

Honorable Minister,  
Babatunde Raji Fashola (SAN),  
Ministry of Power, Works & Housing,  
Headquarters,  
Mabushi, Abuja.

9<sup>th</sup> January 2017.

Dear Sir,

**INTIMIDATION & UNWARRANTED HARASSMENT BY FMBN EXECUTIVE MANAGEMENT COMMITTEE IN THE COURSE OF DOING MY JOB AS AUDITOR**

On Thursday 8<sup>th</sup> December 2016, I received a call from my office informing me of a memo dated 7<sup>th</sup> December 2016. The memo is a conveyance of 116<sup>th</sup> Executive Management Committee's (EMC) decision transferring me from Internal Audit Group (Unit Head, ICT/Process Audit & Special Investigation Unit) to Taraba State Office (*see Appendix A*). As at that time I was undergoing my 2016 annual leave which was duly approved by management as my entitlement for the year (*see Appendix B*). The memo also directed that I report with immediate effect at the new station. The transfer was also not mindful of the fact that firstly I was on leave; secondly attending my contact hours for the self-funded Ph.D. program at University Utara Malaysia (UUM). It is also on record that I have a prior management approval to undergo the Ph.D. program in Finance & Banking with specialization on Credit Risk Management (*see Appendix C*).

I have no grudges with transfers whatsoever, provided they are carried out with sincere intentions and genuine interest of our beloved institution (FMBN). What I have grave concern for, is the Machiavellian approach employed by the EMC as a body to ouster and silence people they believe harbor different views or opinions on matters that borders on integrity, due process, and professionalism of the audit job. Soon, I will prove to you Hon. Minister that this transfer just like many others in the Bank, was not to serve the interest of the Bank but to achieve certain objective even at the detriment of the manpower requirements of FMBN.

**Qualifications & Experience**

Whenever organizations advertise for vacancies, the most important criteria for consideration of applicants are qualifications & experience. Possession of relevant academic, professional qualifications and experience is a prerequisite for all jobs especially professional jobs like Accounting & Auditing, the profession which I belong to. Now let's glance through my academic/professional qualifications in the table overleaf;



S/N	Qualifications	Institutions	Grade	Year
1	BSc. Accounting	Bayero University, Kano - Nigeria	First-Class	2002
2	Associate Chartered Accountant	Institute of Chartered Accountants of Nigeria (ICAN)	Associate member	2005
3	MSc Finance	University of Leicester (UK)	Graduate	2009
4	Chartered Public Finance Accountant	Chartered Institute of Public Finance & Accountancy (UK)	Associate member	2015
5	Ph.D. Finance & Banking	University Utara Malaysia	-	In View

The point here Honorable Minister is, from available record, I can say without mincing words that, I am the most qualified professional accountant with relevant academic & professional qualifications in the whole of **Federal Mortgage Bank** as at today. There is no any other staff with a “**First-Class Hons Degree**” in accounting or any other finance related course throughout FMBN. Besides, aside of my MSc in Finance and professional qualifications in Accounting/Auditing both in Nigeria and UK, I am also currently a Ph.D. student (by research) at University Utara Malaysia (UUM) under self-sponsorship.

The table hereunder is the summary of my relevant working experience which I obtained in the banking profession over the last 13 years of my service (**see Appendix E**).

S/N	Experience	Institutions	Date	
			From	To
1	ICT/Process Audit & Special Investigation Unit	Federal Mortgage Bank of Nigeria	2015	2016
2	Team Leader Internal Audit	Federal Mortgage Bank of Nigeria	2013	2015
3	Head Training Services	Federal Mortgage Bank of Nigeria	2011	2013
4	Special assistance to ED North/Risk Management Officer	Ecobank Nigeria Ltd	2009	2010
5	Anti-Money Laundering/KYC Compliance Officer	Ecobank Nigeria Ltd	2008	2009
6	Zonal Head of Bank Operations (North West)	Ecobank Nigeria Ltd	2008	2008
7	Head of Banking Operations	Ecobank Nigeria Ltd (Sabon Gari, Kano)	2007	2008
8	Head of Banking Operations	Ecobank Nigeria Ltd (Hotoro, Kano)	2007	2007
9	Head, Funds Transfer Operations	Ecobank Nigeria Ltd (Kano Main Branch)	2004	2007
10	Corporate & Consumer Banking	Ecobank Nigeria Ltd (Owerri Douglas Rd)	2002	2003

