



**MEMORANDUM OF UNDERSTANDING**

**BETWEEN**

**THE GOVERNMENT OF PLATEAU STATE,  
REPRESENTED BY THE HONOURABLE  
COMMISSIONER MINISTRY OF BUDGET AND  
ECONOMIC PLANNING**

**AND**

**THE COMMISSIONER FOR LOCAL  
GOVERNMENT AND CHIEFTAINCY AFFAIRS**

**AND**

**LOCAL GOVERNMENT COUNCILS IN PLATEAU,  
AS REPRESENTED BY THE HEAD OF LOCAL  
GOVERNMENT ADMINISTRATION**

**ON**

;

**THE ADOPTION OF HARMONIZED BUDGET  
GUIDELINES AND THE NATIONAL CHART OF  
ACCOUNTS**

**THIS MEMORANDUM OF UNSTANDING is made this 10<sup>th</sup> day of March 2025**

## **BETWEEN**

**THE GOVERNOR OF PLATEAU STATE OF NIGERIA**, represented by the honourable commissioner, Ministry of Budget and Economic Planning Plateau state **AND** the honourable Commissioner of Local Government Chieftaincy Affairs of Plateau State (Hereinafter referred to as “the state Government” which expression shall where the context admits includes its servants, agents, successors -in-office and assigns) of the one part.

## **AND**

**THE LOCAL GOVERNMENT COUNCILS IN PLATEAU**, more particularly named in the attestation to this Memorandum of Understanding jointly and severally (Hereinafter collectively referred to as ‘the Councils’ which expression shall where the context admit includes their respective servants, agents, successors in office and assigns) of the other part.

## **WHEREAS:**

1. The Plateau State Government recognizes the need for all Local Governments to adopt a standardized budget framework for transparency, accountability, and efficient financial management.
2. The National Chart of Accounts (NCOA) provides a structured and harmonized approach to public financial management in line with national and international best practices.
3. The adoption of harmonized budget guidelines ensures consistency in fiscal planning, execution, and reporting across all Local Governments.
4. This MOU formalizes the commitment of all parties to align with the National Chart of Accounts and implement harmonized budget guidelines in the administration of Local Government finances.

## **OBJECTIVES**

1. Ensure the uniform adoption and implementation of the National Chart of Accounts across all Local Governments in Plateau State.
2. Facilitate the harmonization of budget preparation, execution, and reporting processes.
3. Enhance financial transparency, accountability, and governance within Local Governments.
4. Improve intergovernmental fiscal relations and compliance with national financial regulations.



## **SCOPE OF AGREEMENT**

1. **Budgeting Process** – All Local Governments shall adhere to the harmonized budget guidelines provided by the Plateau State Government, ensuring consistency with national policies.
    - All Local Governments must publish a Budget Call Circular (BCC), including ceilings for recurrent and capital expenditures.
    - Budgets must be prepared using the Medium-Term Expenditure Framework (MTEF) approach.
    - Budget credibility and revenue and expenditure forecasting should be realistic.
    - Public consultation and stakeholder engagement must be incorporated in budget preparation.
  
  2. **Budget Classification and National Chart of Accounts** – The financial reporting system of the Local Governments shall conform to the NCOA, ensuring alignment with national fiscal management standards.
    - All local governments must adopt the National Chart of Accounts (NCOA) to ensure uniformity with the state and federal governments.
    - Budgets must align with International Public Sector Accounting Standards (IPSAS).
    - Budget classifications shall include administrative, economic, functional, and program classifications for better tracking and comparison.
- ### **3 Budget Approval and Presentation**
- Budgets must be presented to the Local Government Legislative Council before the start of the fiscal year.
  - Budgets should be approved and signed into law before December 31st of the preceding year.
  - Performance-based budgeting is encouraged to link spending to results.

#### **4. Budget Transparency and Publication. All Local Governments must publish:**

- Approved Annual Budgets and Budget Implementation Reports (BIRs) quarterly.
- The Citizens' Budget, a simplified version for public understanding.
- The Audited Financial Statements within six months after the end of the fiscal year.
- These documents should be published on the local government's official website to enhance public access.

