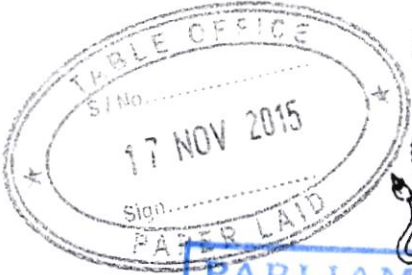


Approved for tabling.



REPUBLIC OF KENYA



THE NATIONAL ASSEMBLY

ELEVENTH PARLIAMENT - THIRD SESSION - 2015

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17/11/15
Paper laid
By the Chairperson
Departmental committee
on Administration
and National
Security
Hon ASMAN
Kamau*

DEPARTMENTAL COMMITTEE ON ADMINISTRATION AND NATIONAL SECURITY

*on member
17/11/2015
[Signature]*

REPORT ON INVESTIGATIONS INTO ALLEGED IRREGULARITIES IN THE DISBURSEMENT OF FUNDS TO CIVIL SOCIETY GROUPS BY THE NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE (NACADA)

DIRECTORATE OF COMMITTEE SERVICES,
CLERK'S CHAMBERS,
PARLIAMENT BUILDINGS,
NAIROBI

NOVEMBER, 2015

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ABBREVIATIONS / ACRONYMS

FMA - Fund Management Agency
PPOA - Public Procurement Oversight Authority
NACADA - National Authority for the Campaign Against Alcohol and Drug Abuse

1.0 PREFACE

On behalf of the Departmental Committee on Administration and National Security and pursuant to the provisions of Standing Order 199(6), it is my privilege and honour to present to the House the report of the Committee on investigations into alleged irregularities in the disbursement of funds to Civil Society Groups by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) in the 2013/14 Financial Year.

The investigations were necessitated by concerns raised, through the media indicating possible irregularities in the disbursement of funds to Civil Society organizations by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) during the 2013/14 Financial Year. The alleged irregularities included funding of non-existing or deregistered Non – Governmental Organizations, embezzlement of funds set aside for the anti-drug use campaign and irregular procurement of consultancy services for the management of NACADA's funding of civil society Organizations.

1.1 Mandate of the Committee

The Departmental Committee on Administration and National Security is established pursuant to the provisions of Standing Order No.216 with the following terms of reference:-

- (i) *study and review all legislation referred to it;*
- (ii) *make reports and recommendations to the House as often as possible, including recommendation of proposed legislation;*
- (iii) *to investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned Ministries and departments;*
- (iv) *to study the programme and policy objectives of Ministries and departments and the effectiveness of the implementation;*
- (v) *to study, access and analyze the relative success of the Ministries and departments as measured by the results obtained as compared with their stated objectives;*
- (vi) to investigate and inquire into all matters relating to the assigned Ministries and departments as they may deem necessary, and as may be referred to them by the House or a Minister;**

1.2 Committee Membership

The following are the Members of the Committee:

1. The Hon. Asman Kamama, MGH, OGW, MP - **Chairperson**
2. The Hon. Alois M. Lentoimaga, MP- **Vice Chairperson**
3. The Hon. Ababu Namwamba, EGH, MP
4. The Hon. Joseph Lekuton, MP
5. The Hon. Alice Wahome, MP
6. The Hon. Zakayo K. Cheruiyot, MP
7. The Hon. Timothy W. Wetangula, MP
8. The Hon. Patrick Ole Ntutu, MP
9. The Hon. Ali Isaack Shaaban, MP
10. The Hon. Samuel Moroto, MP
11. The Hon. Humphrey Njuguna, MP
12. The Hon. Francis K. Mwangangi, MP
13. The Hon. Rashid J. Bedzimba, MP
14. The Hon. David Gikaria, MP
15. The Hon. Mohamed Shidiye, MP
16. The Hon. Jane Machira, MP
17. The Hon. Ibrahim AbdiSaney, MP
18. The Hon. Joseph O. Ndiege, MP
19. The Hon. Shaaban Ali Isaack
20. The Hon. (Maj. Rtd.) John K. Waluke, MP
21. The Hon. Wanjiku Muhia, MP
22. The Hon. Akuja Protus Ewesit, MP
23. The Hon. Joseph M. Kahangara, MP
24. The Hon. Ahmed Abdikadir Ore, MP
25. The Hon. Grace Kiptui, MP
26. The Hon. George Theuri, MP
27. The Hon. James Bett, MP
28. The Hon. Benard Shinali, MP

1.3 Meetings

The Committee held three meetings with the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) Board of Directors, the Executive Director Non - Governmental Organization Coordination Board and the Director General, Public Procurement Oversight Authority.

I.4 Committee General Findings, Observations and Recommendations

Having held meetings and considered the submissions presented, the Committee observed that the procurement of consultancy services for the disbursement of funds to Civil Society Organizations by NACADA in the 2013/14 Financial Year was completely flawed. The procurement was not budgeted for nor planned. No requisition for the services was made by the procuring entity. It also contravened the Public Procurement and Disposal Act, 2005 on the following specific grounds:-

- (i) Regulation 20 (4) of the Public Procurement and Disposal Regulations 2006 that requires a head of department to submit an annual procurement plan to the accounting officer at least thirty days before the closure of each financial year was not complied with.
- (ii) No purchase requisition for the consultancy was raised by the user department, contrary to the provisions of Regulation 9 (a) and 22 of the Public Procurement and Disposal Regulations 2006.
- (iii) Although the law required firms to submit both technical and financial proposals. There were no minutes to indicate whether financial proposals were opened contrary to the requirements of Section 60 (8) and (9) of the Public Procurement and Disposal Act, 2005.
- (iv) The consultancy was procured through restricted tendering. However the choice of the method did not satisfy the requirement of section 29 (3) (a) and (b) and section 73 (2) (a), (b) and (c) of the Public Procurement and Disposal Act, 2005. The choice of the method did not also satisfy the requirements of Regulation 54 (2), (3) and (4) of the Public Procurement and Disposal Regulations, 2006 on identification of persons to be invited to participate in restricted tendering as seven firms were invited to participate in the tender instead of ten firms as provided in the Regulations 54 (3). The Committee further observed that the choice of restricted tendering was not approved by the tender committee as minutes to confirm the same were not provided. This contravened the requirements of Section 29 (3) (a) and (b) and Section 73(2)a), (b) of the Public Procurement and Disposal Act, 2005.

- (v) The evaluation criteria had stated that participating firms had to meet the minimum technical score to qualify for further evaluation but the minimum marks were not stated in the bid document. It was therefore irregular and in contravention of section 66 (2) of the Public Procurement and Disposal Act, 2005 for the tender committee to recommend M/s Price Waterhouse Coopers and M/S Ernest and Young for financial evaluation as the evaluation and comparison of the tenders was not carried out in accordance with the criteria stated in the bid document with respect to minimum qualifying marks.

- (vi) The procuring entity did use standard tender documents prescribed by Public Procurement Oversight Authority in the terms of reference signed with the firm awarded the consultancy against the provisions of section 29 (4) of the Public Procurement and Disposal Act, 2005.

The Committee also observed that the National Authority on the Campaign Against Alcohol and Drug Abuse (NACADA) violated public procurement rules in the procurement of media services from Kenya Broadcasting Corporation and other media organizations, amounting to KES. 47 million in the 2013/14 Financial Year. The services were procured without any tendering process.

The Committee recommends that the Ethics and Anti-Corruption Commission should conclude investigations into the irregular procurement of consultancy services for the disbursement of KES. 99 million to Civil Society Organizations by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) in the 2013/14 Financial Year and ensure that culpable officers are prosecuted.

The Ethics and Anti-Corruption Commission should also conclude investigations into the procurement of media services by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), amounting to KES. 47 million, without any tendering process during the 2013/14 financial year and ensure that culpable officers are prosecuted.

The Committee further National Authority for the Campaign Against Alcohol and Drug Abuse board should be dissolved and a new board be appointed to restructure the institutional framework of the organization to ensure that the board and the secretariat deliver on their respective mandates.

1.5 Adoption of the Report

We Members of the Departmental Committee on Administration and National Security have pursuant to Standing Order 199 adopted this report on investigations into alleged irregularities in the disbursement of funds to Civil Society Organizations by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) and affix our signatures to confirm our approval and confirm its accuracy, validity and authenticity on 28th August, 2015. (As per appendix I)

1. The Hon. Asman Kamama, MGH, OGW, MP - **Chairperson**
2. The Hon. Ababu Namwamba, EGH, MP
3. The Hon. Jane Machira, MP
4. The Hon. Zakayo K. Cheruiyot, MP
5. The Hon. James Bett, MP
6. The Hon. Benard Shinali, MP
7. The Hon. Grace Kiptui, MP
8. The Hon. George Theuri, MP
9. The Hon. Samuel Moroto, MP
10. The Hon. Humphrey Njuguna, MP
11. The Hon. Francis K. Mwangangi, MP
12. The Hon. Rashid J. Bedzimba, MP
13. The Hon. David Gikaria, MP
14. The Hon. Shaaban Ali Isaack, MP
15. The Hon. (Maj. Rtd.) John K. Waluke, MP
16. The Hon. Wanjiku Muhia, MP
17. The Hon. Ahmed Abdikadir Ore, MP

1.6 Acknowledgement

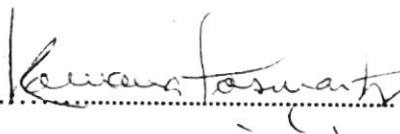
The Committee wishes to sincerely thank the Offices of the Speaker and the Clerk of the National Assembly for the support extended to it in the execution of its mandate.

I take this opportunity to thank all the Members of the Committee for their useful contributions towards the preparation and production of this report which enable us to complete the tasks expeditiously.

The Committee wishes to record its appreciation for the services rendered by the staff of the National Assembly attached to this Committee. Their efforts made the work of the Committee and the production of this Report possible.

The Committee is also grateful to all the witnesses who made submissions and presentations before the Committee during the meetings. Their contributions gave the Committee the much needed insights into the issues under investigations and possible solutions.

Finally, it is now my pleasant duty, on behalf of the Departmental Committee on Administration and National Security to present this report to the House pursuant to the provisions of Standing Order 199 (6).

Signed..........Date.....

Hon. Asman Kamama, MGH, OGW, MP
Chairperson, Departmental Committee on Administration and National Security

2.0 BACKGROUND INFORMATION

The National Authority for the Campaign against Alcohol and Drug Abuse (NACADA) is a State Corporation in the Ministry of Interior and Coordination of National Government. It is established under the National Authority for the Campaign against Alcohol and Drug Abuse Act, 2012 to coordinate a multi sectoral response to alcohol and drug abuse.

NACADA's functions are:-

1. To carry out public education on alcohol and drug abuse directly and in collaboration with other public or private bodies and institutions;
2. Coordinate and facilitate public participation in the control of alcohol and drug abuse;
3. Coordinate and facilitate inter-agency collaboration and liaison among lead agencies responsible for alcohol and drug-demand reduction;
4. In collaboration with other lead agencies, facilitate and promote the monitoring and surveillance of national and international emerging trends and patterns in the production, manufacture, sale, consumption, trafficking, promotion of alcohol and drugs prone to abuse;
5. In collaboration with other lead agencies, provide and facilitate the development and operation of rehabilitation facilities, programmes and standards for persons suffering from substance use disorders;
6. Subject to any other written law to license and regulate operations of rehabilitation facilities for persons suffering from substance use disorders;
7. Coordinate and facilitate, in collaboration with other lead agencies and non-state actors, the formulation of national policies, laws and plans of action on control of alcohol and drug abuse and facilitate their implementation, enforcement, continuous review, monitoring and evaluation;
8. Develop and maintain proactive cooperation with regional and international institutions in areas relevant to achieving the Authority's objectives;

9. In collaboration with other public and private agencies, facilitate, conduct, promote and coordinate research and dissemination of findings on data on alcohol and drug abuse and serve as the repository of such data;

10. In collaboration with other lead agencies, prepare, publish and submit an alcohol and drug abuse control status report bi-annually to both Houses of Parliament through the Cabinet Secretary;

11. Assist and support County Governments in developing and implementing policies, laws, plans of action on control of drug abuse.

As part of the fulfillment of the mandate of carrying out public education on alcohol and drug abuse directly and in collaboration with other public or private bodies and institutions. The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) undertook a Civil Society Organizations funding programme, during the 2013/14 Financial Year. Under the programme the Authority invited applications for funding for Civil Society organizations to facilitate the anti-drug use campaign. However allegations of irregularities in the disbursement of funds under the programme emerged as highlighted in the print media.

The Committee investigations into the matter were necessitated by concerns raised, through the media indicating possible irregularities in the disbursement of funds to Civil Society organizations by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) during the 2013/14 Financial Year. The alleged irregularities included funding of non-existing or deregistered Non – Governmental Organizations, embezzlement of funds set aside for the anti-drug use campaign and irregular procurement of consultancy services for the management of NACADA's funding of civil society Organizations

During the investigations the Committee held three meetings with the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) Board of Directors, the Executive Director Non - Governmental Organization Coordination Board and the Director General, Public Procurement Oversight Authority. Through submissions made during the meetings the Committee drew conclusions and made several observations and recommendations to address the possible irregularities.

3.0 MEETINGS

3.1 Meeting with the National Authority for the Campaign Against

Alcohol and Drug Abuse (NACADA) Board of Directors

The Committee held a meeting with the NACADA Board of Directors on 3rd July 2015. During the meeting the board members responded to the issues raised by the Committee as follows:-

On the issue of alleged embezzlement of funds set aside for the anti-drug use campaign

The Committee was informed that the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) formed an adhoc committee, consisting of members of the finance and audit sub – committees to investigate allegations made by the Executive Director, Non- Governmental Organizations Coordination Board indicating that NACADA had funded unregistered /deregistered organizations leading to loss of public funds. The adhoc committee held three meeting on 18th, 23rd and 29th June, 2015. During the meeting the following documents were reviewed:-

- (i) Management response to the letter from the Non- Governmental Organizations Coordination Board;
- (ii) Legal and institutional framework for the funding for the Civil Society Organizations funding programme;
- (iii) Reports and oral presentations by Ernst and Young, the Fund Management Agency (FMA) charged with disbursing the funds;
- (iv) The Monitoring and Evaluation framework put up by NACADA and the Fund Management Agency;
- (v) List of funded organizations and their registration details;
- (vi) NACADA funding instructions to the Fund Management Agency (FMA); and
- (vii) Copies of Civil Society Organizations registration certificates, FMA 's funding instructions to the Civil Society Organizations ,RTGS confirmation from the Fund Management Agency 's Bank and the the Civil Society Organizations Bank Statements.

The Chairperson, NACADA stated that upon review of the matter the adhoc committee concluded that there was no evidence of loss of funds as monies forwarded to the Fund Management Agency (FMA) by NACADA had been disbursed and received by the Civil Society Organizations.

On alleged funding of non-existing or deregistered Non – Governmental Organizations

The Board confirmed to the Committee that all organizations funded by NACADA had provided prove of registration at the time of applying for funds. Majority of these organizations were registered as Self Help Groups/Community Based Organizations, registered by the then Ministry of Gender, Children and Social Services. Only 35 of the funded organizations were registered as Non-Governmental Organizations. The other 95 funded organizations were registered by other Government bodies as indicated in table I.

Table I. Category of organizations funded by NACADA in 2013/14 FY

S/N	Category	Number of Organizations Funded
1	Self Help Groups/Community Based Organizations	75
2	Societies	9
3	Associations	4
4	Companies	4
5	Club	1
6	Charitable	1
7	University	1
8	Non-Governmental Organizations	35
	Total	130

(Source: Documents submitted to the Committee by NACADA)

In response to allegations made by the Non-Governmental Organizations Coordination Board, in its letter dated 9th June 2015 and addressed to the Chairperson NACADA indicating that two Non - Governmental Organizations, Coast Rural Development Organization and Community of Mercy Development Organization that had been deregistered in December,2014 received funds from NACADA, the NACADA board of directors informed the Committee that the Authority had undertaken pre-disbursement assessment of all organizations approved for funding to establish their capacity to implement projects and account for the funds. This included confirmation of registration status and provision of registration details. The Committee further heard that the disbursement of funds to the two organizations was made in November, 2013 before their reported deregistration in December, 2014.

before the Board for deliberation and resolution. This decision was later rescinded by other members of the board on the grounds that it was done without following due procedure. On his part the Chairperson stated that the Chief Executive Officer was not keen on the Anti- alcohol and drug use campaign.

Documents submitted to the Committee also indicated that the Cabinet Secretary for Interior and Coordination of National Government convened a meeting on Tuesday 30th June, 2015 at Harambee House in a bid to resolve the conflict in the NACADA Board.

During the said meeting it was noted that there was clear division within the organization involving the Chairperson and the Chief Executive Officer. Further dividing the organization into two camps, one supporting the Chairperson and the other the Chief Executive Officer, The Cabinet Secretary observed that there was a clear distinction between the role of the Board and Management, with the former expected to offer leadership and policy direction and the latter was expected to implement the decisions of the board.

Procurement of Media Services from Kenya Broadcasting Corporation and Other Media Organizations in 2013/14 Financial Year

Documents submitted to the Committee indicated that NACADA had written to the Principal Secretary for Interior seeking approval for payment of outstanding bills arising from advertisements made between 16th and 30th June 2014. The Principal Secretary declined to approve the request on the grounds that the Ministry's guidance on the matter was communicated to all officers vide circular letter reference No. OP.PA/2/27A of 14th February, 2014) which among others, drew their attention to the contents of Treasury circular(6/2014) of 13th May 2014 which directed all Accounting Officers not to enter into any new commitment between 15th and 30th June,2014 without written authority from the Principal Secretary, National Treasury.

The National Treasury vide letter Ref CONF/MOF/347/02/ (11) dated 2nd March, 2015 advised on the matter as follows:-

- (i) Section 27 of the Public Procurement and Disposal Regulations 2009, on procurement approvals states that "No procurement approval shall be made to operate retrospectively to any date earlier than the date of which it was made".
- (ii) Section 8 and 10 of the Public Procurement and Disposal Regulations on Internal Procurement Entities, stipulates and provides details on how the

On alleged irregularities in the disbursement of funds to Civil Society groups.

The Committee was informed that the NACADA Board of Directors did not find evidence of any irregularities in the disbursement of funds. A summary of the disbursement was provided as follows:-

- (i) NACADA forwarded a list of 134 organizations, which had applied for funding, to the Fund Management Agency (Ernest and Young). However the number of eligible organizations was reduced to 130 as 4 organizations did not pass capacity assessment test.
- (ii) The total cost of proposals submitted to the Fund Management Agency (MFA) was KES 118 million. As at 31st May 2015 NACADA had forwarded KES 94,911,561.50 to the Fund Management Agency (MFA). A review of documents including bank transfer certificates and acknowledgement letters from Civil Society Organizations indicated that the MFA had as at 31st May, 2015 disbursed KES 91,891,839.40 to Civil Society Organizations.
- (iii) Fund balance held by the Fund Management Agency (MFA) was KES 3,019,722.10 as at 31st May, 2015. The fund balance, held by NACADA was KES 4,088,438.50.
- (iv) The interest income earned on the disbursed funds which was managed through an interest earning account was KES 565,610.69 as at 31st May 2015. The bank charges incurred on the account amounted to KES 181,691.58.
- (v) Accrued net interest of Bank charges of KES 326,440.40 was paid to NACADA on 8th December, 2014.
- (vi) 88% of the funds disbursed had been accounted for by the Civil Society Organizations.