Moreover, I have never scored less than 89% in all my appraisals and records are available to prove that. I was appointed to serve on several committees by the same EMC to tap from my vast experience, and my records are there to speak for themselves. Examples of such committees are IT Steering Committee, Tenders Technical Evaluation Committee just to mention a few. Thus, the questions in the minds of many are;

1. Why the executive management decided that such a staff with sterling & outstanding academic/professional qualifications and requisite experience be transferred from the Head office where his expertise is needed most?
2. If you must move such a person, what of Finance & Accounts, Risk Management, Loans Department, Loans Set-off & Pay-off, Recovery Groups etcetera that could benefit immensely from his knowledge & experience?
3. Does management truly believe that such an asset to the Bank has no role to play in Headoffice considering the huge operational issues bedeviling the Bank?
4. Is there any other thing that comes along with this transfer that management is not saying out clearly?
5. Who made the decision to transfer such a staff to **Taraba State Office** and why?

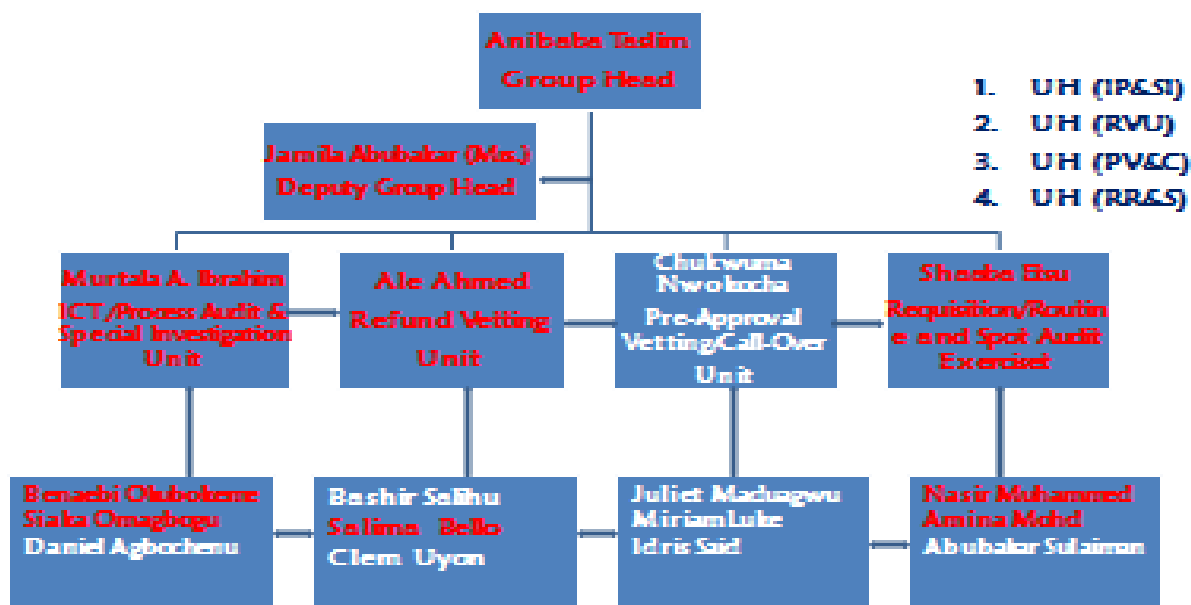
If my guess is right, then this transfer has nothing to do with the Minister's approval for the implementation of the new organogram as the conveyance letter wants us to believe (**see Appendix A**). The implementation of the new organogram approved by the honorable minister is not meant to destroy the scarce human resource of the Bank, but rather to strengthen it by ensuring that round pegs are put in round holes.