#### **5. Budget Execution and Financial Management**

- Cash management systems should be in place to ensure efficient expenditure control.
- Local Governments must operate a Treasury Single Account (TSA) to consolidate all revenues and expenditures.
- Commitments and procurement processes must align with Public Procurement Laws.

#### **6. Monitoring and Compliance**

- Local Governments must establish a Monitoring and Evaluation (M&E) framework to track budget performance.
- Quarterly Budget Performance Reports (BPRs) must be published.
- Regular performance audits should be conducted to assess fiscal efficiency.

### **7. ROLES AND RESPONSIBILITIES**

#### **1. Local Governments shall:**

- Adopt and implement the harmonized budget guidelines and National Chart of Accounts.
- Ensure timely preparation and submission of budgets in line with the agreed framework.
- Maintain financial records in accordance with NCOA standards.
- Cooperate with the State Government in capacity-building initiatives.

#### **2. The Plateau State Government shall:**

- Provide technical support and necessary guidelines for implementation.
- Facilitate capacity-building programs for Local Government officials.
- Monitor compliance and provide corrective measures where necessary.
- Ensure seamless integration of Local Government finances with state and national financial reporting systems.



## **8. IMPLEMENTATION TIMELINE**

The adoption and implementation of the harmonized budget guidelines and the National Chart of Accounts shall be completed within twelve (12) months from the date this MOU was signed.

## **9. ARBITRATION**

- (a) If at any time, any question, dispute or difference shall arise between the parties upon, about in connection with this Memorandum of Understanding, either of the parties shall, as soon as is practicable, give to the other notice in writing of the existence of such question, dispute or difference and the same shall failing mutual settlement be referred to an Arbitration Board of three members upon the application of either party.
- (b) The Arbitration Board shall consist of one representative of each party and a third representative to be appointed by the first two members.
- (c) The Arbitration Board's decision on the dispute, question, or difference shall be binding on all parties.
- (d) The language of the Arbitration shall be English, and the seat of Arbitration shall be Jos, PLATEAU State.
- (e) The Arbitration shall be under the Arbitration and Conciliation Act, laws of the Federation of Nigeria, 2004

## **10. APPLICATION LAW**

This Memorandum of Understanding shall be governed by and construed by the Law of the Federal Republic of Nigeria.

## **11. DETRIMENT ACTS**

No party shall undertake any acts as would expose the other to liability or detriment. If any is in default of the foregoing, the party not in default shall be entitled to claim damages.

## **12. INDEMNITY**

Each party shall indemnify the other party from any claims, causes of action, suits arising out of any breach of this agreement by the indemnifying party.

## **13. SEVERABILITY OF PROVISIONS**

Any provision of this Memorandum of Understanding that is prohibited or unenforceable under Nigerian Law shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provision. The parties may in good faith replace such provision and thereby define their respective rights, interests, obligations and functions in the context of the new situation



#### **14. CONFIDENTIALITY**

All terms and conditions of this Memorandum of Understanding and all other information pertaining hereto shall at all times be held in confidence and shall not be disclosed by any party hereto to any third party except strictly on a need-to-know basis

#### **15. TERMINATION**

If either party shall commit or permit a breach of any material part of this Memorandum of Understanding, the other shall have the right to terminate this Memorandum of Understanding by giving fourteen (14) days' notices in writing to the party in default provided that if such defaulting party shall make good breach to the satisfaction of the other within seven (7) days after such notice has been given, the notice of termination shall be regarded as void and of no effect.

#### **16. ENTIRE MEMORANDUM OF UNDERSTANDING**

This memorandum of Understanding constitutes the entire understanding of the parties hereto, and it may only be altered or amended with an instrument in writing.