Conflict in the Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) Board

The Chief Executive officer informed the Committee that the Chairperson had attempted to unilaterally suspend him and six other officers on 18th June, 2015 on the basis of a letter from the Board's Audit sub-committee which had not been brought

procurement function should be conducted by the procuring entities. This includes involvement of the procurement units, Tender Committees' approvals and confirmation of availability of funds for any procurement that is under consideration.

- (iii) Notwithstanding the above procurement procedures there was no provision for Post-Facto authority in any procurement undertaking.

The National Treasury concluded that the matter was a case of mis-procurement as the said procurement did not meet the stipulated threshold, in the Public Procurement Process.

Observations by the Committee

During the meeting the Committee observed that:-

- (i) NACADA was under performing due to wrangles and uneasiness within the board, as witnessed in the meeting through counter accusations involving the Chairperson, Vice Chairperson and the Chief Executive Officer.
- (ii) 2.5 million Kenyans addicted to alcohol and narcotics are suffering and required rehabilitation. However there are no adequate rehabilitation centres in the Country to cater for the demand.
- (iii) The Cabinet Secretary for Interior and Coordination of National Government was yet to gazette regulations on control of alcohol quality and treatment and rehabilitation of addicts.
- (iv) NACADA violated public procurement rules in the procurement of media services from Kenya Broadcasting Corporation and other media organizations, amounting to KES. 47 million, without any tendering process in 2013/14 Financial year.

3.2 Meeting with the Executive Director Non - Governmental Organization Coordination Board

The Committee held a meeting with the Executive Director Non - Governmental Organization Coordination Board on Thursday 30th July 2015. During the meeting the Director informed the Committee that their investigations into the disbursement of funds to Civil Society Organizations by NACADA revealed that:-

- (i) Out of the one hundred and nineteen (119) Civil Society Groups funded by NACADA, only 33 were registered by the Non –Governmental Organizations Coordination Board.
- (ii) Out of the 33 organizations registered by the Board, only 14 organizations had accurately disclosed the funds received totalling Kshs. 13,933,175.00. The 14 organization were as follows:-

- Action Network for the Disabled;
- Alliance for Education and Empowerment in Development;
- Benevolent Institute of Development Initiatives;
- Cheripkei Community Awareness and Education Programme;
- Climatic and Environmental Conservation Kenya;
- Gaplink International;
- Green View;
- Homa Hills Community Development Organization;
- Kenya Network of Women with AIDS (KENWA);
- Neem Environment Project;
- Right Destitute Mother Child Organization;
- Sere Africa International;
- Strengthening Community Partnership and Empowerment;and
- Youth Alive! Kenya.

- (iii) Two (2) organizations – Coast Rural Development Organization and Community of Mercy Development Organization, which received Kshs. 745,500, had been deregistered.
- (iv) Even though, it was claimed that Kshs. 10,671,447.50 was advanced to eleven (11) organizations, records at the Board indicated that none of the organizations received any funding from NACADA. The organization were as follows:-

- Maranatha International Counseling Foundation;
- Men for Gender Equality Now;
- Solidarity for Eco-Friendly Efforts in Kenya;
- Songa Mbele Women Organization (Move Forward);
- Kenya Basic Support Foundation;
- Narok District Network Forum;
- Strategic Intervention for Poverty Alleviation in Kenya;
- Mumoni and Kyuso Organization for Rural;
- Sporting Chance International;
- Maendeleo yaWanawake Organization; and
- Young Women's Christian Association (YWCA).

- (v) Six (6) organizations declared funds in excess of what was received from NACADA which points to other possible sources of funding or fraud .The six organizations are as indicated in Table 2.

Table2. Organizations that had declared funds in excess of what was received from NACADA

Organization Name	NGOs Coordination Board Records 2013-2014	Amount Funded by NACADA 2013	Excess Funding
Gesieka National Network Community	Kshs. 700,000	Kshs. 350,000	Kshs. 350,000
Keiyo South Women Empowerment Network	Kshs. 700,000	Kshs. 350,000	Kshs. 350,000
Kenya Arid Regions Children Fund	Kshs. 700,000	Kshs. 382,850	Kshs. 317,000
Nurture Smart Youth Program Kenya	Kshs. 350,000	Kshs. 175,000	Kshs. 175,000
Practical Solution for Pastoralist Development	Kshs. 700,000	Kshs. 461,500	Kshs. 238,500
Movement Against Substance Abuse in Africa	Kshs. 3,000,000	Kshs. 1,500,000	Kshs. 1,500,000

(Source: documents submitted to the committee by the Non - Governmental Organization Coordination Board)

The Committee was further informed that the board was unable to establish the legal status of the 33 organizations and whether the funds allegedly advanced to them were received by the organizations or not. He added that disbursement of funds without establishing the legal status of Non-Governmental Organizations occurred because of lack of due diligence from government agencies such as NACADA.

Committee's Observations and Recommendations

The Committee observed that funding of deregistered organizations posed a threat to the security of the Country and was tantamount to misuse of taxpayers' money. The Committee requested for an updated list of deregistered Non-Governmental Organizations, those pending deregistration and those waiting registration approval. The Committee recommended that all Non-Governmental Organizations operating in the Country must be authenticated by the Non - Governmental Organization Coordination Board.

3.3 Meeting with the Director General, Public Procurement Oversight Authority

The Committee held a meeting with the Director General, Public Procurement Oversight Authority on Tuesday 25th August, 2015. The purpose of the meeting was to seek information on whether the procurement of consultancy services for the management of NACADA's funding of Civil Society Organizations in 2013/14 Financial Year followed due process. During the meeting the Director General informed the Committee that he had sought to obtain relevant documents on the matter from NACADA but was informed that the documents had been submitted to the Ethic and Anti -Corruption Authority. Attempts to obtain the documents from the latter were also not successful, although the Ethics and Anti-Corruption Authority had invited the Director General to peruse the documents in their offices. However the Director General informed the Committee that preliminary investigations on the matter conducted in May, 2014 had revealed that:-

- (i) Though the disbursement of KES 99,000,000 was approved by the NACADA board of directors in March, 2013 the resultant costs for the disbursement was not budgeted nor planned as required under Section 26 (3) (a) and 26 (c) of the Public Procurement and Disposal Act, 2005. In addition, Regulation 20 (4) of the Public Procurement and Disposal Regulations 2006 requires that 'a head of department shall submit an annual procurement plan to the accounting officer at least thirty days before close of each financial year', however this provision was not complied with.
- (ii) There was no purchase requisition for consultancy raised by the user department contrary to the provisions of Regulation 9 (a) (i) and 22 of the Principal Regulations, 2006.

- (iii) The procuring entity did use Standard tender documents prescribed by the Public Procurement Oversight Authority in the Terms of reference signed with the firm awarded the consultancy against the provisions of Section 29 (4) of the Public Procurement and Disposal Act, 2005.
- (iv) The consultancy was procured through restricted tendering. However the choice of the method was not approved by the tender committee as minutes to confirm the same were not provided. This contravened the requirements of Section 29 (3) (a) and (b) and Section 73(2)(a) and (b) of the Act. Also only seven firms were invited to participate in the tender contrary to Regulation 54 (3) which requires a procuring entity to invite tenders from at least ten firms selected from a prequalified list. The firms invited to participate in the tender were: M/s KPMG; M/s Kenya Commercial Bank; M/s SACCO Societies Regulatory Board; M/s Price Waterhouse Coopers; M/S Ernst and Young; M/s Kenya Post Office Savings Bank; and M/s Deloitte Kenya.
- (v) Although the law required firms to submit both technical and financial proposals. There were no minutes to indicated whether financial proposals were opened contrary to the requirements of Section 60 (8) and (9) of the Public Procurement and Disposal Act, 2005.
- (vi) The evaluation of the tender was carried out by four officers and M/s Price Waterhouse was ranked 1st with a score of 97 out of 100 marks; 2nd was Ernst and Young who had scored 69 out of 100 marks; and M/s Kenya Post Office Bank was last scoring 0. However the minimum scores for one to qualify for further evaluation were not stated in the tender documents. It was therefore irregular for M/s Price Waterhouse Coopers and M/s Ernst and Young to have been recommended for further evaluation on the basis of 'best fit' as the criteria was no objective contrary to Regulation 16(7) of the Principal Regulations, 2006.
- (vii) Despite the irregularities, cited above, the Accounting Officer signed a contract with M/s Ernst and Young at Ksh 17,001,540 contrary to the provisions of Section 27 (2) of the Act which requires the Accounting Officer to adhere to the law.
- (viii) Only seven firms were invited to participate in the tender, contrary to Regulation 54 (3) which requires a procuring entity to invite tenders from at least ten firms selected from a prequalified list.

The Public Procurement Oversight Authority concluded that the processing of the tender did not satisfy the requirements of the procurement law and the consequent contract entered and payments made were irregular. The Committee was further informed that the Authority had recommended that the Accounting Officer take disciplinary measures on all officers involved in the procurement. Also a report on the matter was forwarded to the Ethics and Anti -Corruption Commission for action.

4.0 COMMITTEE OBSERVATIONS

From the meetings with witnesses the Committee observed that:-

- I. The procurement of consultancy services for the disbursement of KES 99 million to Civil Society Organizations by NACADA in the 2013/14 Financial Year was completely flawed. The procurement was not budgeted for nor planned and no requisition for the services was made. It also contravened the Public Procurement and Disposal Act, 2005 on the following specific grounds:-
 - (i) Regulation 20 (4) of the Public Procurement and Disposal Regulations, 2006 that requires a head of department to submit an annual procurement plan to the accounting officer at least thirty days before the closure of each financial year was not complied with.
 - (ii) No Purchase Requisition for the consultancy was raised by the user department, contrary to the provisions of Regulation 9(a) and 22 of the Public Procurement and Disposal Regulations, 2006.
 - (iii) Although the law required firms to submit both technical and financial proposals, there were no minutes to indicate whether financial proposals were opened contrary to the requirements of Section 60 (6) and (7) of the Public Procurement and Disposal Act, 2005.
 - (iv) The consultancy was procured through restricted tendering. However the choice of the method did not satisfy the requirement of section 29 (3) (a) and (b) and section 73 (2) (a), (b) and (c) of the Public Procurement and Disposal Act, 2005. The choice of the method did not also satisfy the requirements of Regulation 54 (2) (3) and (4) of the Public Procurement and Disposal Regulations 2006 on identification of persons to be invited to participate in restricted tendering as seven firms were invited to participate in the tender instead of ten firms as provided in the Regulations 54 (3). The

Committee further observed that the choice of restricted tendering was not approved by the tender committee as minutes to confirm the same were not provided. This contravened the requirements of Section 29 (3) (a) and (b) and Section 73(2) a), (b) of the Public Procurement and Disposal Act, 2005.

- (v) The evaluation criteria had stated that participating firms had to meet the minimum technical score to qualify for further evaluation but the minimum marks were not stated in the bid document. It was therefore irregular and in contravention of section 66 (2) of the Public Procurement and Disposal Act 2005 for the tender committee to recommend M/S PriceWaterhouseCoopers and M/S Ernest and Young for financial evaluation as the evaluation and comparison of the tenders was not carried out in accordance with the criteria stated in the bid document with respect to minimum qualifying marks.
- (vi) The procuring entity did use standard tender documents prescribed by Public Procurement Oversight Authority in the terms of reference signed with the firm awarded the consultancy against the provisions of section 29 (4) of the Public Procurement and Disposal Act, 2005.

2. The National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) violated public procurement rules in the procurement of media services from Kenya Broadcasting Corporation and other media organizations, amounting to KES. 47 million, without any tendering process during the 2013/14 Financial Year.
3. Majority of the Civil Society organizations that were funded were registered as Self Help Groups/Community Based Organizations, registered by the then Ministry of Gender, Children and Social Services. Only 35 of the funded organizations were registered as Non-Governmental Organizations. The claims made by the Executive Director, Non-Governmental Coordination Board that only 33 organizations funded by NACADA were registered by the Board did not therefore imply that the other organizations were necessarily illegal as they were registered under different categories. Evidence of the organizations' registration status that included registration certificates were submitted to the Committee.

4. Although Coast Rural Development Organization and Community of Mercy were deregistered by the Non-Governmental Coordination Board, the disbursement of funds to Coast Rural Development Organization was made in November, 2013 before the reported deregistration of the organization in December, 2014.
5. The National Authority for the Campaign against Alcohol and Drug Abuse (NACADA) was only mandated to campaign against Alcohol and Drug abuse and not to control the vice. There is need to amend the National Authority on the Campaign Against Alcohol and Drug Abuse Act 2012 to empower the Authority to control the Alcohol and Drug abuse problem.
6. National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) was under performing due to wrangles and uneasiness within the Board, as witnessed in the meeting through counter accusations involving the Chairperson, Vice Chairperson and the Chief Executive Officer.
7. 2.5 million Kenyans were reportedly addicted to alcohol and narcotics are suffering and required rehabilitation. However there are no adequate rehabilitation centres in the Country to cater for the demand of the addicts.
8. The Cabinet Secretary for Interior and Coordination of National Government was yet to gazette regulations on control of alcohol quality and treatment and rehabilitation of addicts.

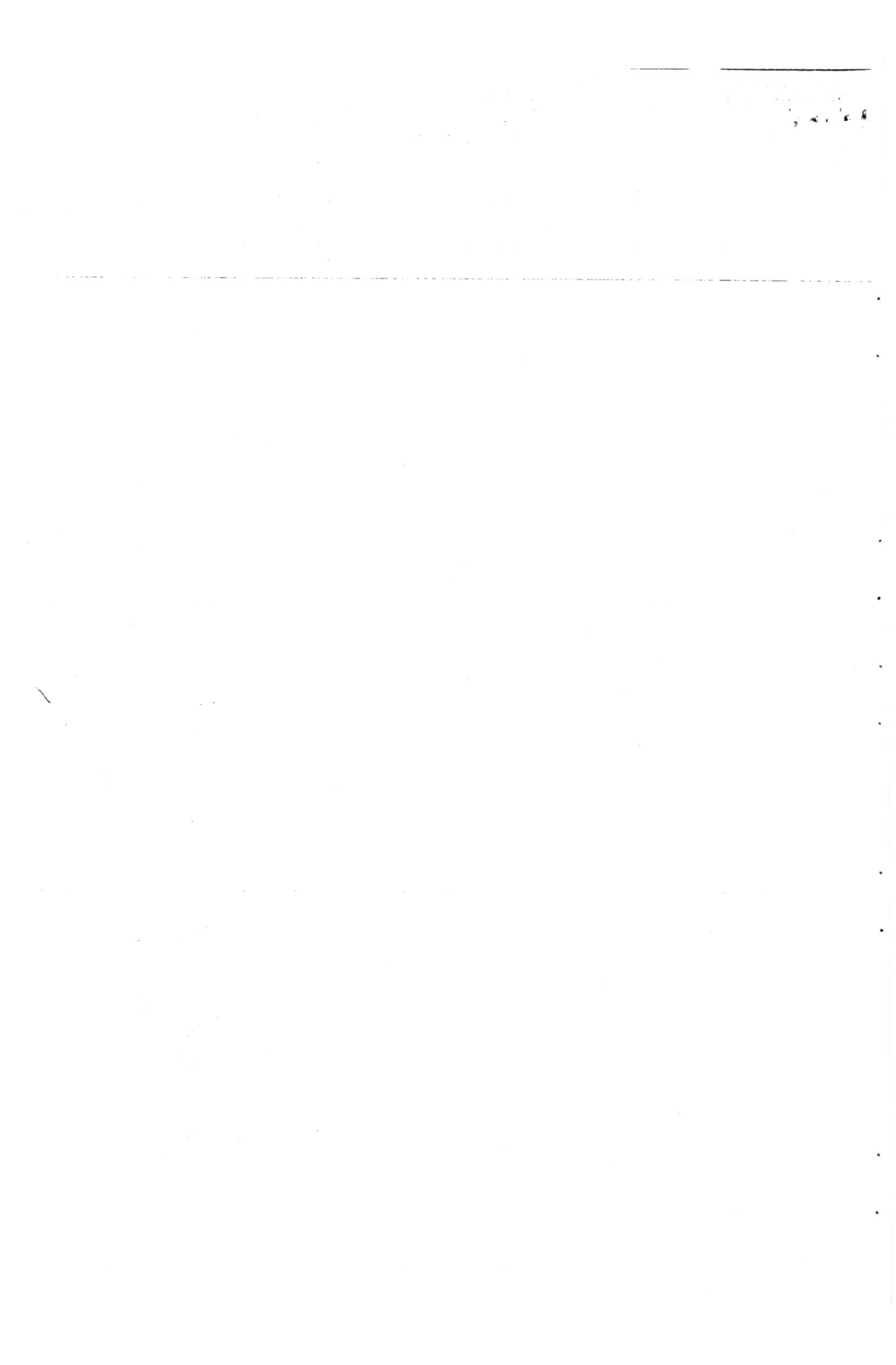
5.0 RECOMMENDATIONS

The Committee made the following recommendations:-

1. **The Ethics and Anti-Corruption Commission should conclude investigations into the irregular procurement of consultancy services for the disbursement of KES.99 million to Civil Society Organization by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) in the 2013/14 Financial Year and ensure that culpable officers are prosecuted.**
2. **The Ethics and Anti-Corruption Commission should conclude investigations into the procurement of media services by the National Authority for the Campaign Against Alcohol and Drug Abuse**

2. **The Ethics and Anti-Corruption Commission should conclude investigations into the procurement of media services by the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA), amounting to KES. 47 million, without any tendering process during the 2013/14 financial year and ensure that culpable officers are prosecuted.**

3. **The National Authority for the Campaign Against Alcohol and Drug Abuse board should be dissolved and a new Board be appointed to restructure the institutional framework of the organization to ensure that the board and the secretariat deliver on their respective mandates.**



MINUTES

MINUTES OF THE 44TH SITTING OF THE DEPARTMENTAL COMMITTEE ON
ADMINISTRATION AND NATIONAL SECURITY HELD ON 28TH AUGUST, 2015 AT
FLAMINGO HOTEL, MOMBASA AT 10.00 A.M.