### Transfers

Anyone in Internal Audit Group (AIG) suspected of upholding the path of integrity, professionalism, and due process which the audit profession is known for, or found to have listened to the clarion call of Mr. President, Federal Republic of Nigeria, **Muhammadu Buhari**, (that auditors should help his administration in its fight against corruption) was thrown outside Headoffice to serve as a punitive measure and to also deter others from upholding same principles. The names shaded in red in the figure overleaf are the names of staff that have so far suffered from the antics of the current executive management for no offense other than the one mentioned above.

The figure overleaf is the battered organogram of the IAG which commenced from the Head of Internal Audit that was moved to the Executive Office by management. Then followed the removal of the most senior officer in the group, myself, and then next senior officer, Ale Ahmed, and other key staff in the team. The names highlighted in red are staff that have been redeployed to different offices mostly on punitive grounds and without knowing what they were being punished for.

# Internal Audit Group Organogram



The table hereunder shows the movement from old office to the new corresponding places of posting;

S/N	Staff Name	State of Origin	New Posting
1	Anibaba Taslim – Asst. General Manager	Lagos	Exc. Office
2	Murtala Aliyu Ibrahim – Senior Manager	Kano	Taraba
3	Ale Ahmed - Senior Manager **	Kebbi	Nassarawa then to Kaduna
4	Shaba Etsu – Manager	Niger	Kwara
5	Benaebi Okubokeme – Deputy Manager	Bayelsa	Ebonyi
6	Siaka Omagbogu **	Kogi	Adamawa then to Kogi
7	Nasir Muhammad	Niger	Katsina
8	Amina Mohd (Mrs.) ***	Kogi	HeadOffice
9	Salima Bello (Mrs.) ***	Bauchi	HeadOffice

\*\* Staff on Serial No 3 & 6 were transferred to two different state offices within a spate of 3 weeks.

\*\*\* The last two on the list are married women and there is a concessionary consideration for married women to remain where their husbands reside, if not, probably they would have been amongst those transferred outside of the Head office too.

## Wrath of Management

Our reports were very clear as to what we stood for. As auditors, our primary duty was the protection of the Bank's assets by providing advisory services to management in making sure that things were done rightly, and that value for money for services were achieved by the Bank. None of the audit member in the team puts his/her personal interest above that of the Bank even with the tremendous pressure and attempts from within and outside to sometimes influence the outcomes of our investigations/reports. What we were very careful with, was the overall interest of the Bank for that we refused succumbing to pressure that was detrimental to the overall interest of the Bank. Let me give few specifics where I supposed, in the course of our duties as auditors, other team members and I incurred the wrath of management;

1. Probably this was my major sin! I was assigned by the Head of IAG to visit **Mamman Kontagora House (MKH)** Victoria Island, Lagos and report back on the progress of the renovation works awarded by the Bank. The renovation works was awarded to several contractors amounting to the total sum of **two billion, two hundred and thirty million, two hundred and sixty-two thousand and six naira four kobo only (N2,230,262,006.04)** (see Appendix F). The Ag. MD/CE, put intense pressure on us to release the payment of the sum of **N180,668,525.85** monthly as proposed by the group supervising the project (Support Services Group) but we resisted that move and demanded to see the job completion certificate of the milestone achieved. There was no job completion certificate, but a monthly payment of **N180,668,525.85** was proposed to speed up the execution of the contract. When we in the IAG group refused certifying the payment until a job completion certificate is presented to us, a meeting was scheduled at the Ag. MD/CE's office and an agreement was reached that I should represent our group and visit the site together with a staff of the supervising department in the Bank (SSG), to assess the level of work done that would enable us jointly sign the job completion certificate as required in the contract approval document. The supervising group (SSG) could only produce three valuation reports as at the time of our visit (out of six valuations). It was discovered that the value of work done was not commensurate with the amount of monies disbursed to two out of the three valuations. We, therefore, recommended that no further disbursements be made to these two contractors until the value of work done is satisfactory (See Appendix G).
2. Several reports that I co-authored with the Head, **Mr. Anibaba Taslim**, on some disturbing facts about the going concern of the Bank. These reports were the official position of the department and not our personal opinions. Part of our statutory duty as internal auditors include issuing out reports at intervals when we have every reason to suspect that there are observed lapses in the internal control system for immediate attention of the management. This duty is enshrined by the provisions of section 1706 (iii) of the Financial Regulations of 2009 which provide thus;



