

INVESTIGATION/RECONCILIATION OUTCOMES

The Committee in its assignment had relied on the terms of reference listed above. Based on its investigations, the Committee discovered the following:-

- a) That the outstanding liabilities in the former committee list are in conflict with reports by most MDAs which stated that all claims against them had been cleared.
- b) There is duplication of some contractor's names in some of the contracts awarded by many MDAs in the report.
- c) That out of 16 MDAs only 2 MDAs were discovered to have unclaimed liabilities in our investigation.
- d) That out of 70 contractors captured in the former committee list only 5 contractors have outstanding claims against the State.
- e) That the 5 contractors have claims only in the 2 MDAs mentioned above.
- f) That out of total claim of N141,274,853.63 only N2,794,882.00 is outstanding as contract liabilities against the State.
- g) That there is poor debt records management by the MDAs.

RECOMMENDATION

1. The committee hereby advise that claims reported as already cleared by most of the MDAs, except the 2 MDAs be deleted from contracts liabilities list.
2. The sum of N2,794,882.00 is the only outstanding contract liability to be settled by the State Government.

REPORT OF THE ADHOC COMMITTEE CONSTITUTED BY THE MINISTRY OF FINANCE TO RECONCILE AND VERIFY CONTRACT LIABILITIES AGAINST THE STATE GOVERNMENT

PREAMBLE

The Debt Management Unit had advised management about the State's debt position which remains unchanging despite regular payments of contracts, gratuity and commercial loans. The Unit also reported that the Debt Management Office Abuja had also expressed its concern in this regard; stating that this would affect the State Government's rating in the State Fiscal Transparency, Accountability and Sustainability (SFTAS) plan.

Concerned with this development, Management in its deliberations discovered that the poor debt position is as a result of outstanding contract liabilities handled by a former Committee on Contract Liabilities. An Ad Hoc Committee was therefore formed to verify and reconcile the old contract liabilities list and make recommendations to management for further action.

MEMBERS

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|----|-------------------------|-------------------------|-------------|
| 1. | Fushuwa G. Jajere | - Dir. Final Accounts | - Chairman |
| 2. | Mohammed Ibrahim Gana | - Dir. Internal Audit | - Member |
| 3. | Muhammad Alkali Dinkiri | - Dep Dir Treasury Ops. | - Member |
| 4. | Alh Ibrahim Farashi | - Head, Debt Mgt Unit | - Member |
| 5. | Muhammad Ibrahim | - Prin Data Proc O. DMU | - Secretary |

TERMS OF REFERENCE

1. To study and reconcile the list of contractors and the MDAs which awarded the respective contracts in the former committee report.
2. To study submissions received from MDAs in regard to the outstanding claims in the report.
3. To identify and shortlist all beneficiaries of unclaimed contract liabilities.
4. The Committee to submit their findings and conclusions to management for further action.

3. That MDAs be made to record their debt data electronically using Microsoft Excel for accurate and reliable debt data.

4. The DMU be mandated to monitor and manage debt/liabilities and disseminate data and debt position to sensitize the public.

Attached to this report as Annexes I, II, III and IV is a breakdown of contract claims for management sighting and reference.

- I. list of all contracts liabilities,
- II. list of contracts that had been cleared by their respective MDAs,
- III. list of verified contract liabilities and
- IV. Responses from MDAs.


Fushua Goroma Jajere
(Director Final Accounts)
CHAIRMAN


Muhammad Ibrahim (Rabi'u
(prin. Data Proc. Officer DMU)
SECRETARY

HC

Pp 15-17 above refers.
If you hold no-objection, recommendations
above are in order and it will go ahead
way in updating the states debt position
the arrears, ~~as~~ therefore, they will be implemented.

PSPO
HDAAQ ~~DFA~~

SSam
PS
29/3/20

please processes according
Add