PRESENT

1. The Hon. Asman Kamama, MGH, OGW, MP - Chairperson
2. The Hon. Alois Lentoimaga, MP - Vice Chairperson
3. The Hon. Wanjiku Muhia, MP
4. The Hon. Grace Kiptui, MP
5. The Hon. George Theuri, MP
6. The Hon. Ahmed Abdikadir Ore, MP
7. The Hon. Zakayo Cheruiyot, MP
8. The Hon. Humphrey Njuguna, MP
9. The Hon. Francis Mwangangi, MP
10. The Hon. (Maj. Rtd) J. K. Waluke, MP
11. The Hon. Patrick Ole Ntutu, MP
12. The Hon. Benard Shinali, MP
13. The Hon. Joseph Lekuton, MP
14. The Hon. James Bett, MP
15. The Hon. Ababu Namwamba, MP
16. The Hon. Rashid Bedzimba, MP
17. The Hon. Shaaban Ali Isaack, MP
18. The Hon. Jane Machira, MP
19. The Hon. Samuel Moroto, MP

ABSENT WITH APOLOGY

1. The Hon. Alice Wahome, MP
2. The Hon. Joseph Ndiege, MP
3. The Hon. Mohamed Shidiye, MP
4. The Hon. Protus Akuja Ewesit, MP
5. The Hon. Regina Nthambi Muia, MP
6. The Hon. David Gikaria, MP
7. The Hon. Joseph Kahangara, MP
8. The Hon. Ibrahim Saney, MP
9. The Hon. Timothy Wetangula, MP

IN ATTENDANCE- NATIONAL ASSEMBLY

- | | | |
|------------------------|---|---------------------------------|
| 1. Mr. Leonard Machira | - | First Clerk Assistant |
| 2. Ms. Hellen Lokwang | - | Third Clerk Assistant |
| 3. Mr. Mohamed Boru | - | Third Clerk Assistant |
| 4. Mr. Eugene Apaa | - | Research and Policy Analyst III |
| 5. Mr. Abdi Salat | - | Sergeant At Arms |

MIN.NO. 158 /ANS/2015 - PRELIMINARIES

The Chairperson called the meeting to order at 10.00 a.m with a prayer from Hon. James Bett MP.

MIN.NO. 159 /ANS/2015 - CONFIRMATION OF MINUTES

The Committee confirmed minutes of previous sittings as follows:-

(a) 11th Sitting

The minutes of the 11th Sitting were confirmed as the true proceedings of the meeting having been proposed by Hon. Joseph Lekuton, MP and seconded by Hon. (Maj. Rtd.) John Waluke, MP.

(b) 12th Sitting

The minutes of the 12th Sitting were proposed and seconded by Hon. Humphrey Njuguna, MP and seconded by Hon. Joseph Lekuton, MP respectively.

(c) 13th Sitting

The minutes of the 13th Sitting were proposed and seconded by Hon. Alois Lentoimaga, MP and Hon. Zakayo Cheruiyot, MP respectively.

(d) 14th Sitting

The minutes of the 14th Sitting were proposed and seconded by Hon. Grace Kiptui, MP and Hon. James Bett, MP respectively

(e) 15th Sitting

The minutes of the 15th Sitting were proposed and seconded by Hon. James Bett, MP and Hon. Francis Mwangangi, MP respectively.

(f) 16th Sitting

The minutes of the 16th Sitting were proposed by Hon. Jane Machira, MP and seconded by Hon. (Maj. Rtd.) John Waluke, MP.

(g) 17th Sitting

The minutes of the 17th Sitting were proposed and seconded by Hon. Grace Kiptui, MP and Hon. James Bett, MP respectively.

(h) 19th Sitting

The minutes of the 19th Sitting were proposed and seconded by Hon. Zakayo Cheruiyot and Hon. Francis Mwangangi, MP respectively.

(i) 20th Sitting

The minutes of the 20th Sitting were proposed by Hon. (Maj. Rtd.) John Waluke, MP and seconded by Hon. Francis Mwangangi, MP.

(j) 21st Sitting

The minutes of the 21st Sitting were proposed and seconded by Hon. Humphrey Njuguna and Hon. James Bett, MP respectively.

(k) 22nd Sitting

The minutes of the 22nd Sitting were proposed and seconded by Hon. Humphrey Njuguna, MP and Hon. Francis Mwangangi, MP respectively.

(l) 23rd Sitting

The minutes of the 23rd Sitting were proposed and seconded by Hon. Shaaban Isaack and Hon. Grace Kiptui MP respectively.

(m) 25th Sitting

The minutes of the 25th Sitting were proposed and seconded by Hon. James Bett, MP and Hon. Humphrey Njuguna, MP respectively.

(n) 26th Sitting

The minutes of the 26th Sitting were proposed and seconded by Hon. Samuel Moroto MP and Hon. Grace Kiptui MP respectively.

(o) 27th Sitting

The minutes of the 27th Sitting were proposed and seconded by Hon. Humphrey Njuguna MP and Hon. Zakayo Cheruiyot MP respectively.

(p) 31st Sitting

The minutes of the 31st Sitting were proposed and seconded by Hon. Ababu Namwamba MP and Hon. Shabaan Isaack MP respectively.

(q) 32nd Sitting

The minutes of the 32nd Sitting were proposed and seconded by Hon. Samuel Moroto MP and Hon. Shabaan Isaack MP respectively.

MIN NO.160 /ANS/2015 – MATTERS ARISING

(i) Under Minutes of the 11th sitting MIN. NO.39/ANS/2015.

The Committee resolved to form a subcommittee to discuss the issue of allocation of more funds to fund measures to address famine with the relevant Cabinet Secretary.

(ii) Under Minutes of the 13th sitting MIN. NO.47/ANS/2015.

Members noted that elected leaders from the North Eastern region need to take a leading role in addressing the perceived segregation on non-local teachers.

(iii) Under Minutes of the 31st sitting MIN. NO.111 /ANS/2015.

The Committee observed that no allocation had been set aside to facilitate the operations of the Kenya Police Reservists. The Members also emphasized the need for the National Police Service to fully implement the medical cover for police officers

MIN.NO. 161 /ANS/2015 - ADOPTION OF REPORTS

1. Report on the investigations into the Garissa University College Terrorist attack

The Committee adopted the report on the investigations into the Garissa University College Terrorist attack with the following recommendations:-

- (i) The Inspector General of Police, through the Director of operations in the National Police Service, should assume command of all internal security operations. The Kenya Defence Forces should be deployed only as a last option.

- (ii) The Government should ensure that Senior Administrative Officers and Police County Commanders in the North Eastern Region who were interdicted following the attack are prosecuted for criminal negligence.
- (iii) The Government should initiate a public awareness sensitization programme on safety and evacuation skills, particularly targeting students in all schools and colleges.
- (iv) The Government should reopen the Garissa University College, Garissa Medical Training College, Garissa Teachers Training College and Garissa Technical Training College. However the Government is also duty bound to ensure that meticulous and effective security arrangements are made before the institutions are reopened.
- (v) The Government should account for all Kenyans who were trained in Manyani in 2009 and were deployed in Somali to assist the Transitional Federal Government of Somalia within the framework of the Kenya-Somali Technical Co-operation Agreement. Those who do not cooperate should be prosecuted under military law.
- (vi) The Government should renegotiate the deployment of troops in Somali to ensure that Kenya Defence Forces take charge of AMISOM operations in areas along the Kenya- Somali border to protect national interest by create a buffer zone and ensure that Al Shabaab militants do not operate freely in the region to launch attacks on targets in Kenya.
- (vii) The Police Training Curriculum should be modernized to ensure that all police officers are adequately trained in new and emerging techniques such as fighting in build- up areas or in close Quarter Battle, to be able to effectively counter terrorism and related crimes. The Government should also equip police officers to levels commensurate with the level of insecurity facing the Country.
- (viii) The National Police Service should decentralize the RECCE Squad operations to County Headquarters, in areas which are vulnerable to terrorist attacks such as the North East Eastern and Coast regions. This would reduce the duration currently taken by the unit to respond to incidents of serious crime in areas far from Nairobi
- (ix) The Ethics and Anti-Corruption Authority should conduct investigations on alleged corruption in the issuance of movement permits in the refugee camps and ensure that all culpable government officers are prosecuted.
- (x) The Government should fast track the recruitment of two hundred Police Reservists per County, within the North Eastern region, to supplement security agencies in enforcing law and order.

- (xi) Government should initiate an affirmative recruitment of teachers in the region to replace the Teachers Service Commission employed teachers who had been transferred from the region.
- (xii) The Government should initiate a multi-pronged anti- terrorism and anti-radicalization strategy involving all stakeholders through the establishment of partnership with the public, religious and elected leaders, community leaders and the media. This would ensure that the citizenry in the Country particularly North Eastern and Coast regions are actively involved in the fight against terrorism and the twin challenge of radicalization.
- (xiii) The Government should streamline the transfer and deployment of Police Officers in the Country to address Low Morale among Police Officers caused by overstaying in one station for long, making them inefficient, less active and demoralized.

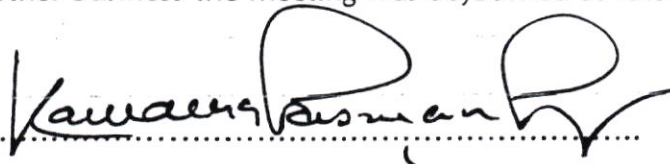
2. Report on investigations into alleged irregularities in the disbursement of funds to civil society groups by the National Authority for the Campaign against Alcohol and Drug Abuse (NACADA)

The Committee adopted the report on investigations into alleged irregularities in the disbursement of funds to civil society groups by the National Authority for the Campaign against Alcohol and Drug Abuse (NACADA) with the following recommendations:-

- (i) The Ethics and Anti-Corruption Commission should conclude investigations into the irregular procurement of consultancy services for the disbursement of KES.99 million to Civil Society Organization by National Authority for the Campaign Against Alcohol and Drug Abuse board (NACADA) in the 2013/14 financial year and ensure that culpable officers are prosecuted.
- (ii) The Ethics and Anti-Corruption Commission should conclude investigations into the procurement of media services by National Authority for the Campaign Against Alcohol and Drug Abuse board (NACADA), amounting to KES. 47 million, without any tendering process during the 2013/14 financial year and ensure that culpable officers are prosecuted.
- (iii) The National Authority for the Campaign Against Alcohol and Drug Abuse board should be dissolved and a new board be appointed to restructure the institutional framework of the organization to ensure that the board and the secretariat deliver on their respective mandate.

MIN.NO. 162 /ANS/2015 - ADJOURNMENT OF THE MEETING

There being no other business the meeting was adjourned at 12.30 p.m.

Signed..... 

(Chairperson)

Date..... 27th October, 2015.....

MINUTES OF THE 43RD SITTING OF THE DEPARTMENTAL COMMITTEE ON
ADMINISTRATION AND NATIONAL SECURITY HELD ON 25TH AUGUST 2015 IN THE
BOARD ROOM 2ND FLOOR PROTECTION HOUSE, PARLIAMENT BUILDINGS
PARLIAMENT BUILDINGS AT 10.00 A.M.

PRESENT

1. The Hon. Asman Kamama, MGH, OGW, MP - Chairperson
2. The Hon. Alois Lentoimaga, MP - Vice Chairperson
3. The Hon. Wanjiku Muhia, MP
4. The Hon. Grace Kiptui, MP
5. The Hon. George Theuri, MP
6. The Hon. Mohamed Shidiye, MP
7. The Hon. Protus Akuja Ewesit, MP
8. The Hon. Ahmed Abdikadir Ore, MP
9. The Hon. Zakayo Cheruiyot, MP
10. The Hon. Humphrey Njuguna, MP
11. The Hon. Francis Mwangangi, MP
12. The Hon. Regina Nthambi Muia, MP
13. The Hon. Patrick Ole Ntutu, MP
14. The Hon. Benard Shinali, MP
15. The Hon. Joseph Kahangara, MP
16. The Hon. Samuel Moroto, MP
17. The Hon. Alice Wahome, MP
18. The Hon. Joseph Ndiege, MP
19. The Hon. James Bett, MP
20. The Hon. Ababu Namwamba, MP
21. The Hon. Shaaban Ali Isaack, MP

ABSENT WITH APOLOGY

1. The Hon. Joseph Lekuton, MP
2. The Hon. Jane Machira, MP
3. The Hon. Rashid Bedzimba, MP
4. The Hon. Ibrahim Saney, MP
5. The Hon. (Maj. Rtd) J. K. Waluke, MP
6. The Hon. David Gikaria, MP
7. The Hon. Timothy Wetangula, MP

IN ATTENDANCE-

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

1. Mr. Maurice Juma - Director General
2. Mr. Peter Wangwe - Compliance Department

NATIONAL ASSEMBLY

-
1. Mr. Leonard Machira - First Clerk Assistant
 2. Ms. Hellen Lokwang - Third Clerk Assistant
 3. Mr. Mohamed Boru - Third Clerk Assistant
 4. Mr. Salim Lorot - Legal Counsel II
 5. Mr. Eugene Apaa - Research and Policy Analyst III

MIN.NO. 154/ANS/2015 - PRELIMINARIES

The Chairperson called the meeting to order at 10.26 a.m. with a word of prayer.

MIN.NO. 155 /ANS/2015 - MEETING WITH THE DIRECTOR GENERAL PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

During the meeting the Director General informed the Committee that he had sought to obtain relevant documents on the matter from NACADA but was informed that the documents had been submitted to the Ethic and Anti -Corruption Authority. Attempts to obtain the documents from the latter were not successful, although the Ethics and Anti-Corruption Authority had invited the Director General to peruse the documents in their offices. However the Director General informed the Committee that preliminary investigations on the matter conducted in May, 2014 had revealed that:-

- (i) Though the disbursement of KES 99,000,000 was approved by the NACADA board of directors in March, 2013 the resultant costs for the disbursement was not budgeted nor planned as required under Section 26 (3) (a) and 26 (6) of the Public Procurement and Disposal Act,2005.
- (ii) There was no purchase requisition for consultancy raised by the user department contrary to the provisions of Regulation 9 (a) (i) and 22 of the Principal Regulations, 2006.

- (iv) The consultancy was procured through restricted tendering. However the choice of the method was not approved by the tender committee as minutes to confirm the same were not provided.
- (v) Although the law required firms to submit both technical and financial proposals. There were no minutes to indicated whether financial proposals were opened contrary to the requirements of Section 60 (8) and (9) of the Public Procurement and Disposal Act, 2005.
- (vi) The evaluation of the tender was carried out by four officers and M/s Price Waterhouse was ranked 1st with a score of 97 out of 100 marks; 2nd was Ernst and Young who had scored 69 out of 100 marks; and M/s Kenya Post Office Bank was last scoring 0. However the minimum scores for one to qualify for further evaluation were not stated in the tender documents. It was therefore irregular for M/s Price Waterhouse Coopers and M/s Ernst and Young to have been recommended for further evaluation on the basis of 'best fit' as the criteria was no objective contrary to Regulation 16(7) of the Principal Regulations, 2006.
- (vii) Despite the irregularities, cited above, the Accounting Officer signed a contract with M/s Ernst and Young at Ksh 17,001,540 contrary to the provisions of Section 27 (2) of the Act which requires the Accounting Officer to adhere to the Law.
- (viii) Only seven firms were invited to participate in the tender, contrary to Regulation 54 (3) which requires a procuring entity to invite tenders from at least ten firms selected from a prequalified list.

The Public Procurement Oversight Authority concluded that the processing of the tender did not satisfy the requirements of the procurement law and the consequent contract entered and payments made were irregular. The Committee was further informed that the Authority had recommended that the Accounting Officer take disciplinary measures on all officers involved in the procurement. Also a report on the matter was forwarded to the Ethics and Anti -Corruption Commission for action.

- (i) That was not economical for NACADA to pay a consultancy fee of KES 17 million to Ernst and Young for the disbursement of KES 99 million to Civil Society Organizations.
- (ii) The failure by NACADA to provide tender documents to the Public Procurement Oversight Authority on the pretext that the same had been forwarded to the Ethics and Anti - Corruption Commission was not convincing as one would expect any organization to keep custody of copies of all official documents.

MIN.NO. 157 /ANS/2015 - ADJOURNMENT

There being no other business the meeting was adjourned at 11.30 a.m. The next meeting will be on notice.

Signed.....

(Chairperson)

Date.....27th October 2015.....

MIN.NO.135 /ANS/2015 - MEETING WITH NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE BOARD MEMBERS ON ALLEGED IRREGULARITIES IN THE DISBURSEMENT OF FUNDS SET A SIDE FOR ANTI – DRUG USE CAMPAIGN

The Chairperson stated that the National Authority For The Campaign Against Alcohol And Drug Abuse (NACADA) board had been invited to clarify allegations on embezzlement of funds set aside for the anti-drug use campaign, funding of non-existing or deregistered Non-Governmental Organizations and other irregularities in the disbursement of funds to Civil Society groups.

The Chairperson of NACADA and board Members responded to the allegations as follows:-

- (i) On allegations of embezzlement of funds set aside for the anti-drug use campaign. The Chairperson responded that the Board received a letter from the Non-Governmental Organizations Coordination Board on 9th June 2015 alleging irregularities in funding of Civil Society organizations. In the letter signed by the Executive Director Mr. Mahamed Fazul who is a former member of the NACADA Board, allegations that the Authority had funded unregistered/deregistered organizations leading to loss of funds were made. In response to the matter, the Board formed an Ad hoc committee consisting of members of the Audit and Finance Committees to investigate the matter. The Ad hoc Committee met on 18th, 23rd and 29th June 2015 and reviewed the following documents:-
 - a. Management's response to the letter from NGO Coordination Bureau.
 - b. Legal and institutional framework for the CSOs funding programme.
 - c. Reports and oral presentations by the Fund Management Agency (FMA) charged with disbursing funds.
 - d. The monitoring and evaluation framework put in place by NACADA and the Fund Management Agency (FMA).
 - e. Disbursement status report by the Fund Management Agency.
 - f. List of funded organizations and their registration details.
 - g. NACADA funding instruction to the Fund Management Agency.
 - h. Copies of Civil Society Organizations registration and certificates, Fund Management Agency's funds transfer instructions to Civil Society Organizations Banks, RTGs confirmations from the Fund Management Agency's Bank and Civil Society Organizations Bank statements and confirmation of receipt of funds.

The Ad hoc Committee concluded that there was no evidence of loss of funds as monies forwarded to the Fund Management Agency by NACADA had been disbursed and received by the Civil Society Organizations whose projects are still ongoing.

- (ii) Regarding alleged funding of non-existing or deregistered Non-Governmental Organizations. The Board confirmed that all funded organizations at the time of approval and assessment provided evidence of registration. Majority of these were registered as Self Help Groups/Community Based Organizations registered by the Ministry of Gender, Children and Social Services.

The Non-Governmental Organizations Coordination Board had claimed that it could not establish the registration status of 86 organizations. This is because out of the 130 organizations funded, only 35 are registered.

However the NACADA Chairperson and board Members indicated that only two funded groups were later deregistered. These were Coast Rural Development Organization deregistered in December 2014 and Community of Mercy Organization in 2010. They further reported that:-

- a. Coast Rural Development Organization had received Kshs. 343,000 and Community of Mercy Development Organization Kshs. 402,500.
 - b. NACADA and the Fund Management Agency undertook pre-disbursement assessment of all approved organizations to establish their capacity to undertake the project and account for the funds. This included confirming their registration status and taking record of all registration details.
 - c. From the pre-disbursement assessment and review of registration certificates, both Coastal Rural Development Organization and Community of Mercy Development Organization were registered at the time the funds were disbursed. The disbursement of funds to Coastal Rural Development Organization was made in November 2013 this was before the reported deregistration of the organization in December 2014.
 - d. The two organizations acknowledged receipt of funds and had accounted for the funds disbursed to them under the programme.
- (iii) On alleged irregularities in the disbursement of funds to Civil Society groups by NACADA. The Board responded that it did not find any irregularities in the disbursement of funds. A summary of the disbursement is as follows:-
 - a. NACADA forwarded to the Fund Management Agency (Ernest & Young) 134 organizations for funding. The total cost of the proposals submitted for funding was Kshs. 118 million. The number was reduced to 130 as 4 of the

organizations did not pass the capacity assessment test. The amount to be disbursed was reduced to fit within the approved budget of Kshs. 99 million.