*“He (Internal Auditor) shall issue special reports, when in his opinion, the attention of, the Accounting Officer and that of Director of Finance and Accounts of the ministry need to be drawn to any irregularity in the accounting records, or to any apparent weakness in the accounting procedure.”*

Examples of such reports are our half-year report (**Appendix H**), Duplications of Internal Control Functions in the Bank (**Appendix I**) etcetera.

3. Half-Year Income Validation Report for the year 2016 is another possible reason. Finance & Accounts Group reported a surplus of income over expenditure of the sum of **N423,653,187.00**, and when Internal Audit Group was directed by management to validate the submission, to the disappointment of management, it was discovered that the position was in actual fact a loss and not profit (**see Appendix J**).

### Query Issued on Leave

Another disturbing twist that clearly shows this whole saga of transfer and the unwarranted intimidations are nothing but witch-hunt is the fact that I was issued a query (in absentia) on **22<sup>nd</sup> December 2016** and asked to respond before the closing of the business of **28<sup>th</sup> December 2016**. The query alleged that I co-authored “**a letter**” with foul & abusive languages and false allegation addressed to the Ag. MD/CE on 26/09/2016. The subject of the query didn’t bother me much because it was all misrepresentation of facts aimed at achieving a predetermined objective. Just like the saying goes - give dog a bad name to justify hanging it. The appalling thing is that the query was to be delivered in my house before I told my wife to refuse collecting it since I was officially on leave. However, I asked them to send a snapped copy of the query to me so I can know its content (**see Appendix K**). Let me remind you, sir, as at the time this whole thing was happening I was still on leave, and my vacation officially ends on 6<sup>th</sup> January 2017 *“barring any public holidays declared by the Federal Government during this period.”* If we factor the Federal Government declared public holidays during the period i.e. Eid Maulud, Christmas & New Year of 12<sup>th</sup>, 26<sup>th</sup>& 27<sup>th</sup> December 2016 and 2<sup>nd</sup> January 2017 respectively, my new resumption date becomes Friday 13<sup>th</sup> January 2017. Now, the pertinent question here Honourable Minister is, why would EMC sits and direct the Group Head of Human Resources to issue a query to me as “**Murtala Ibrahim (Taraba State Office)**” and this query will not be couriered to **Taraba State Office** for my attention whenever I resume from my leave, University Utara Malaysia where I study, or through my official e-mail address ([murtala.ibrahim@fmbn.gov.ng](mailto:murtala.ibrahim@fmbn.gov.ng)), but be delivered to my house in Abuja? I guessed it was a grand plan to destroy the remaining peace & tranquillity in my family by taking the battle right into the doorstep of my harem after successfully transferring me to the farthest **Taraba State Office** for no offense. I am still managing my wife for the trauma visited on my family by this singular action.