#### **17. FORCE MAJEURE**

Should either party to this Memorandum of Understanding fail to comply with any of the provisions herein contained by reason of "Force Majeure" such failure shall not be regarded as a breach of this memorandum of Understanding. "Force Majeure" shall be construed as unforeseeable events or circumstances beyond the control of the party charged with noncompliance including but not limited to war, extra – ordinary flood, Act of God fire, strikes or any regulation order or direction prohibiting work by and government body, the State Government shall give notice to the Council within seven (7) days of the commencement of the "Force Majeure". However, if such situation continues, in excess of one (1) calendar month, the parties shall consult with each other regarding the appropriate steps to be taken for the implementation of this Memorandum of Understanding.

**IN WITNESS WHEREOF** the representatives of the parties have set their hands and seals to be fixed hereunto the day and year first above written.

**SIGNED, SEALED AND DELIVERED BY:**

**Honourable Commissioner,  
Ministry of Budget and Economic Planning,  
Plateau State,  
FOR AND ON BEHALF OF THE  
GOVERNMENT OF PLATEAU STATE OF  
NIGERIA.**

**Honourable Commissioner  
Ministry of Local Government and Chieftaincy  
FOR AND ON BEHALF OF THE  
GOVERNMENT OF PLATEAU STATE OF  
NIGERIA.**

**IN THE PRESENCE OF:**

**SIGNATURE:**



**NAME:**

ADAMS Bulus Lekshah

**ADDRESS:**

Ministry of Budget and Economic Planning

**OCCUPATION:**

Commissioner

**SIGNATURE:**



**NAME:**

Ephraim Nwanji

**ADDRESS:**


MLG/CA

**OCCUPATION:**

Commissioner



THE REPECTIVE SEALS OF THE WITHIN NAMED COUNCILS ARE HERETO AFFIXED



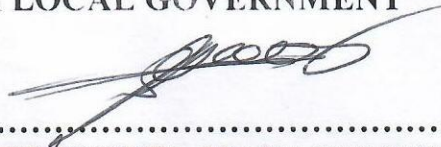
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EXECUTIVE CHAIRMAN, BASSA LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:



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DIRECTOR, PERSONNEL MANAGEMENT



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EXECUTIVE CHAIRMAN, JOS NORTH LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:



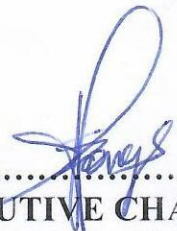
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DIRECTOR, PERSONNEL MANAGEMENT



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IN THE PRESENCE OF:




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DIRECTOR, PERSONNEL MANAGEMENT



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EXECUTIVE CHAIRMAN, JOS SOUTH LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:



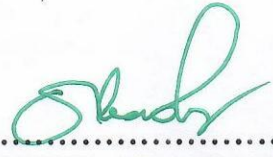
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DIRECTOR, PERSONNEL MANAGEMENT



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EXECUTIVE CHAIRMAN, BARKIN LADI LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:



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DIRECTOR, PERSONNEL MANAGEMENT



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EXECUTIVE CHAIRMAN, RIYOM LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:



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DIRECTOR, PERSONNEL MANAGEMENT



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EXECUTIVE CHAIRMAN, MANGU LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:

*F. Sabat*  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, BOKKOS LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:

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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, PANKSHIN LOCAL GOVERNMENT COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, KANKE LOCAL GOVERNMENT COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, QUA'AN PAN LOCAL GOVERNMENT  
COUNCIL  
IN THE PRESENCE OF:

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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, MIKANG LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:

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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, SHENDAM LOCAL GOVERNMENT COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, LANGTANG SOUTH LOCAL GOVERNMENT  
COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, LANGTANG NORTH LOCAL GOVERNMENT  
COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, KANAM LOCAL GOVERNMENT COUNCIL  
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DIRECTOR, PERSONNEL MANAGEMENT

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EXECUTIVE CHAIRMAN, WASE LOCAL GOVERNMENT COUNCIL  
IN THE PRESENCE OF:

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DIRECTOR, PERSONNEL MANAGEMENT