- b. As at 31st May 2015, NACADA had forwarded Kshs. 94,911,561.50 to the Fund Management Agency.
- c. From reviewed documents including Bank transfer certificates and acknowledgement letters from the CSOs, the Fund Management Agency has at 31st May 2015 disbursed to the CSOs Kshs. 91,891,839.40.
- d. Fund balance held by the FMA was Kshs. 3,019,722.10 as at 31st May 2015. The fund balance held by NACADA is Kshs. 4,088,438.50.
- e. The interest income earned on the disbursement funds which are managed through an interest earning account was Kshs. 565,610.69 as at 31st May 2015. The bank charges incurred on the account are Kshs. 181,691.58 as at 31st May 2015 which is usually set off against the interest income earned on the account.
- f. Accrued net interest of Bank charges of Kshs. 326,440.40 was paid to NACADA on 8th December 2014. Net interest outstanding in the Fund Management Agency account is Kshs. 57,478.71 as at 31st May 2015.
- g. Of the funds disbursed, 88% of the money has been accounted for by the CSOs.

The NACADA Board concluded that there was no evidence of loss of funds in the disbursement of funds to Civil Society Organizations. The Chairperson also informed the Committee that the Authority was only mandated to campaign against Alcohol and Drug abuse and not to control the vice. He requested the Committee to consider proposing an amendment to the NACADA Act to empower the Authority to control the Alcohol and Drug abuse problem.

Committee Observations

The Committee made the following observations:-

- (i) NACADA was under performing due to wrangles and uneasiness within the board, as witnessed in the meeting through counter accusations from the Chairperson, Vice Chairperson and the Chief Executive Officer.
- (ii) 2.5 million Kenyans addicted to alcohol and narcotics are suffering and required rehabilitation. However there are no adequate rehabilitation centres in the Country to cater for the demand of the addicts.
- (iii) The Cabinet Secretary for Interior and Coordination of National Government was yet to gazette regulations on control of alcohol quality and treatment and rehabilitation of addicts.

- (iv) NACADA may have violated public procurement rules in the procurement of media services from Kenya Broadcasting Corporation and other media organizations, amounting to Ksh. 47 million, without any tendering process.

Committees Resolutions

The Committee made the following resolutions:-

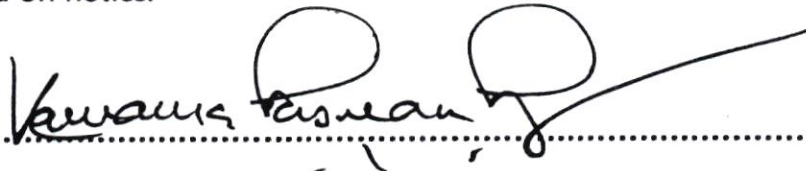
- (i) That the NACADA Chief Executive Officer avails the board minutes of 18th, 23rd and 29th June 2015 and any other relevant documentation that may assist the Committee in carrying out further investigations on the matter.
- (ii) To invite the Executive Director, Non-Governmental Organizations Coordination Board and the Director General Public Procurement Oversight Authority to shed light on the alleged of embezzlement of funds at the National Authority for the Campaign Against Alcohol and Drug Abuse.

MIN.NO.136/ANS/2015

- ADJOURNMENT OF THE MEETING

There being no other business, the meeting was adjourned at 2.00 pm. The next meeting will be held on notice.

Signed.....



(Chairperson)

Date.....

27th October, 2015

MINUTES OF THE 40TH SITTING OF THE DEPARTMENTAL COMMITTEE ON
ADMINISTRATION AND NATIONAL SECURITY HELD ON THURSDAY 30TH JULY,
2015 IN COMMITTEE ROOM, 2ND FLOOR, CONTINENTAL HOUSE, AT 11.00 A.M.

PRESENT

1. The Hon. Asman Kamama, MGH, OGW, MP - Chairperson
2. The Hon. Alois Lentoimaga, MP - Vice Chairperson
3. The Hon. Ahmed Abdikadir Ore, MP
4. The Hon. Francis Mwangangi, MP
5. The Hon. Benard Shinali, MP
6. The Hon. Grace Kiptui, MP
7. The Hon. James Bett, MP
8. The Hon. David Gikaria, MP
9. The Hon. Joseph Ndiege, MP
10. The Hon. George Theuri, MP
11. The Hon. Protus Akuja Ewesit, MP
12. The Hon. Jane Machira, MP
13. The Hon. Alice Wahome, MP
14. The Hon. Patrick Ole Ntutu, MP
15. The Hon. Ababu Namwamba, MP
16. The Hon. Mohamed Shidiye, MP
17. The Hon. Ibrahim Abdi Saney, MP
18. The Hon. Joseph Lekuton, MP
19. The Hon. Wanjiku Muhia, MP
20. The Hon. Humphrey Njuguna, MP
21. The Hon. Regina Nthambi Muia, MP
22. The Hon. (Maj. Rtd.) J. K. Waluke, MP

ABSENT WITH APOLOGY

1. The Hon. Joseph Kahangara, MP
2. The Hon. Timothy Wetangula, MP
3. The Hon. Shaaban Ali Isaack, MP
4. The Hon. Rashid Bedzimba, MP
5. The Hon. Samuel Moroto, MP
6. The Hon. Zakayo Cheruiyot, MP

IN ATTENDANCE

NON –GOVERNMENTAL ORGANIZATIONS COORDINATION BOARD

- | | | |
|----------------------------------|---|-------------------------------|
| 1. Mr. Fazul Mahamed | - | Executive Director |
| 2. Mr. David Njane | - | Finance Manager |
| 3. Mr. Benard N. Bruoma | - | Audit & Risk Manager |
| 4. Mr. Isaiah K. Sang | - | Assistant. Manager Operations |
| 5. Ms. Patricia W. Gachoki | - | Legal Officer |
| 6. Mr. Andrew Ogombe | - | Deputy Director |
| 7. Mr. Joseph Kahiu M. | - | Documentation Assistant |
| 8. Mr. Monyoncho Stephen Nyatuka | - | Assistant Manager |

NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUGS ABUSE

- | | | |
|-----------------------|---|---------------------------------------|
| 1. Hon. M. N. Mututho | - | Chairperson |
| 2. Mr. Ndung'u Ndegwa | - | Personal Assistant to the Chairperson |

NATIONAL ASSEMBLY

- | | | |
|------------------------|---|-----------------------|
| 1. Mr. Léonard Machira | - | First Clerk Assistant |
| 2. Ms. Hellen Lokwang | - | Third Clerk Assistant |
| 3. Mr. Mohamed N. Boru | - | Third Clerk Assistant |
| 4. Ms. Christine Maeri | - | Audio Officer |

MIN.NO. 144 /ANS/2015 - PRELIMINARIES

The Chairperson called the meeting to order at 11.25 a.m. A prayer was said by The Hon. Patrick Ole Ntutu MP.

MIN.NO. 145 /ANS/2015 - CONFIRMATION OF MINUTES

The agenda item was deferred to the next meeting.

MIN.NO. 146/ANS/2015 - MEETING WITH NON –GOVERNMENTAL ORGANIZATIONS COORDINATION BOARD ON ALLEGATIONS OF IRREGULARITIES ON THE DISBURSEMENT OF FUNDS SET ASIDE FOR THE NACADA ANTI-DRUG USE CAMPAIGN.

The Executive Director informed the Committee that the Board's preliminary investigations into the matter revealed the following:-

- i. Out of the one hundred and nineteen (119) Civil Society Groups funded by NACADA, only 33 are registered by the Non –Governmental Organizations Coordination Board.
- ii. Out of the 33 organizations registered by the Board, only 14 organizations have accurately disclosed the funds received totaling Kshs. 13,933,175.00.
 - Action Network for the Disabled.
 - Alliance for Education and Empowerment in Development.
 - Benevolent Institute of Development Initiatives.
 - Cheripkei Community Awareness and Education Programme.
 - Climatic and Environmental Conservation Kenya.
 - Gaplink International.
 - Green View.
 - Homa Hills Community Development Organization.
 - Kenya Network of Women with AIDS (KENWA).
 - Neem Environment Project
 - Right Destitute Mother Child Organization.
 - Sere Africa International.
 - Strengthening Community Partnership and Empowerment.
 - Youth Alive! Kenya.
- iii. Two (2) organizations – Coast Rural Development Organization and Community of Mercy Development Organization, which received Kshs. 745,500, had been deregistered.
- iv. Even though, it is claimed that Kshs. 10,671,447.50 was advanced to eleven (11) organizations, records at the Board reflect that none of the organizations received any funding from NACADA.
 - Maranatha International Counseling Foundation.
 - Men for Gender Equality Now.
 - Solidarity for Eco-Friendly Efforts in Kenya.
 - Songa Mbele Women Organization (Move Forward).
 - Kenya Basic Support Foundation.
 - Narok District Network Forum.
 - Strategic Intervention for Poverty Alleviation in Kenya.
 - Mumoni and Kyuso Organization for Rural.
 - Sporting Chance International.
 - Maendeleo ya Wanawake Organization.
 - Young Women’s Christian Association (YWCA).

- v. Six (6) organizations declared funds in excess of what was received from NACADA which points to other possible sources of funding or fraud. The six organizations are as follows:-

Organization Name	NGOs Coordination Board Records 2013-2014	Amount Funded by NACADA 2013	Excess Funding
Gesieka National Network Community	Kshs. 700,000	Kshs. 350,000	Kshs. 350,000
Keiyo South Women Empowerment Network	Kshs. 700,000	Kshs. 350,000	Kshs. 350,000
Kenya Arid Regions Children Fund	Kshs. 700,000	Kshs. 382,850	Kshs. 317,000
Nurture Smart Youth Program Kenya	Kshs. 350,000	Kshs. 175,000	Kshs. 175,000
Practical Solution for Pastoralist Development	Kshs. 700,000	Kshs. 461,500	Kshs. 238,500
Movement Against Substance Abuse in Africa	Kshs. 3,000,000	Kshs. 1,500,000	Kshs. 1,500,000

The board was unable to establish the legal status of the 33 organizations and whether the funds allegedly advanced to them were received by the organizations or not. He added that disbursement of funds without establishing the legal status of Non-Governmental Organizations occurred because of lack of due diligence from the government agencies like NACADA.

Committee's Observations and Recommendations


The Committee recommended that all Non-Governmental Organizations operating in the Country must be authenticated by the Board. It was also observed that funding of deregistered organizations posed a threat to the security of the Country and was tantamount to misuse of taxpayers' money. The case of Haki Africa, a deregistered body which was part of a delegation that met the visiting President of United States of America was cited. The arrangement was termed as a breach of national security.

The Committee requested for an updated list of deregistered Non-Governmental Organizations, those pending deregistration and those waiting registration approval.

MIN.NO. 147 /ANS/2015

- ADJOURNMENT OF THE MEETING

There being no other agenda, the meeting was adjourned at 1.10 pm and the next meeting will be held on notice.

Signed.....
(Chairperson)

Date..... 27th October, 2015



MINUTES OF THE 37th SITTING OF THE DEPARTMENTAL COMMITTEE ON
ADMINISTRATION AND NATIONAL SECURITY HELD ON THURSDAY 9TH JULY 2015
IN COMMITTEE ROOM, 2ND FLOOR, CONTINENTAL HOUSE, AT 10.00 A.M.

PRESENT

1. The Hon. Asman Kamama, MGH, OGW, MP - Chairperson
2. The Hon. Alois Lentoimaga, MP - Vice Chairperson
3. The Hon. Ahmed Abdikadir Ore, MP
4. The Hon. Zakayo Cheruiyot, MP
5. The Hon. Francis Mwangangi, MP
6. The Hon. Benard Shinali, MP
7. The Hon. Grace Kiptui, MP
8. The Hon. James Bett, MP
9. The Hon. David Gikaria, MP
10. The Hon. Joseph Ndiege, MP
11. The Hon. George Theuri, MP
12. The Hon. Protus Akuja Ewesit, MP
13. The Hon. Jane Machira, MP
14. The Hon. Regina Nthambi Muia, MP
15. The Hon. Alice Wahome, MP
16. The Hon. Rashid Bedzimba, MP
17. The Hon. Patrick Ole Ntutu, MP

ABSENT WITH APOLOGY

1. The Hon. Ababu Namwamba, MP
2. The Hon. Mohamed Shidiye, MP
3. The Hon. Joseph Kahangara, MP
4. The Hon. Ibrahim Abdi Saney, MP
5. The Hon. Joseph Lekuton, MP
6. The Hon. Wanjiku Muhia, MP
7. The Hon. (Maj. Rtd.) J. K. Waluke, MP
8. The Hon. Samuel Moroto, MP
9. The Hon. Timothy Wetangula, MP
10. The Hon. Shaaban Ali Isaack, MP
11. The Hon. Humphrey Njuguna, MP

IN ATTENDANCE

NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE

- | | | |
|-------------------------------|---|---|
| 1. Hon. John N. Mututho | - | Chairperson |
| 2. Mrs. G. Nasieku Tarayra | - | Vice Chairperson |
| 3. Dr. William Okedi | - | Chief Executive Officer |
| 4. Mr. Stephen Mairori | - | Director |
| 5. Mr. Mathia O. Wanyela, OGW | - | Director |
| 6. Rev. Wilfred Kogo | - | Director |
| 7. Sheikh Juma Ngao | - | Director |
| 8. Mr. Charles Njagua Kanyi | - | Director |
| 9. Ms. Anne K. Mugo, MBS | - | Alternate Director for Principal Secretary
National Treasury |
| 10. Mr. Mohamed Barre | - | Alternate Director for Principal Secretary
Ministry of Interior and Coordination of
National Government |
| 11. Mr. Hamisi S. Massa | - | Director in charge Anti-narcotics Unit |
| 12. Dr. Kefa Ombacho, MBS | - | Alternative Director for Principal
Secretary Ministry of Health |
| 13. Mr. Enoch N. Onchwari | - | Director Finance and Accounting |

NATIONAL ASSEMBLY

- | | | |
|------------------------|---|---------------------------------|
| 1. Mr. Leonard Machira | - | First Clerk Assistant |
| 2. Ms. Hellen Lokwang | - | Third Clerk Assistant |
| 3. Mr. Eugene Apaa | - | Research and Policy Analyst III |
| 4. Mr. Edison Odhiambo | - | Fiscal Analyst III |

5. Ms. Christine Maeri - Audio Officer

MIN.NO. 133/ANS/2015 - PRELIMINARIES

The Chairperson called the meeting to order at 11.15 a.m. Hon. Abdikadir Ore, MP prayed.

MIN.NO.134/ANS/2015 - CONFIRMATION OF MINUTES

The item on confirmation minutes was deferred to the next meeting.

MIN.NO.135 /ANS/2015 - MEETING WITH NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE BOARD MEMBERS ON ALLEGED IRREGULARITIES IN THE DISBURSEMENT OF FUNDS SET A SIDE FOR ANTI – DRUG USE CAMPAIGN

The Chairperson stated that the National Authority For The Campaign Against Alcohol And Drug Abuse (NACADA) board had been invited to clarify allegations on embezzlement of funds set aside for the anti-drug use campaign, funding of non-existing or deregistered Non-Governmental Organizations and other irregularities in the disbursement of funds to Civil Society groups.

The Chairperson of NACADA and board Members responded to the allegations as follows:-

- (i) On allegations of embezzlement of funds set aside for the anti-drug use campaign. The Chairperson responded that the Board received a letter from the Non-Governmental Organizations Coordination Board on 9th June 2015 alleging irregularities in funding of Civil Society organizations. In the letter signed by the Executive Director Mr. Mahamed Fazul who is a former member of the NACADA Board, allegations that the Authority had funded unregistered/deregistered organizations leading to loss of funds were made. In response to the matter, the Board formed an Ad hoc committee consisting of members of the Audit and Finance Committees to investigate the matter. The Ad hoc Committee met on 18th, 23rd and 29th June 2015 and reviewed the following documents:-
 - a. Management's response to the letter from NGO Coordination Bureau.
 - b. Legal and institutional framework for the CSOs funding programme.
 - c. Reports and oral presentations by the Fund Management Agency (FMA) charged with disbursing funds.
 - d. The monitoring and evaluation framework put in place by NACADA and the Fund Management Agency (FMA).

- e. Disbursement status report by the Fund Management Agency.
- f. List of funded organizations and their registration details.
- g. NACADA funding instruction to the Fund Management Agency.
- h. Copies of Civil Society Organizations registration and certificates.

The Ad hoc Committee concluded that there was no evidence of loss of funds as monies forwarded to the Fund Management Agency by NACADA had been disbursed and received by the Civil Society Organizations whose projects are still ongoing.

- (ii) Regarding alleged funding of non-existing or deregistered Non-Governmental Organizations. The Board confirmed that all funded organizations at the time of approval and assessment provided evidence of registration. Majority of these were registered as Self Help Groups/Community Based Organizations registered by the Ministry of Gender, Children and Social Services.

The Non-Governmental Organizations Coordination Board had claimed that it could not establish the registration status of 86 organizations. This is because out of the 130 organizations funded, only 35 are registered.

However the NACADA Chairperson and board Members indicated that only two funded groups were later deregistered. These were Coast Rural Development Organization deregistered in December 2014 and Community of Mercy Organization in 2010. They further reported that:-

- a. Coast Rural Development Organization had received Kshs. 343,000 and Community of Mercy Development Organization Kshs. 402,500.
 - b. NACADA and the Fund Management Agency undertook pre-disbursement assessment of all approved organizations to establish their capacity to undertake the project and account for the funds. This included confirming their registration status and taking record of all registration details.
 - c. From the pre-disbursement assessment and review of registration certificates, both Coastal Rural Development Organization and Community of Mercy Development Organization were registered at the time the funds were disbursed. The disbursement of funds to Coastal Rural Development Organization was made in November 2013 this was before the reported deregistration of the organization in December 2014.
- (iii) On alleged irregularities in the disbursement of funds to Civil Society groups by NACADA. The Board responded that it did not find any irregularities in the disbursement of funds. A summary of the disbursement is as follows:-
 - a. NACADA forwarded to the Fund Management Agency (Ernest & Young) 134 organizations for funding. The total cost of the proposals submitted for

funding was Kshs. 118 million. The number was reduced to 130 as 4 of the organizations did not pass the capacity assessment test. The amount to be disbursed was reduced to fit within the approved budget of Kshs. 99 million.

- b. As at 31st May 2015, NACADA had forwarded Kshs. 94,911,561.50 to the Fund Management Agency.
- c. Fund balance held by the FMA was Kshs. 3,019,722.10 as at 31st May 2015. The fund balance held by NACADA is Kshs. 4,088,438.50.
- d. The interest income earned on the disbursement funds which are managed through an interest earning account was Kshs. 565,610.69 as at 31st May 2015. The bank charges incurred on the account are Kshs. 181,691.58 as at 31st May 2015 which is usually set off against the interest income earned on the account.
- e. Accrued net interest of Bank charges of Kshs. 326,440.40 was paid to NACADA on 8th December 2014. Net interest outstanding in the Fund Management Agency account is Kshs. 57,478.71 as at 31st May 2015.
- f. Of the funds disbursed, 88% of the money has been accounted for by the CSOs.

