusal to
Answer Audit
Query*

22. REFUSAL TO ANSWER AUDIT QUERY

- (1) 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 shall have his salary and allowances withheld for so long as the erring Officer fails to reply and/or shall be liable to disciplinary action under the relevant Civil Service Rules.
- (2) In such situations of refusal, the Office of the State Auditor General shall have forwarded a final warning of compliance before informing the Accounting Officer and where the erring Officer is an Accounting Officer, the Office of the State Auditor General shall inform the Public Accounts Committee and the Governor before notifying the Head of Service for a suspension of payment of salaries to the erring Officer.
- (3) Where such query is directed at any Government Project or Contract, the Office of the State Auditor General shall in conjunction with the Commissioner of Finance in the State suspend such projects and further disbursement without prejudice to activating any deposited Performance Guarantee.
- (4) All such appeals emanating from penal actions of the Auditor General shall first be addressed to the Commission and then the Public Accounts Committee before redress is sought at the High Court.

*Audit Alarm
Committee*

23. AUDIT ALARM COMMITTEE

- (1) In order to prevent irregular payments, the Auditor General shall establish an Audit Alarm Committee for the State.

- (2) The Audit Alarm Committee shall comprise of the Auditor General, Office of the Accountant General, a nominee from the office of the Attorney General.
- (3) Prepayment audit queries raised by the Internal Audit of either the Ministries, Extra Ministerial Department but overruled by the Chief Accounting Officer of the said Institutions shall be referred to the Audit Alarm Committee.
- (4) The Audit Alarm Committee shall investigate any alarm raised by either the internal auditor or any other Person and whether signed or anonymous.
- (5) The respective Auditor General shall notify the Chief Executive or Accounting Officer of any alarm raised in the Ministry, Extra Ministerial Department.
- (6) Where a prepayment audit alarm is raised, it shall be an offence for any officer to process any queried payment under the audit alarm system without an audit certificate issued by the Auditor General.
- (7) The Auditor General shall notify the Committee of audit alarms of significant importance and serious prepayment Audit Queries for which the Accounting Officer is responsible.
- (9) The activities of the Audit Alarm Committee shall not preclude any private individual or member of the public from investigating any infraction on this Law and instituting relevant action against any individual or entity before the High Court of the State without the requirement of obtaining a fiat or authorization for such redress or prosecution.

Repeals **24. REPEALS**

The Sokoto State Audit Law CAP.11 Laws of Sokoto State 1996 is repealed.

Savings **25. SAVINGS**

The assets, liabilities and staff of the former Office are hereby saved.

SCHEDULE

Guidelines on Audit Queries, Offences and Penalties

(Notices shall be deemed properly served and received from the date of acknowledgement or in the case of refusal to acknowledge, from the date of pasting them at the relevant offices and taking picture of such pasting)

Sections 19, 20, 21 and 22

All irregularities resulting in losses to Government due to their fraudulent activities of the Functionaries or due to their negligence or incompetence.

S/NO	OFFENCE	TIME LIMIT FOR REPLY TO QUERY	PENALTY
1.	Inflation of Contracts	7 days	Where committed by Accounting Officer, make report to the PAC. If by an Officer, appropriate surcharge shall be imposed and the Officer removed from Schedule
2.	Unauthorized variation of Contract sum	7 days	Where committed by the Accounting Officer, make a report to the PAC. If by an Officer, appropriate surcharge shall be imposed and the officer removed from schedule
3.	Inflation of Price of surcharge	14 days	Impose appropriate rates and a written warning to the affected Officer
4.	Payment for Jobs not executed	7 days	Recovery from the beneficiary and the Officer who recommended the payments . Criminal Prosecution for economic fraud.
	(a) Mobilization Fees	7 days	Veil of incorporation of the Company to be lifted, blacklisted and Directors recommended for criminal prosecution.
	(b) Payment through false Certificate of Completion	7 days	Recovery of Funds, criminal prosecution of Officer and management of the Company. Staff to be recommended for dismissal.
5.	Poor quality of Work executed	14 days	Blacklist Contractor, call advance Payment Guarantee and demote officer who certified the Work.
6.	Irregular or Wrong	7 days	Recovery of the money and

	Payment		removal of the Officer from the Schedule
7.	Shortage or losses of assets in Store by Officer	7 days	Surcharge the affected officer and transfer to another Schedule
8.	Shortage or losses of Cash by Cashier	7 days	Recovery of the amount involve and transfer Officer to another Schedule
9.	Assets paid for, but not received	7 days	Recovery of the money, criminal prosecution of vendor and transfer of officer to another Schedule
10.	Payment to "Ghost" Workers	30 days	Full scale investigation to be ordered, all such monies to be recovered and criminal prosecution of beneficiaries and such offices, dismissal without any entitlement(s).
11.	Overpayment of salaries and allowances	30 days	Full scale investigation, recovery of excesses, written warnings to Officer and adequate sanctions.
12.	Failure to collect revenue due to Government	7 days	Surcharge the affected officer and transfer to another Schedule
13.	Failure to account for Government revenue	14 days	Full scale investigation, all such monies to be recovered and criminal prosecution of officers and recommend for dismissal.
14.	Non - payment for use of government properly/unauthorized use or abuse	7 days	Recover the money, recovery of asset, recovery of value of depreciation, transfer of officer to another schedule
15.	Premature scrapping of Government fixed assets and selling same at a "below the market" price	30 days	Full scale investigation, recovery of difference in prices, surcharge officer and demote.
16.	Poor Cash management	7 days	Full scale investigation, formal warning, surcharge, transfer officer to another schedule and make formal report to the PAC

Irregularities not directly or immediately resulting in losses to the Government, but which infringe upon budgetary control and proper financial management in which case the full weight of the provisions of the Financial Regulations, Fiscal Responsibility and Public procurement laws would be applied.

S/NO	OFFENCE	TIME LIMIT FOR REPLY TO QUERY	PENALTY
1.	Splitting of Contracts to circumvent Tenders process, promoting companies	30 days	Full scale investigation of contract process, prosecution and sanction appropriately.
2.	Irregular award of contracts i.e contracts award not in compliance with regular process	30 days	Full scale investigation of contract process, prosecution and sanction appropriately.

MADE AT SOKOTO THIS 23rd DAY OF December 2020

A

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


ABDULRAZAK SHEHU
CLERK TO THE HOUSE

B

I ASSENT THIS 29th DAY OF DECEMBER 2020


AMINU WAZIRI TAMBUWAL
GOVERNOR
SOKOTO STATE OF NIGERIA

C

I WITHHOLD MY ASSENT THIS DAY OF2020

**AMINU WAZIRI TAMBUWAL
GOVERNOR,
SOKOTO STATE OF NIGERIA**

D

Passed again by the Sokoto State House of Assembly by two-third majority
this Day of2020

**Speaker
Sokoto State House of Assembly**