On the substance of the query, it wasn't "a letter" as alleged, but a normal correspondence via "Internal Memorandum" between IAG and the Ag. MD/CE since September 2016 (See Appendix I). The AIG group was only discharging its advisory role to management by informing it of the conflicting role assumed by the newly created control group in the Bank. What was disturbing was the attempt by the new group then, with the full support of the EMC, to take over the statutory role of Internal Audit. The role that was exclusive preserve of Internal Audit Group as enshrined by the Financial Regulations 2009. We strongly believed that it was an attempt to circumvent the existing control protocols established by the Bank as provided by section 1705 of the Financial Regulations 2009 which state thus;

*"The Head of Internal Audit Unit in all ministries/extraministerial offices and other arms of government shall ensure that 100% pre-payment audit of all checked and passed vouchers is carried out..."*

Why should EMC even contemplate ceding away the pre-payment vouching to a new group without the necessary approvals from the Federal Ministry of Finance/Office of the Accountant General of the Federation that mandated ministries/extraministerial offices/MDAs to observe strict compliance with the Financial Regulations 2009 (amended)? Perhaps the transfers were another way of achieving the intended purpose through other means. And here we are, three months down the lane after the release of our report on the dangers of the duplicated responsibilities to management, a query is just being issued to me (in absentia) to explain why I co-signed the report referred to as a "a letter".

## Conclusion

I took interest in **Credit Risk Management** area of specialization in my Ph.D. program, so I could eventually proffer some drastic academic solutions to the disturbing position of the Bank's non-performing loan portfolio. Apart from huge balances in the Bank's non-performing loans which has eaten up so deeply into NHF funds, there are many other serious issues that the Bank is currently contending with principally the dearth of financial accounting record-keeping which portrays the Bank in bad light and constantly signaling dangers ahead in respect of the Bank's going concern. Worthy of mention here is the unreconciled balances in E-Collection account amounting to the tune of **15 billion of naira (See Appendix H, J & L on E-Collection)**.

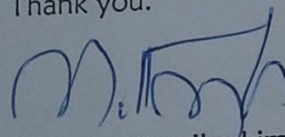
Preliminary findings of my study suggest that Human Capital (**one of the three components of Intellectual Capital**) is the most significant factor in the management of loan defaults (**Credit Risk**) of Banks in the Sub-Saharan Africa. Thus, sound credit risk management in banks depends largely on the effectiveness of human resource management of a bank. This explains why some bank's ratio of non-performing loans (NPLs) to total loan and advances is higher and vice versa. I want to share with you sir, the finding of my academic paper titled "**Intellectual Capital Efficiency and Credit Risk in Sub-Saharan African Banks**," the paper will be published in due

I wish to appeal to you sir, to intervene in our institution now so that it could be saved from the destruction of its human capital by the Executive Management Committee that is entrusted with the role of managing the affairs of the Bank. The Bank's capital is completely eroded and the business of the Bank is technically being funded by NHF (depositors' funds). As a stakeholder in the NHF project (at least one day I will also claim a refund of my contributions from the Bank), and as patriot, I owe my country a duty to report such matters to authorities for proper actions.

I am writing this petition to the Hon Minister to seek for your protection, sir. We currently have no board in place, as such the act establishing FMBN places the supervisory responsibility of the affairs of the Bank under your purview. Thus, the first point of contact for my complaint/petition is your office. Currently, I am scared and unsure about the future intentions of the EMC. I need your protection sir, and FMBN needs your protection the more. I wish to kindly register my appeal to you as a matter of urgency direct the Executive Management Committee (EMC) of FMBN to with immediate effect reverse these unwarranted decisions/transfers that were not carried out in good faith. They should also stop intimidating staff while discharging their duties. They (EMC) should also understand the gravity of their actions by avoiding unnecessary embarrassment to the administration of **President Muhammadu Buhari**.

Permit me, sir, to share a copy of this petition with the **Nigerian Police Force & the Department of State Security Services (DSS)**. It has become imperative for me to take this step because I am unsure about my safety anymore. The desperations in the actions of the EMC particularly that of sending a query to my family when they know very well that I was thousands of miles away from home, is of serious concern to me as a security conscious person. I feel significantly vulnerable in **Jalingo, Taraba State** and anywhere in Nigeria as such I need the protection of my country.

Thank you.



10/1/17

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cc: Inspector General of Police  
Director General, Department of State Security Services  
Auditor General of the Federation  
Executive Management Committee & Board Secretariat (FMBN)