The NACADA Board concluded that there was no evidence of loss of funds in the disbursement of funds to Civil Society Organizations. The Chairperson also informed the Committee that the Authority was only mandated to campaign against Alcohol and Drug abuse and not to control the vice. He requested the Committee to consider proposing an amendment to the NACADA Act to empower the Authority to control the Alcohol and Drug abuse problem.

Committee Observations

The Committee made the following observations:-

- (i) NACADA was under performing due to wrangles and uneasiness within the board, as witnessed in the meeting through counter accusations from the Chairperson, Vice Chairperson and the Chief Executive Officer.
- (ii) 2.5 million Kenyans addicted to alcohol and narcotics are suffering and required rehabilitation. However there are no adequate rehabilitation centres in the Country to cater for the demand of the addicts.
- (iii) The Cabinet Secretary for Interior and Coordination of National Government was yet to gazette regulations on control of alcohol quality and treatment and rehabilitation of addicts.

- (iv) NACADA may have violated public procurement rules in the procurement of media services from Kenya Broadcasting Corporation and other media organizations, amounting to Ksh. 47 million, without any tendering process.

Committees Resolutions

The Committee made the following resolutions:-

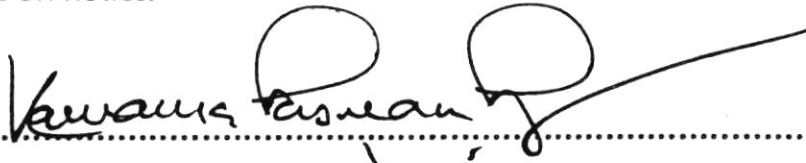
- (i) That the NACADA Chief Executive Officer avails the board minutes of 18th, 23rd and 29th June 2015 and any other relevant documentation that may assist the Committee in carrying out further investigations on the matter.
- (ii) To invite the Executive Director, Non-Governmental Organizations Coordination Board and the Director General Public Procurement Oversight Authority to shed light on the alleged of embezzlement of funds at the National Authority for the Campaign Against Alcohol and Drug Abuse.

MIN.NO.136/ANS/2015

ADJOURNMENT OF THE MEETING

There being no other business, the meeting was adjourned at 2.00 pm. The next meeting will be held on notice.

Signed.....



(Chairperson)

Date.....

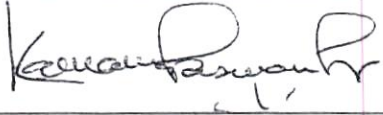
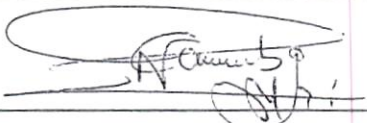



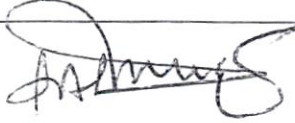
27th October 2015


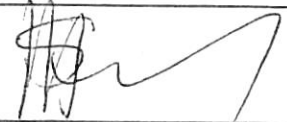
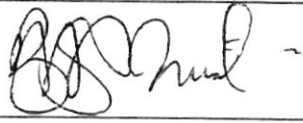

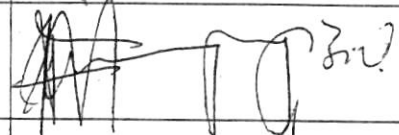


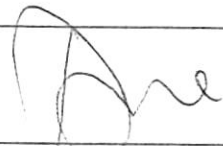
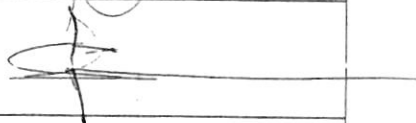


APPENDIX I

ADOPTION LIST

We Members of the Departmental Committee on Administration and National Security have pursuant to Standing Order 199 adopted this report on investigations into Alleged Irregularities in the disbursement of funds to Civil Society Groups by the National Authority for the Campaign Against Alcohol and Drug Abuse(NACADA) and affix our signatures to confirm our approval and confirm its accuracy, validity and authenticity

DATE: 28th August 2015 TIME: 10:00am VENUE: Flamengo Hotel

S/NO.	NAME	SIGNATURE
1.	The Hon. Kamama Asman, MGH,OGW,MP – Chairperson	
2.	The Hon. Alois M. Lentoimaga, MP – Vice-Chairperson	
3.	The Hon. Ababu Namwamba, EGH, MP	
4.	The Hon. Alice Wahome, MP	
5.	The Hon. Joseph Lekuton, MP	
6.	The Hon. Mohamed Shidiye, MP	
7.	The Hon. Jane Machira, MP	
8.	The Hon. Joseph Kahangara, MP	
9.	The Hon. Zakayo K. Cheruiyot, MP	
10.	The Hon. James Bett, MP	
11.	The Hon. Patrick Ole Ntutu, MP	
12.	The Hon. Shaaban Ali Isaack, MP	

13.	The Hon. Grace Kiptui, MP	
14.	The Hon. Samuel Moroto, MP	
15.	The Hon. Benard Shinali, MP	
16.	The Hon. Humphrey Njuguna, MP	
17.	The Hon. Francis K. Mwangangi, MP	
18.	The Hon. Rashid J. Bedzimba, MP	
19.	The Hon. Ibrahim Abdi Saney, MP	
20.	The Hon. Joseph O. Ndiege, MP	
21.	The Hon. Regina Nthambi Muia, MP	
22.	The Hon. (Maj. Rtd.) John K. Waluke, MP	
23.	The Hon. Akuja Protus Ewesit, MP	
24.	The Hon. Ahmed Abdikadir Ore, MP	
25.	The Hon. David Gikaria, MP	
26.	The Hon. Timothy W. Wetangula, MP	
27.	The Hon. Wanjiku Muhia, MP	
28.	The Hon. George Theuri, MP	

APPENDIX II

CORRESPONDENCE

① D/Committees

1794
1063



PUBLIC PROCUREMENT OVERSIGHT AUTHORITY
Transforming Procurement

Telephone: +254(020) 3244000, 2213106/7
Fax: +254(020) 2213105, 3244377, 3244277
E-mail: info@ppoa.go.ke
Website: www.ppoa.go.ke
When replying please quote:

National Bank Building, 10th Floor
Harambee Avenue
P.O. Box 58535-00200
NAIROBI
KENYA



PPOA.1/02/37/ Vol. 1(74)

28th July 2015

Justin Bundi, CBS
Clerk of the National Assembly
The National Assembly
Clerk's Chambers
Parliament Buildings
NAIROBI

② MAECHUKA
pls deal
EA
30/7

Dear *Mr. Bundi*

MEETING WITH THE COMMITTEE ON ADMINISTRATION AND NATIONAL SECURITY

We acknowledge receipt of your letter Ref. NA/DC.A/ANS/2015/ (51) dated 20th July 2015 inviting us for a meeting on Thursday, 30th July 2015 to deliberate on alleged irregularities in the procurement of consultancy services for management of the National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA) funding of Civil Society Organisations during 2013/2014 financial year.

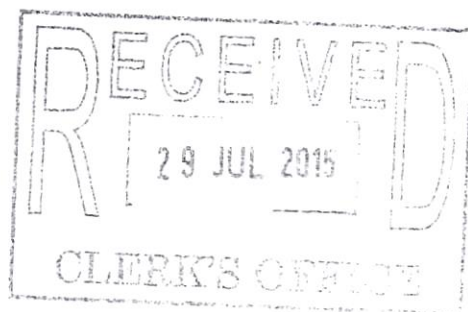
Kindly note that we have requested NACADA for the documents that were used in the procurement process for our review to enable us make a presentation on the findings.

In view of the above, we are not able to appear before the Committee on 30th July, 2015 and we propose to do so on **Thursday, 21st August 2015** from 11.00 am at the Committee Room on 2nd Floor Continental House, Parliament Buildings.

Thank you in advance for your indulgence.

Yours *Sincerely,*
[Signature]

Maurice Juma, MBS
DIRECTOR GENERAL





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CD/Commandees



PUBLIC PROCUREMENT OVERSIGHT AUTHORITY
Transforming Procurement

National Bank Building
Telephone No. +254 (020)3244000, 2213106,2213107
Fax: +254 (020) 2213105, 3244399, 3244277
Email:info@ppoa.go.ke
When replying please quote:

P.O. Box 58535-00200
NAIROBI
KENYA

(2) MHEERRA
pls deaf
FA
11/8

Ref: PPOA 4/30/163 VOL.1 (18)

7th August, 2015

~~Mr Halakhe D. Waqo~~
Secretary/ Chief Executive Officer,
Ethics and Anti- Corruption Commission,
Integrity Centre,
NAIROBI

Dear Mr. Bindi,

RE: CONSULTANCY SERVICES FOR MANAGEMENT OF THE NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE (NACADA) FUNDING TO CIVIL SOCIETY ORGANISATIONS.

The above matter refers.

We have received invitation to make a presentation to the Parliamentary Committee on Administration and National Security on alleged irregularities in the procurement of consultancy services for management of NACADA funding of Civil Society Organisations during 2013/2014 financial year.

In order for us to provide an informed opinion to the Committee, it is necessary for us to review the entire tendering process.

In view of the above, we had requested NACADA vide our letter Ref: PPOA.4/30/65 VOL.II (46) dated 29th July, 2015 (copy attached) to submit to us the relevant procurement documents but in their letter Ref:NACADA/7/20/1 dated 30th July, 2015 (copy attached), they informed us that the documents are currently under your custody.

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PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

Transforming Procurement

National Bank Building
Telephone No. +254 (020)3244000, 2213106/7
Fax: +254 (020) 2213105, 3244377, 3244277
e-mail: info@ppoa.go.ke, complaints@ppoa.go.ke
website: www.ppoa.go.ke

National Bank Building, 11th Floor
Harambee Avenue
P.O. Box 58535 - 00200
NAIROBI
KENYA

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When replying please quote:
PPOA.4/30/163 VOL. I (18)

17th August, 2015

Mr. Halakhe D. Waqo
Secretary/Chief Executive Officer
Ethics and Anti-Corruption Commission
Integrity Centre
P. O. Box 61130-00200
NAIROBI

① D. Waqo

② NACADA

pls note FA 19/8

Dear Mr. Waqo,

RE: CONSULTANCY SERVICES FOR MANAGEMENT OF THE NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE (NACADA) FUNDING TO CIVIL SOCIETY ORGANIZATIONS

Our letter Ref: PPOA.4/30/163 VOL. I (18) of 7th August, 2015 refer.

As communicated to you vide our letter cited above, the Authority had been invited by the Parliamentary Committee on Administration and National Security to make a presentation to it on the above tender. In this regard, we requested you to provide us with documents on the subject procurement that had been taken by your office from NACADA by 13th August, 2015 to enable us prepare for the presentation. However, your office has not submitted the procurement records.

The purpose of this letter is to remind you to kindly but urgently submit to us the documents indicated in our aforementioned letter. Please note that we are expected to appear before the above mentioned Parliamentary Committee on 25th August, 2015.

Yours Sincerely,

M. J. O. JUMA, MBS
DIRECTOR GENERAL

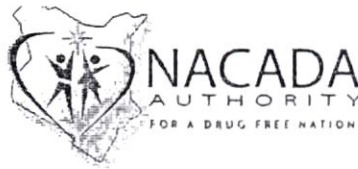
RECEIVED
18 AUG 2015
CLERK'S OFFICE

✓ cc: **Justin Bundi, CBS**
Clerk of the National Assembly
Clerk's Chambers
Parliament Building

NAIROBI (Our letter Ref: PPOA.4/30/163 VOL.I (18) dated 7th August, 2015 refers).

APPENDIX III

SUBMISSIONS BY THE NATIONAL AUTHORITY FOR THE CAMPAIGN AGAINST ALCOHOL AND DRUG ABUSE (NACADA) BOARD



REPORT OF THE NACADA BOARD OF DIRECTORS ON FUNDING TO CIVIL SOCIETY ORGANIZATIONS

Presented to the Departmental Committee on Administration and National Security on 9th July 2015

1. INTRODUCTION

The Authority on 3rd July 2015 received a letter from the Clerk of the National Assembly reporting the resolution of the Departmental Committee on Administration and National Security to invite the NACADA Board of Directors to a meeting to deliberate on the following issues:-

- i) Allegations of embezzlement of funds set aside for the anti-drug use campaign
- ii) Alleged funding of non-existing or deregistered NGOs
- iii) Alleged irregularities in the disbursement of funds to Civil Society groups by NACADA

2. RESPONSE

The NACADA Board of Directors responds as follows:-

- i) **Allegations of embezzlement of funds set aside for the anti-drug use campaign**

The Board has no evidence on embezzlement of funds set aside for the campaign.

However, the Chairman of the Board on 9th June 2015 received a letter from the NGO Coordination Board alleging irregularities in funding of Civil Society organizations (**Appendix 1**). In the letter signed by the Executive Director Mr. Mahamed Fazul who is a former member of the NACADA Board, he alleged that the Authority had funded unregistered/deregistered organizations leading to loss of funds.

On receipt of the letter during its Board meeting held on 9th June 2015, the Board formed an Adhoc Committee consisting of members of the Audit and Finance Committees of the Board to investigate the matter.

The Committee met on three occasions – 18th, 23rd and 29th June 2015. During its three meetings, the Ad Hoc Committee reviewed the following documents:-

- a) Management's Response to the letter from NGO Coordination Board
- b) Legal and institutional framework for the CSOs funding programme
- c) Reports and oral presentations by the Fund Management Agency (FMA) charged with disbursing funds - Ernst & Young
- d) The Monitoring and evaluation framework put in place by NACADA and the FMA
- e) Disbursement status report by the FMA – **Appendix 2**
- f) List of funded organizations and their registration details – **Appendix 3**
- g) NACADA funding instruction to the FMA – **Appendix 4**

- h) Copies of CSOs registration and certificates, FMA's funds transfer instructions to CSO's Banks, RTGS confirmations from the Fund Management Agency's Bank and CSOs Bank statements and confirmation of receipt of funds – **File A, B, C & D**.

Upon review of the matter, the Committee concluded that so far, there is no evidence of loss of funds as monies forwarded to the FMA by NACADA had been disbursed and received by the Civil Society Organizations whose projects are still on-going.

ii) **Alleged funding of non-existing or deregistered NGOs**

The Board confirmed that all funded organizations at the time of approval and assessment provided evidence of registration. Majority of these were registered as Self Help Groups/Community Based Organizations registered by the Ministry of Gender, Children and Social Services.

The NGO Coordination Board had claimed that it could not establish the registration status of 86 organizations. This is because out of the 130 organizations funded, only 35 are registered by them as Non-Governmental Organizations – **Appendix 3**. The rest are registered by other Government bodies as follows:-

- CBO/Self Help -75
- Society -9
- Association/Incorporated -4
- Company -4
- Club -1
- Charitable -1
- University -1

From the NGO Coordination Board's letter of 9th June 2015, only two NGOs funded are said to be deregistered. Coast Rural Development Organization deregistered in December 2014 and Community of Mercy Organization in 2010. NACADA reports that:-

- a) The two organizations were funded under the project. Coast Rural Development Organization has received KES 343,000 and Community of Mercy Development Organization KES 402,500 (**Appendix 5**)
- b) NACADA and the FMA undertook pre-disbursement assessment of all approved organizations to establish their capacity to undertake the project and account for the funds. This included confirming their registration status and taking record of the registration details.
- c) From the pre-disbursement assessment and review of registration certificates, both Coastal Rural Development Organization and Community of Mercy Development Organization had been registered as Non- Governmental Organizations as per their certificates (**Appendix 6**)
- d) The disbursement to Coastal Rural Development Organization was made in November 2013 this was before the reported deregistration of the organization in December 2014.
- e) The two organizations in question acknowledged receipt of funds and have accounted for the funds disbursed to them under the programme (**Appendix 7**).

iii) Alleged irregularities in the disbursement of funds to Civil Society groups by NACADA

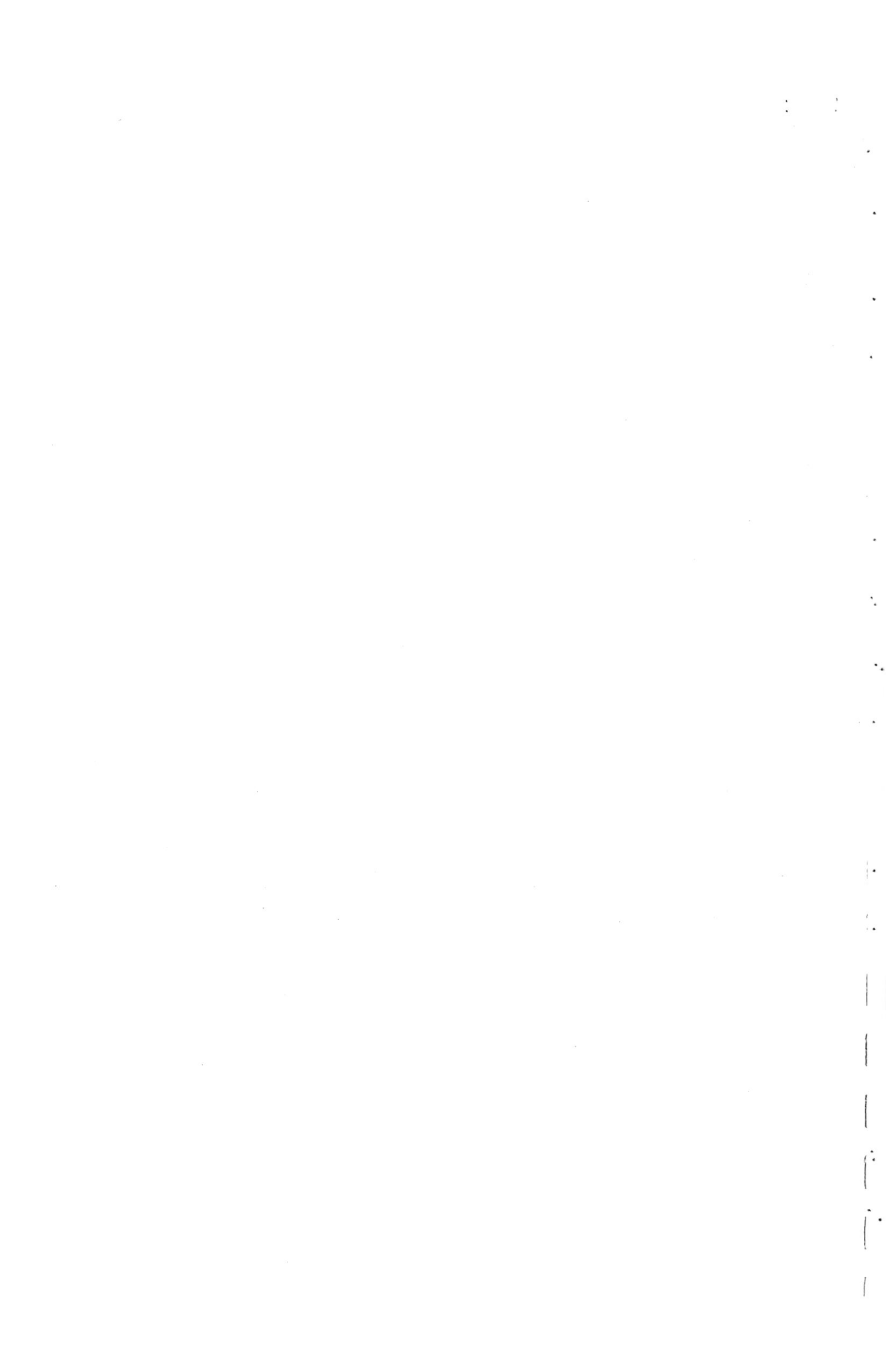
The Board did not find evidence of any irregularities in the disbursement of funds. A summary of the disbursement is as follows:-

- a) NACADA forwarded to the Fund Management Agency (Ernest & Young) 134 organizations for funding. The total cost of the proposals submitted for funding was KES 118million. The number was reduced to 130 as 4 of the organizations did not pass the capacity assessment test. In addition, the amount to be disbursed was reduced to fit within the approved budget of KES 99million
- b) As of 31st May 2015, NACADA had forwarded KES 94,911,561.50 to the FMA (Appendix 4)
- c) From reviewed documents including Bank transfer certificates and acknowledgement letters from the CSOs, the FMA has as at 31st May 2015 disbursed to the CSOs 91,891,839.40 (Appendix 2)
- d) Fund balance held by the FMA was KES 3,019,722.10 as at 31st May 2015. The Fund balance held by NACADA is KES 4,088,438.50
- e) The interest income earned on the disbursement funds which are managed through an interest earning account was KES 565,610.69 as at 31st May 2015. The Bank charges incurred on the account are KES 181,691.58 as at 31st May 2015 which is usually set off against the interest income earned on the account
- f) Accrued net interest of Bank charges of KES 326,440.40 was paid to NACADA on 8th December 2014. Net interest outstanding in the FMA account is KES 57,478.71 as at 31st May 2015
- g) Of the funds disbursed, 88% of the money disbursed has been accounted for by the CSOs.

3. CONCLUSION

So far, there is no evidence of loss of funds in the disbursement of funds to Civil Society Organizations.

However, NACADA is open to an audit by an external body to ascertain loss of funds in disbursement of the funds in line with Article 229 (6) which provides that "*an audit report shall confirm whether or not public money has been applied lawfully and in an effective way*".





NGOs CO-ORDINATION BOARD

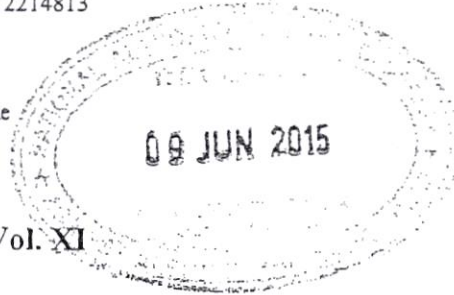
THE PRESIDENCY
MINISTRY OF DEVOLUTION & PLANNING

Telephone: Nairobi, 2214044, 2214813
Fax: (020) 2214801

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Co-operative Bank Hse, 15th Floor
Haile Selassie Avenue

P. O. Box 44617 (00100)
NAIROBI, KENYA.



REF : NGOB/5/30A/8/Vol. XI

8th June, 2015

The Chairman
National Authority for the Campaign
Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI

*Noted
File
15/6/2015*

Dear *Dr. Okedi,*

Re: **CONDUCTING DUE DILIGENCE AND LOSS OF FUNDS TO NGOs BY NACADA**

I write with reference to the above captioned subject matter and further to our letter to you dated March 26, 2015 and your letter dated May 27 but received at the Board in June 4, 2015.

The NGOs Co-ordination Board (hereinafter the Board) in its letter referred to hereinabove was categorical on the need for NACADA to conduct due diligence with the Board before partnering or advancing any funds to NGOs. The Board proceeded to warn NACADA of the dangers it faced by funding NGOs without verifying with the Regulator their legal and compliance status.

From NACADA's letter also referred to hereinabove, NACADA is purporting to conduct due diligence after it has advanced and lost funds to phantom organizations. In fact, from the list of NGOs NACADA has filed, the Board has ascertained that:

1. Out of the one hundred and nineteen (119) organizations funded by NACADA, only 14 organizations registered by the Board have accurately disclosed the funds received totaling KES 13,933,175;
2. Two (2) organizations; Coast Rural Development Organization and Community of Mercy Development Organization, which received KES 745,500, had long been deregistered;
3. Even though from NACADA records, it is claimed that KES 10,671,447.50 was advanced to eleven (11) organizations, however the records at the Board reflect that none of them received any funding from NACADA;



4. Six (6) organizations declared funds in excess of what was received from NACADA which points to other possible sources of funding;

Other than the organizations listed hereinabove, which are 33 in number, the Board cannot establish the legal status of the remaining 86 Organizations provided by NACADA.

The NGOs Board as the Government Agency in charge of charity regulations in the country wishes to register great exception and takes umbrage in the manner with which NACADA has opted to finance or partner with illegal/unregistered organizations in total disregard to the Kenyan laws. **TAKE NOTICE THAT** funding of illegal and unregistered organizations as is the case with NACADA has not only led to loss of public funds but also pose a serious threat to National security through the diversion of donor aid, potential terrorism financing and money laundering.

From the foregoing, it is our considered opinion that the funds allegedly expended by NACADA to NGOs led to careless and avoidable loss of public funds and therefore did not achieve the intended purpose as enshrined in the NACADA Act, 2010. The Board therefore demands that NACADA should with immediate effect take legal action against all officers involved in these fraudulent and/or negligent acts to avert any further loss of public funds and report to the same to the Board.

Yours *Sincerely,*



Fazul Mahamed
EXECUTIVE DIRECTOR

Copy to:

Principal Secretary, Interior
Ministry of Interior and Coordination of National Government
Harambee House, 4th Floor
Harambee Avenue
NAIROBI

~~The CEO~~
National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA)
✓ NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI



NGOs CO-ORDINATION BOARD

THE PRESIDENCY
MINISTRY OF DEVOLUTION & PLANNING

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NGOB/5/30A/8/Vol. XI

June 10, 2015

The Chairman
National Authority for the Campaign
Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI

Dear *Hon. John Mwangi*

REF: NGOs FUNDED BY NACADA

I write with reference to the above captioned subject matter and further to your letter dated June 9th 2015.

I wish to confirm the following.

1. Out of the one hundred and nineteen (119) organizations funded by NACADA, only 14 organizations registered by the Board have accurately disclosed the funds received totaling KES 13,933,175; *(See Table A, attached)*
2. Two (2) organizations; Coast Rural Development Organization and Community of Mercy Development Organization which received KES 745,500, had been deregistered; *(See Table B, Attached)*
3. Even though from NACADA records, it is claimed that KES 10,671,447.50 was advanced to eleven (11) organizations, however the records at the Board reflect that (9) nine of them did not receive any funding from NACADA while (2) two of them were underfunded; *(See Table C, Attached)*
4. Six (6) organizations declared funds in excess of what was received from NACADA which points to possible audit queries on the extra source of funding; *(See Table D, Attached)*

*Noted
acknowledged
Letter to
FMA to
respond to
issues
raised
by 22/6/15*



Other than the organizations listed hereinabove, which are 33 in number, the NGOs Coordination Board cannot establish the legal status of the remaining 86 Organizations funded by NACADA.

I hope the above information will enable NACADA make an informed decision to avert further loss of Public Funds.

Yours Sincerely,



Fazul Mahamed
EXECUTIVE DIRECTOR

Copy to:

Principal Secretary, Interior
Ministry of Interior and Coordination of National Government
Harambee House, 4th Floor
Harambee Avenue
NAIROBI

Chief Executive Officer
National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA)
✓ NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI

Table A

NGOs with accurate Amounts Funded by NACADA							
NO	Organization Name	Registration Number	Registration Status	NGOs Records		Difference of amount funded by NACADA and What Financial Records of the NGOs reflect	Status of Funding
				2013 - 2014	Amount Funded by NACADA 2013		
1	ACTION NETWORK FOR THE DISABLED	OP.218/051/2009/0321/5905	Active	KES 2,854,525	KES 2,854,525.00	KES 0.00	Accurate
2	ALLIANCE FOR EDUCATION AND EMPOWERMENT IN DEVELOPMENT	OP.218/051/2005/0367/3882	Active	KES 2,355,200	KES 2,355,200.00	KES 0.00	Accurate
3	BENEVOLENT INSTITUTE OF DEVELOPMENT INITIATIVES	OP.218/051/97168/991	Active	KES 1,716,000	KES 1,716,000.00	KES 0.00	Accurate
4	CHERIPKEI COMMUNITY AWARENESS AND EDUCATION PROGRAMME	OP.218/051/2006/0473/4385	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
5	CLIMATIC AND ENVIRONMENTAL- CONSERVATION KENYA	OP.218/051/98146/1157	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
6	GAPLINK INTERNATIONAL	OP.218/051/2008/0306/5384	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
7	GREEN VIEW	OP.218/051/9614/721	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
8	HOMA HILLS COMMUNITY DEVELOPMENT ORGANISATION	OP.218/051/914/5	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
9	KENYA NETWORK OF WOMEN WITH AIDS (KENWA)	OP.218/051/9929/1303	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
10	NEEM ENVIRONMENT PROJECT	OP.218/051/2007/0144/4569	Active	KES 862,000	KES 862,000.00	KES 0.00	Accurate
11	RIGHT DESTITUTE MOTHER CHILD ORGANIZATION	OP.218/051/2008/0253/5353	Active	KES 1,878,250	KES 1,878,250.00	KES 0.00	Accurate
12	SERE AFRICA INTERNATIONAL	OP.218/051/2006/0114/4087	Active	KES 349,000	KES 349,000.00	KES 0.00	Accurate
13	STRENGTHENING COMMUNITY PARTNERSHIP AND EMPOWERMENT	OP.218/051/2008/0261/5371	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
14	YOUTH ALIVE! KENYA	OP.218/051/2003/0140/2861	Active	KES 350,000	KES 350,000.00	KES 0.00	Accurate
				KES 1,468,200	KES 1,468,200.00	KES 0.00	Accurate
				KES 13,933,175	KES 13,933,175.00	KES 0.00	Accurate

② Class Audit
 This is Fraud.
 Act Secret.
 F.M. *Chr. M. Mumo*
 1st Dec 2015.

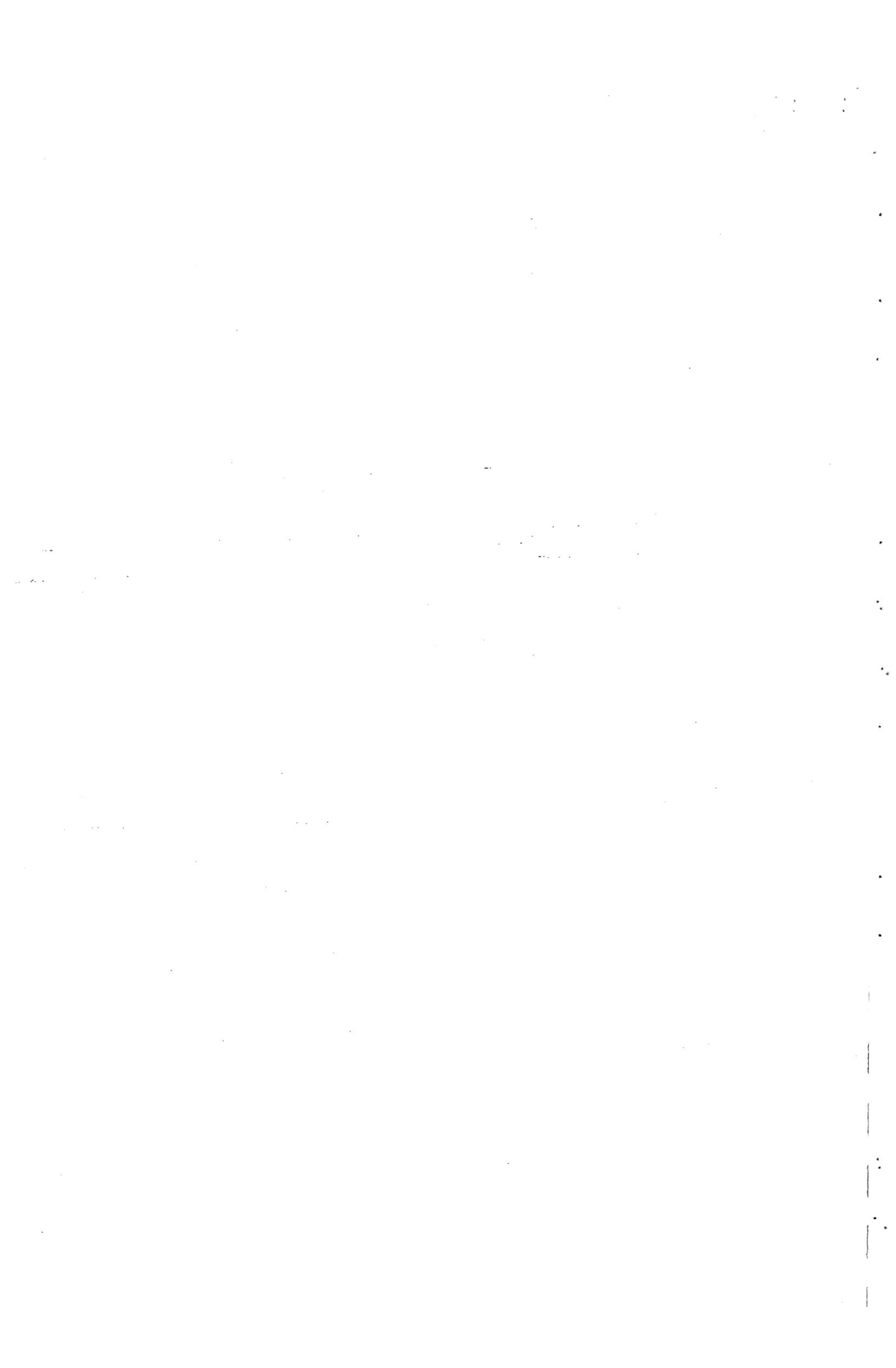
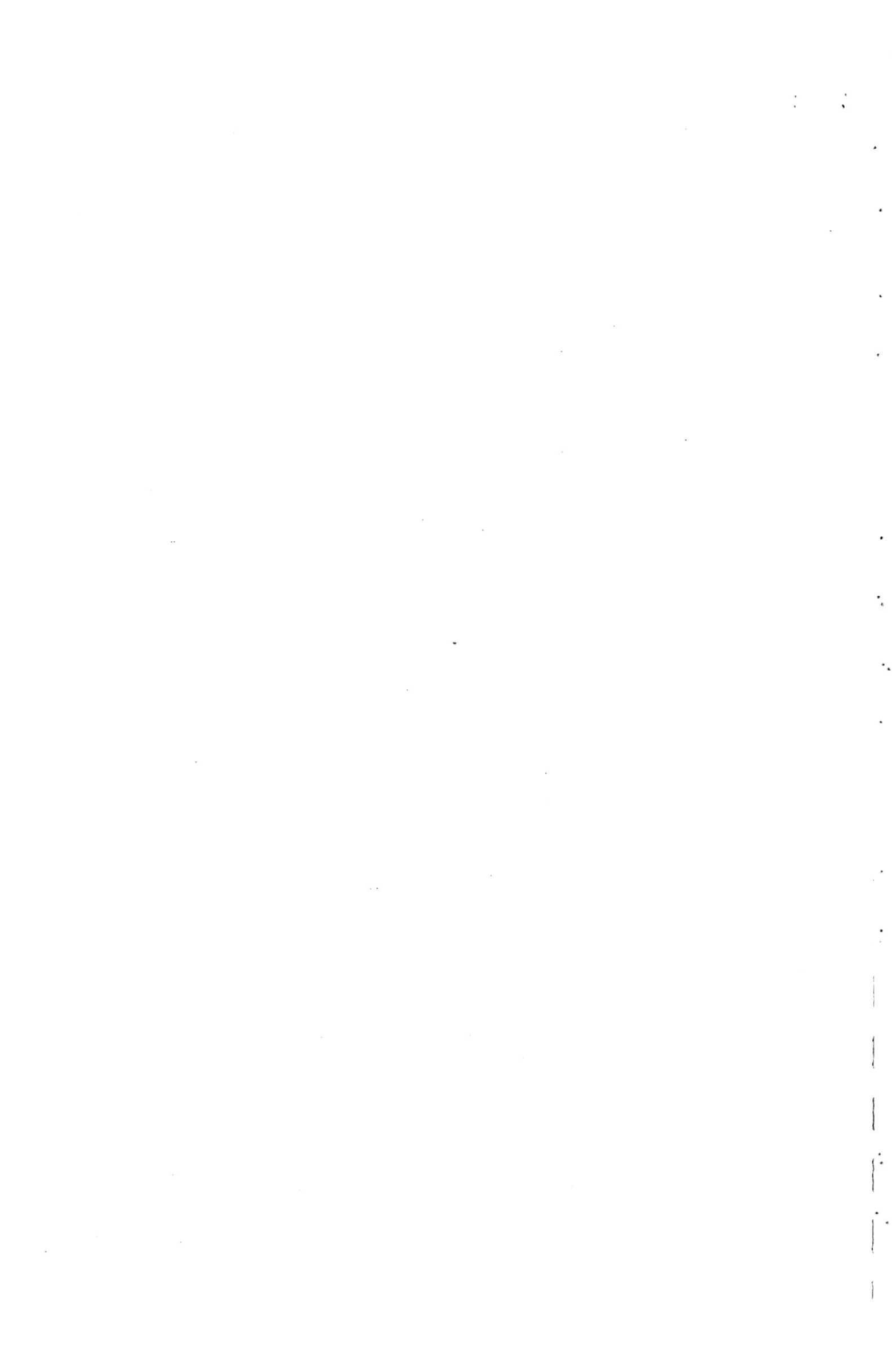


Table C

NGOs Purportedly Funded by NACADA but Financial Records of the NGO reflect that none of them received any funding from NACADA							
NO	Organization Name	Registration Number	Registration Status	NGOs Records	Amount Funded by NACADA 2013	Difference of amount funded by NACADA and What Financial Records of the NGOs reflect	Status of Funding
				2013 - 2014			
✓ 1	MARANATHA INTERNATIONAL COUNSELLING FOUNDATION	OP.218/051/2007/0226/4687	Active	KES 700,000	KES 2,056,500.00	KES 1,356,500.00	Under Funded
✓ 2	MEN FOR GENDER EQUALITY NOW	OP.218/051/11-0566/7528	Active	KES 0	KES 1,857,750.00	KES 1,857,750.00	Not Funded
✓ 3	SOLIDARITY FOR ECO-FRIENDLY EFFORTS IN KENYA	OP.218/051/2009/0219/5810	Active	KES 0	KES 1,500,000.00	KES 1,500,000.00	Not Funded
✓ 4	SONGA MBELE WOMEN ORGANIZATION (MOVE FORWARD)	OP.218/051/98159/1135	Active	KES 400,000	KES 489,500.00	KES 89,500.00	Under Funded
✓ 5	KENYA BASIC SUPPORT FOUNDATION	OP.218/051/2002/0229/2577	Active	KES 0	KES 1,430,000.00	KES 1,430,000.00	Not Funded
✓ 6	NAROK DISTRICT NETWORK FORUM	OP.218/051/11/0537/7422		KES 0	KES 350,000.00	KES 350,000.00	Not Funded
✓ 7	STRATEGIC INTERVENTION FOR POVERTY ALLEVIATION IN KENYA	OP.218/051/99108/1266	Active	KES 0	KES 348,400.00	KES 348,400.00	Not Funded
✓ 8	MUMONI AND KYUSO ORGANIZATION FOR RURAL	OP.218/051/2001/0114/1644	Active	KES 0	KES 350,000.00	KES 350,000.00	Not Funded
✓ 9	SPORTING CHANCE INTERNATIONAL	OP.218/051/2005/0204/3712	Active	KES 0	KES 343,650.00	KES 343,650.00	Not Funded
✓ 10	MAENDELEO YA WANAWAKE ORGANIZATION	OP.218/051/93279/171	Active	KES 0	KES 348,560.00	KES 348,560.00	Not Funded
✓ 11	YOUNG WOMEN'S CHRISTIAN ASSOCIATION (YWCA)	OP.218/051/9263/33		KES 0	KES 1,597,087.50	KES 1,597,087.50	Not Funded
				KES 1,100,000	KES 10,671,447.50	KES 9,571,447.50	



Wt

Table D

NGOs who declared funds in excess of what was received from NACADA

NO	Organization Name	Registration Number	Registration Status	NGOs Records		Amount Funded by NACADA 2013	Difference of amount funded by NACADA and What Financial Records of the NGOs reflect	Status of funding
				2013 - 2014				
1	GESIEKA NATIONAL NETWORK COMMUNITY KEIYO SOUTH WOMEN EMPOWERMENT NETWORK	OP.218/051/14-0304/9698	Active	KES 700,000		KES 350,000.00	-KES 350,000.00	Declared in excess
2	KENYA ARID REGIONS CHILDREN FUND	OP.218/051/2010/0592/6796	Active	KES 700,000		KES 350,000.00	-KES 350,000.00	Declared in excess
3	NURTURE SMART YOUTH PROGRAM KENYA	OP.218/051/9622/774	Active	KES 700,000		KES 302,050.00	-KES 317,150.00	Declared in excess
4	PRACTICAL SOLUTION FOR PASTORALIST DEVELOPMENT	OP.218/051/11-0228/7130	Active	KES 350,000		KES 175,000.00	-KES 175,000.00	Declared in excess
5	MOVEMENT AGAINST SUBSTANCE ABUSE IN AFRICA	OP.218/051/2007/004/4359	Active	KES 700,000		KES 461,500.00	-KES 238,500.00	Declared in excess
6		OP.218/051/2004/0445/3530	Active	KES 3,000,000		KES 1,500,000.00	-KES 1,500,000.00	Declared in excess
				KES 6,150,000		KES 3,219,350.00	-KES 2,580,650.00	

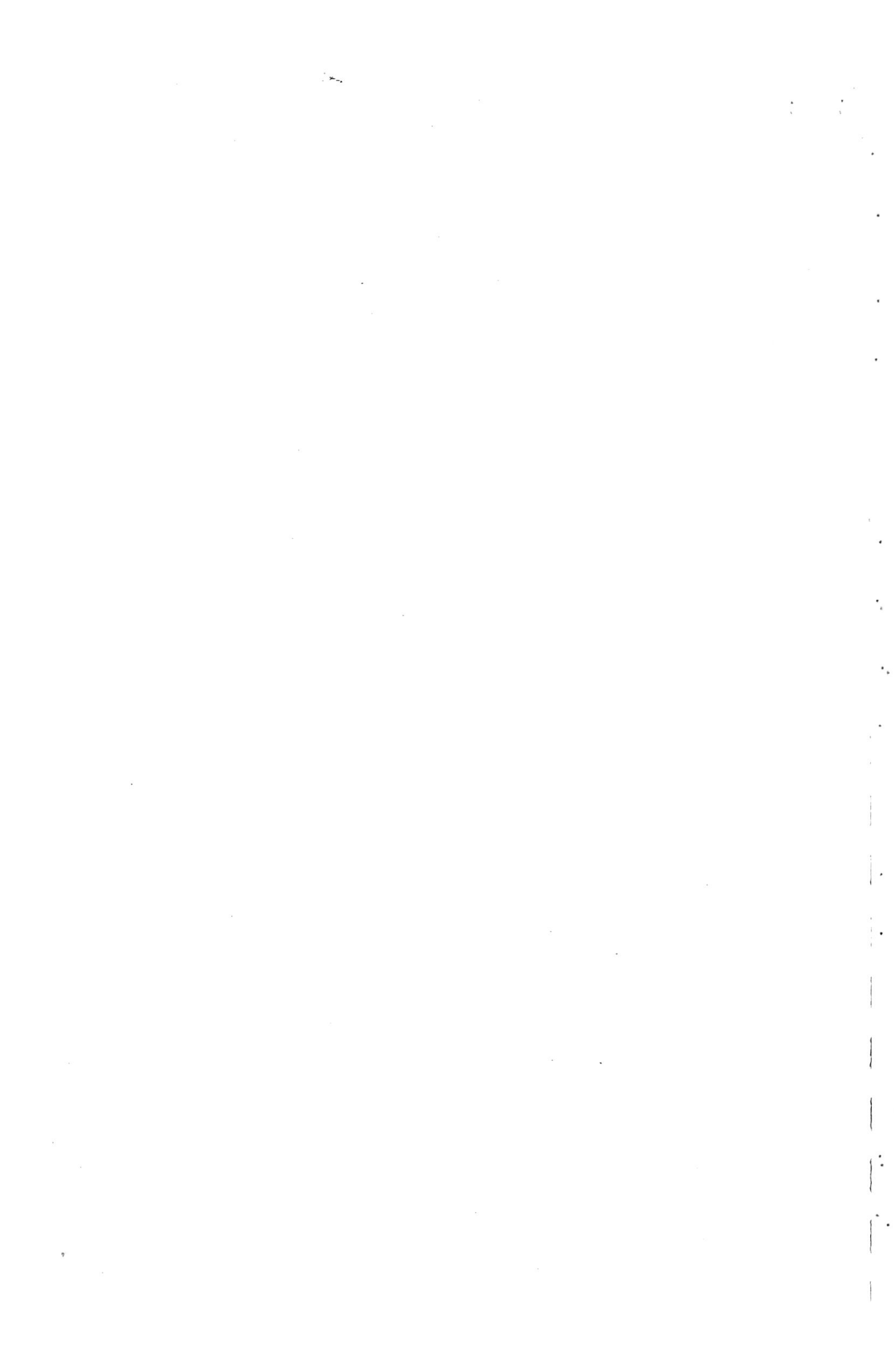
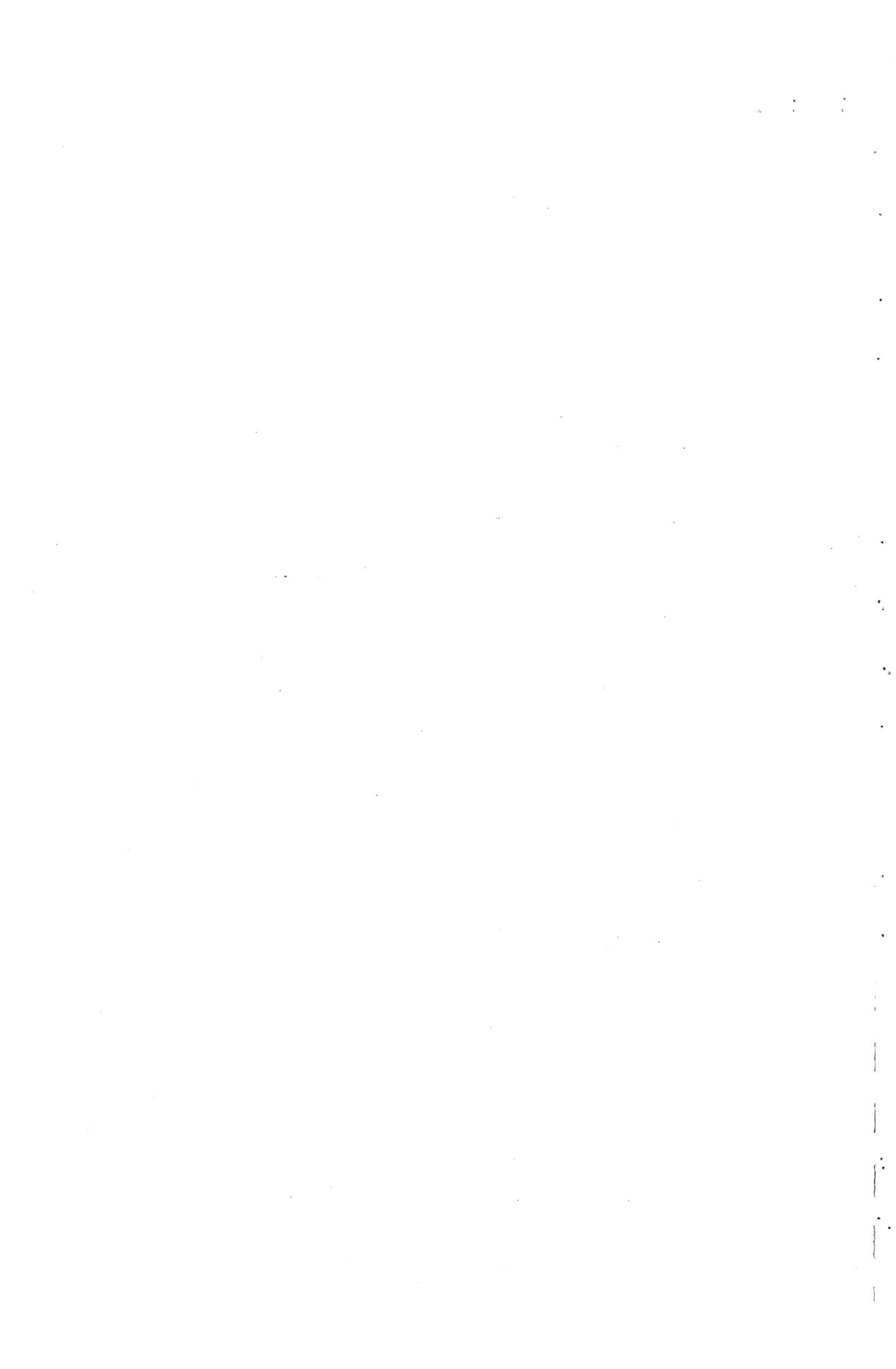
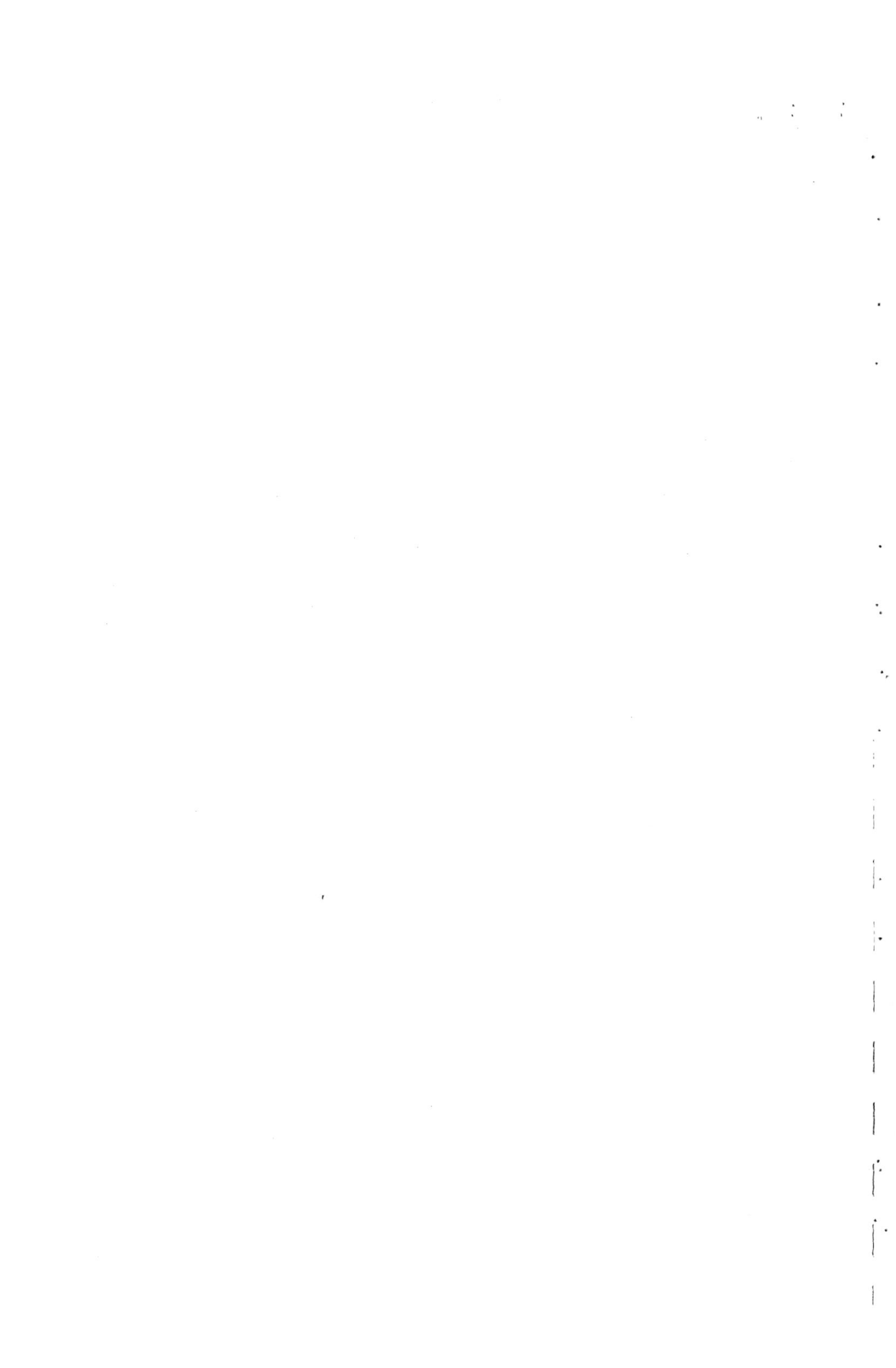


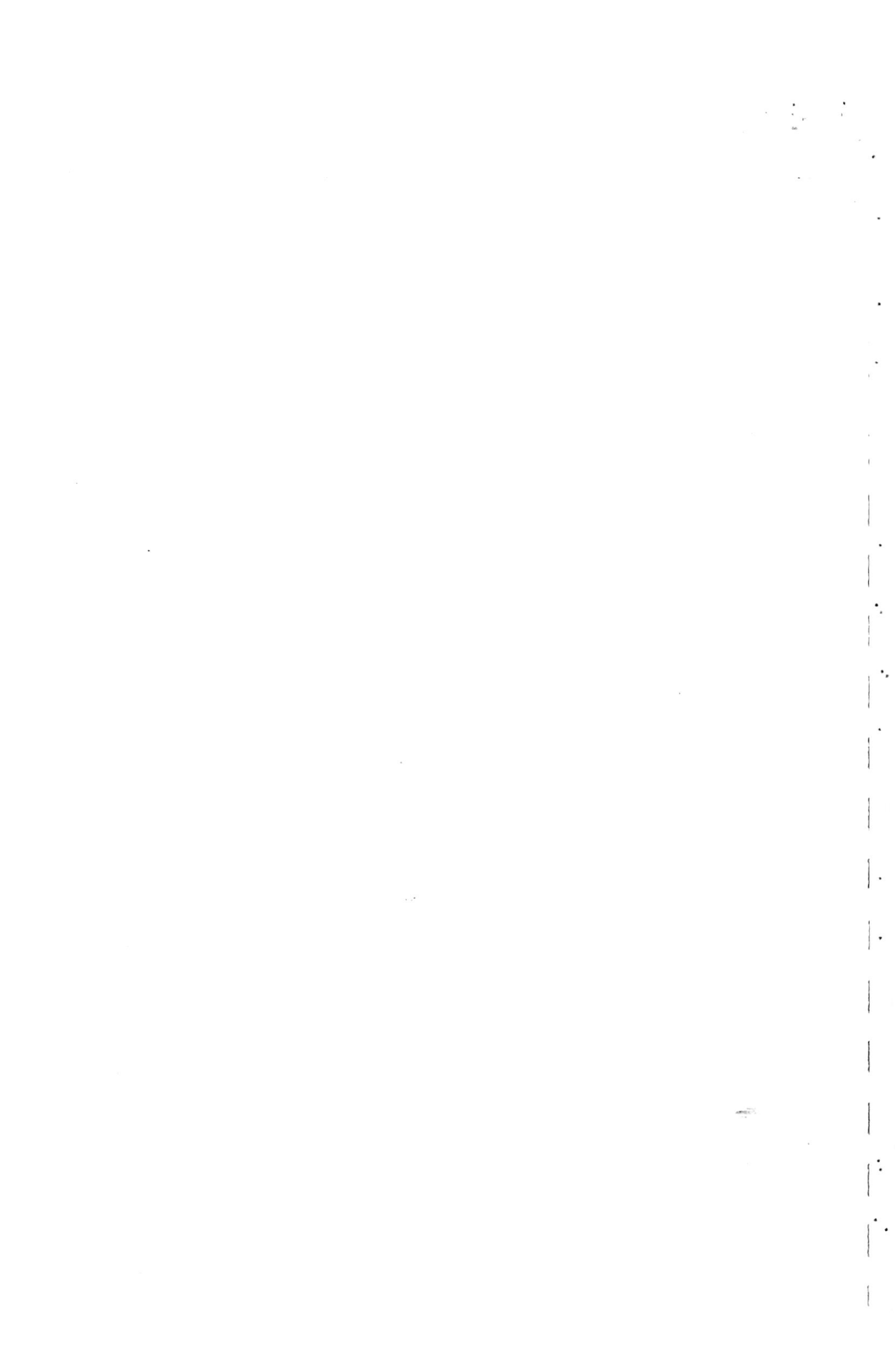
Table B

Deregistered NGOs that were Funded by NACADA.						
No	Organization Name	Registration Number	Registration Status	NGOs Records		Difference of amount funded by NACADA and What Financial Records of the NGOs reflect
				2013 - 2014	Amount Funded by NACADA 2013	
1	COAST RURAL DEVELOPMENT ORGANIZATION	OP.218/051/2007/0307/477	Deregistered in Dec 2014	KES 0	KES 343,000.00	KES 343,000.00
2	COMMUNITY OF MERCY DEVELOPMENT ORGANIZATION	OP.218/051/9631/600	Deregistered in Dec 2010	KES 0	KES 402,500.00	KES 402,500.00
				KES 0	KES 745,500.00	KES 745,500.00

F.M.









Name of Organization	July 2017	August 2017	September 2017	October 2017	November 2017	December 2017	Total
Men for Gender Equality Now	1,857,750.00						1,857,750.00
Mercy Ministries							
Orphanage			350,000.00				350,000.00
Meru Central Peace and Development Committee			346,000.00				346,000.00
Molo Disabled Persons Group		350,000.00					350,000.00
Mosoriot Proactive Lifestyle Youth Network		175,000.00					175,000.00
Movement Against Substance Abuse in Africa (MASAA)		1,500,000.00					1,500,000.00
Mulvu Education and Poverty Alleviation			175,000.00				175,000.00
Mumoni and Kyuso Organization for Rural Development and Active Participation (MUKY-ORDAP)			350,000.00				350,000.00
Muslim Youth Peace Care				175,000.00			175,000.00
Muungano Youth Group				175,000.00			175,000.00
Muyenga Vision 2040	368,000.00						368,000.00
Namanjalale Forest Association		175,000.00					175,000.00
Nandi Hills Enlighters Youth Group			170,000.00				170,000.00
Narok District Network Forum			350,000.00				350,000.00
Neem Environment Project (Kisumu)	1,878,250.00						1,878,250.00
Neema Community Based Organization			175,000.00				175,000.00
New Lalsamis Youth Association		379,500.00					379,500.00
Nurture Smart Youth Programme Kenya			175,000.00				175,000.00
Obama Health and Community Development Programme (OBACODEP)			350,000.00				350,000.00
Obwari Catholic Women Group				127,334.00			127,334.00
Ogra PLWHA			175,000.00				175,000.00
Participatory Research and Development Programme (PARADEP)			350,000.00				350,000.00
Partners in Community Transformation (PCT)			175,000.00				175,000.00
Practical Solution for Pastoralist Development (PRASO)	461,500.00				238,000.00		699,500.00
Protouch Africa							



	Name of Organization	May 2013	June 2013	July 2013	August 2013	September 2013	October 2013	November 2013	December 2013	Jan 14	Feb 14	Apr 14	May 14	Mar 15	Disbu
									175,000.00						175,000.00
123	Wakati Self Help Group								350,000.00						350,000.00
124	Wei-Wei Development Initiative Group				350,000.00										350,000.00
125	WorldWide Full Gospel Mission							333,200.00				364,235.15			697,435.15
126	Yaw Pachi Community Based Organization					175,000.00									175,000.00
127	Young Women's Christian Association (YWCA)	1,597,087.50											1,242,633.50		2,839,721.00
128	Youth Action for Rural Development (YARD)					312,000.00									312,000.00
129	Youth Against Drug and Substance Abuse (YADASA)				350,000.00								346,330.00		696,330.00
	Youth Alive! Kenya				1,468,200.00					1,516,778.30					2,984,978.30
	Total	19,471,522.50	4,219,750.00	7,939,377.00	11,829,245.00	8,995,404.00	5,833,264.00	4,785,626.80	2,399,609.00	7,185,847.15	8,592,042.55	3,675,256.40	6,964,895.00		91,891,831.30

ADC Funds for the Civil Society Organisations							
Name of Organization	County	District	Type of Org.	Registration No.	Registering Body	Date of Registration/Issue	Budget
1 Acacia Community Based Organization	Kakamega	Likuyani	Self Help Group	01520/2004	Ministry of Gender, Children & Social Dev.	14/08/2009	700,000.00
2 Action Network for the Disabled	Nairobi	Starehe	NGO	OP .218/051/2009/0321/5905	NGO Coordination Board	17/09/2009	2,967,400.00
3 African Brotherhood Church	Machakos	Machakos	Society	Certificate of Exemption from Registration No. 2154	Registrar of Societies	21/03/1987	3,000,000.00
4 Agape Self Help Group	Kitui	Katulani	Self Help Group	1523	Ministry of Gender, Children & Social Dev.	21/10/2010	350,000.00
5 Alliance for Education and Empowerment in Development (ALEED)	Embu	Mbeere	NGO	OP.218/051/2005/0367/3882	NGO Coordination Board	15/03/2006	2,997,700.00
6 Amazing Life Centre	Laikipia	Nyahururu	CBO	CBO/001	Ministry of Gender, Children & Social Dev.	14/08/2012	350,000.00
7 Bana Sungusia Youth Group	Nyamira	Nyamira South	Self Help Group	09oil	Ministry of Gender, Children & Social Dev.	31/05/2006	350,000.00
8 Benevolent Institute of Development Initiatives (BIDII)	Machakos	Machakos	NGO	OP.218/051/97168/991	NGO Coordination Board	09/09/1999	3,000,000.00
9 Blessed Mothers Group	Murang'a	Kangema	Self Help Group	KAN/WG/346	Ministry of Gender, Children & Social Dev.	30/9/2010	350,000.00
10 Bungoma Youth Development and Rehabilitation Group	Bungoma	Bungoma South	CBO	948	Ministry of Gender, Children & Social Dev.	19/01/2012	700,000.00
11 Burimaria Inukeni Youth Group	Meru	Igembe South	Self Help Group	NYB/CD/346/2007	Ministry of Gender, Children & Social Dev.	28/3/2007	700,000.00
12 Central Nyakach Community Based Organization	Kisumu	Nyakach	Self Help Group	NDO/CBO/11696	Ministry of Gender, Children & Social Dev.	07/01/2009	350,000.00
13 Centre of Community Empowerment	Uasin Gishu	Eldoret West	Society	29168	Registrar of Societies	22/07/2008	700,000.00
14 Cheripkei Community Awareness and Education Programme	Elgeyo Marakwet	Marakwet East	NGO	OP/218/051/2006/0473/4385	Ministry of Gender, Children & Social Dev.	14/9/2006	700,000.00

15	Chimbirani Social Welfare Association (CHISWA)	Kilifi	Magarini	Self Help Group	DSS/MLD/LR/MAF A/D/3070/2004	Ministry of Gender, Children & Social Dev.	07/12/2004	349,950.00
16	Christian Community Services of Mt. Kenya East	Kirinyaga	Mwea East	Company limited by Guarantee	C.23883	Companies Act	03/12/1982	700,000.00
17	Climatic & Environmental Conservation Kenya	Kitui	Kitui Central	NGO	OP.218/051/98146/1157	NGO Coordination Board	09/09/1999	700,000.00
18	Coast Initiative of Post Test Club	Kwale	Kinango	CBO	DGSD/KNG/KSM/A1974/09	Ministry of Gender, Children & Social Dev.	13/03/2009	350,000.00
19	Coast Rural Development Organisation	Mombasa	Likoni	NGO	OP.218/051/2007/0307/4779	NGO Coordination Board	27/09/2007	686,001.00
20	Community Aid and Resource Development	Homa Bay	Rachuonyo South	Self Help Group	CBO/400/2009	Ministry of Gender, Children & Social Dev.	01/05/2009	349,999.00
21	Community Empowerment and Development Centre	Busia	Teso South	CBO	TES/DSS/CD/004/2012	Ministry of Gender, Children & Social Dev.	01/07/2012	700,000.00
22	Community Health Care Volunteers (CHVC)	Homa Bay	Mbita	CBO	CBO 0027/12	Ministry of Gender, Children & Social Dev.	22/10/2012	693,800.00
23	Community of Mercy Development Organization	Kitui	Kisasi	NGO	OP.218/051/9631/600	NGO Coordination Board	20/06/1996	700,000.00
24	Co-ordination Centre for Community Empowerment (COSEP)	Murang'a	Murang'a East	NGO	OP.218/051/2005/0197/3619	NGO Coordination Board	08/11/2005	696,000.00
25	Eastern Africa Regional Youth Network (EARYN)	Nairobi	Langata	NGO	OP.218/052/2009/0 109/5603	NGO Coordination Board	03/12/2009	700,000.00
26	Elgik Consultants	Kisii	Gucha	Business	BN/2010/9009	Registration of Business Names Act	30/9/2010	350,000.00
27	Exodus Self Help Group	Machakos	Mwala	Self Help Group	DGSD/MWA/SH/2011/10/25(18)	Ministry of Gender, Children & Social Dev.	25/10/2000	700,000.00
28	Faza Anti Drugs Campaign Group	Lamu	Lamu East	Self Help Group	SS/IM/CD/6/5/209	Ministry of Gender, Children & Social Dev.	2009	350,000.00
29	Fight Against AIDS and Poverty Eradication (FAAPE)	Kiambu	Gatundu	Self Help Group	DSS/GTD/WG/010/97243	Ministry of Gender, Children & Social Dev.	07/12/2010	700,000.00

30	FOCUS CBO	Kiambu	Ruiru	Self Help Group	DGSD/TKA/SHG/011/1296	Ministry of Gender, Children & Social Dev.	18/10/2011	350,000.00
31	Foundation for Charity Initiative (FOCI)	Nairobi	Embakasi	Society	30490	Registrar of Societies	13/08/2009	700,000.00
32	G6 Self Help Group	Kitui	Kitui Central	Self Help Group	12937	Ministry of Gender, Children & Social Dev.	19/05/2003	350,000.00
33	Galole Community Conservation Self Help Group	Tanariver	Tanariver	Self Help Group	TRD/GAL/CBO/5551	Ministry of Gender, Children & Social Dev.	03/02/2012	700,000.00
34	GAPLINK International	Nakuru	Nakuru	NGO	OP.218/051/2008/0306/5384	NGO Coordination Board	25/09/2008	700,000.00
35	Gesieka National Network Community	Kisii	Marani	Society	24960	Registrar of Societies	12/04/2008	700,000.00
36	Grand parents CBO	Njiru	Nairobi	Self Help Group	DGSD/NJI/5/4/20 1 0/(18)	Ministry of Gender, Children & Social Dev.	15/2/2010	700,000.00
37	Green View	Nyeri	Mukurweini	NGO	OP.218/051/9614/721	NGO Coordination Board	20/03/1997	700,000.00
38	Hamisi Civil Society Organization Network	Vihiga	Hamisi	Self Help Group	10400/2009	Ministry of Gender, Children & Social Dev.	18/9/2009	700,000.00
39	Homa Hills Community Development Organization	Homa Bay	Rachuonyo North	NGO	OP.218/051/914/5	NGO Coordination Board	05/12/1994	700,000.00
40	Igare Rural Development Organization	Kisii	Sameta	Self Help Group	CCA/DSS/CBO/07/2010	Ministry of Gender, Children & Social Dev.	18/5/2010	350,000.00
41	Igoma Vision Women Group	Kisii	Nyamache	Self Help Group	GCA/DSS/WG/0825/10	Ministry of Gender, Children & Social Dev.	01/04/2010	700,000.00
42	Indagalasia Community HIV/AIDS Resource centre	Kakamega	Kakamega Central	NGO	OP.218/051/2009/0125/5962	NGO Coordination Board	17/9/2009	700,000.00
43	Ininga Self Help Youth Group	Vihiga	Sabatia	Self Help Group	5798/2004	Ministry of Gender, Children & Social Dev.	22/1/2009	350,000.00
44	Iyego Self Help Group	Embu	Embu West	Self Help Group	11204	Ministry of Gender, Children & Social Dev.	28/9/2007	350,000.00
45	Joy Fellowship Ministries International	Kisii	Masaba	Society	27939	Registrar of Societies	15/8/2007	700,000.00

46	Kahumbu CBO	Muranga	Kigumo	Self Help Group	KIG/MUT /CBO/1935	Ministry of Gender, Children & Social Dev.	02/05/2010	700,000.00
47	Kambuka NAKANDA Self Help Group	Nyandarua	Nyandarua North	Self Help Group	9957	Ministry of Gender, Children & Social Dev.	03/04/2011	700,000.00
48	Keiyo South Women Empowerment Network (KESWEN)	Elgeyo Marakwet	Keiyo South	NGO	OP.218/051/2010/0592/6796	NGO Coordination Board	12/09/2010	700,000.00
49	KENWA	Nairobi	Starehe	NGO	OP.218/051/9929/1303	NGO Coordination Board	09/09/1999	1,400,000.00
50	Kenya Alliance of Residents Association (KARA)	Nairobi		Society	20050	Registrar of Societies	22/9/2000	3,000,000.00
51	Kenya Arid Regions Children Fund	Nairobi	Westlands	NGO	OP.218/051/9622/774	NGO Coordination Board	06/10/1997	700,000.00
52	Kenya Basic Support Foundation (KBSF)	Nyeri	Mathira West	NGO	OP .218/051/2002/0229/2577	NGO Coordination Board	17/4/2003	2,100,000.00
53	Kenya Conference of Catholic Bishops (KCCB)	Nairobi	Westland	Incorporated Instituion	PS341/1	Perpetual Succession Act Cap 286	29/01/1973	3,000,000.00
54	Kenya Girl Guides Association	Nairobi	Westlands	Association	Established by the Girl Guides Act Chapter 220 of the Laws of Kenva	Parliament	23/8/1935	2,999,700.00
55	Kenya Red Cross - Homa Bay	Homa Bay	Homabay	Association	Estsblhed by Kenya Red Cross Society Act (Chapter 256 Laws of Kenya)	Parliament	12/01/1965	700,000.00
56	Kenya Red Cross Nyeri	Nyeri	Nyeri Central	Association	Kenya Red Cross Society Act (Chapter 256 Laws of Kenya)	Parliament	12/01/1965	700,000.00
57	Kenyena Faith Based Organization	Kisii	Kenyena	Self Help Group	GCA/DSS/CBO/034/2011	Ministry of Gender, Children & Social Dev.	23/3/2011	350,000.00
58	Kiawariua Mwietheri Self Help Group	Muranga	Mathioya	Self Help Group	MAT/SHG/511	Ministry of Gender, Children & Social Dev.	30/8/2006	350,000.00
59	Kinangop District Peace Committee	Nyandarua	Kinangop	CBO	NYA/S/DGSS/SK-003/012	Ministry of Gender, Children & Social Dev.	15/2/2012	687,176.00
60	Kinda Riat Kochogo Women Group	Kisumu	Nyando	Self Help Group	NDO/WD/5731	Ministry of Gender, Children & Social Dev.	05/09/2011	700,000.00
61	Kirinyaga County Alcoholic and Drugs Abuse Forum (KICOADA)	Kirinyaga	Kirinyaga Central	Self Help Group	A.10550/773/2011	Ministry of Gender, Children & Social Dev.	02/07/2011	700,000.00

62	Kisauni District Peace Committee	Kisauni	Mombasa	Self Help Group	DGSD/MSA/CD/2011/262	Ministry of Gender, Children & Social Dev.	22/7/2011	350,000.00
63	Kuria Shiners Youth Group	Migori	Kuria West	Self Help Group	KUR/00B22/2007	Ministry of Gender, Children & Social Dev.	02/06/2007	350,000.00
64	Lari District Peace Forum (LDPF)	Kiambu	Lari	CBO	A/016/12	Ministry of Gender, Children & Social Dev.	14/6/2012	700,000.00
65	Lower Ambira Community Child Development Program	Siaya	Ugunja	CBO	UG/1132003/2207	Ministry of Gender, Children & Social Dev.	03/11/2003	700,000.00
66	Lower Mbooni Youth Group	Makueni	Mbooni West	Self Help Group	MKN/DSS/YG/011/162	Ministry of Gender, Children & Social Dev.	25/3/2011	700,000.00
67	Maendeleo ya Wanawake Organization Emuhaya	Vihiga	Emuhaya	Self Help Group	9528/2008	Ministry of Gender, Children & Social Dev.	28/5/2009	700,000.00
68	Maranatha International Counseling Foundation	Nairobi	Starehe	NGO	OP.218/051/2007/0226/4687	NGO Coordination Board	27/9/2007	3,000,000.00
69	Mariakani Youth Centre	Kilifi	Kaloleni	Self Help Group	SS/KFI/LR/SHG/KAL.-D/38/2009	Ministry of Gender, Children & Social Dev.	27/3/2009	350,000.00
70	Marsabit Women Advocacy & Development Organization	Marsabit	Marsabit Central	Self Help Group	171/2003	Ministry of Gender, Children & Social Dev.	07/11/2003	700,000.00
71	Masimba Faith Women Group	Kisii	Masaba South	CBO	DGSD/MSCD/WG/0032/2008	Ministry of Gender, Children & Social Dev.	02/02/2008	350,000.00
72	Mbeere North DC Youth for Community Policing Group	Embu	Mbeere North	CBO	589	Ministry of Gender, Children & Social Dev.	25/08/2011	700,000.00
73	Men for Gender Equality Now	Nairobi	Westlands	NGO	OP.218/051/11-0566/7528	Non-Governmental Organizations Co-Ordination Board	10/12/2011	3,000,000.00
74	Mercy Ministries Orphanage	Migori	Uriri	Charitable Children's Institution	343	Minister For Home Affairs	05/12/2007	700,000.00
75	Meru Central Peace and Development Committee	Meru	Meru Central	Self Help Group/Project	MC/892/2011	Ministry of Gender, Children & Social Dev.	26/05/2011	700,000.00

76	Molo Disabled Persons Group	Nakuru	Molo	Self Help Group/Project	NKU/DSS/SHG/5088	Ministry of Gender, Children & Social Dev.	13.10.2004	700,000.00
77	Mosoriot Proactive Lifestyle Youth Network	Nandi	Nandi North	CBO	6785/2007	Ministry of Gender, Children & Social Dev.	19/02/2010	350,000.00
78	Movement Against Substance Abuse in Africa (MASAA)	Nairobi	Dagoretti	NGO	OP.218/051/2004/0445/3530	Non-Governmental Organizations Co-Ordination Board	27.04.2005	3,000,000.00
79	Muivu Education and Poverty Alleviation	Kitui	Migwani	CBO	8918/07	Ministry of Gender, Children & Social Dev.	19/11/2007	350,000.00
80	Mumoni and Kyuso Organization for Rural Development and Active Participation (MUKY-ORDAP)	Kitui	Kyuso	NGO	OP.218/051/2001/0114/1644	NGO Coordination Board	11/02/2000	700,000.00
81	Muslim Youth Peace Care	Starehe	Nairobi	Self-Help Group/Project	DGSD/STA/5/4/2011/(1618)	Ministry of Gender, Children & Social Dev.	22/07/2011	350,000.00
82	Muongano Youth Group	Lamu	Lamu	Self Help/Women Group	SS/LM/YD/138	Ministry of Gender, Children & Social Dev.	15.07.1997	350,000.00
83	Muyenga Vision 2040	Kiambu	Limuru	Self-Help Group/Project	LMR 02215	Ministry of Gender, Children & Social Dev.	08/09/2011	700,000.00
84	Namanjalale Forest Association	Trans Nzoia	Kwanza	CBO	TN/130407/72007	Ministry of Gender, Children & Social Dev.	08/07/2007	350,000.00
85	Nandi Hills Enlighters Youth Group	Nandi	Nandi East	Self-Help Group/Project	N/E/Y.G/008	Ministry of Gender, Children & Social Dev.	06/12/2011	350,000.00
86	Narok District Network Forum	Narok	Narok North	NGO	OP.218/051/11-0537 /7 422	Non-Governmental Organizations Co-Ordination Board	29/09/2011	700,000.00
87	Neem Environment Project (Kisumu)	Kisumu	Kisumu East	NGO	OP.218/051/2007/0144/4569	Non-Governmental Organizations Co-Ordination Board	21/06/2007	3,000,000.00
88	Neema Community Based Organization	Trans Nzoia	Trans Nzoia	CBO	TN/123580/09/2012	Ministry of Gender, Children & Social Dev.	03.09.2012	350,000.00

89	New Laisamis Youth Association	Marsabit	Marsabit South	CBO	727	Ministry of Gender, Children & Social Dev.	16/03/2007	700,000.00
90	Nurture Smart Youth Programme Kenya	Nairobi	Kamukunji	NGO	OP.218/051/11-0228/7130	Non-Governmental Organizations Co-Ordination Board	31.03.2011	350,000.00
91	Obama Health and Community Development Programme (OBACODEP)	Migori	Awendo	Self Help Projects	MIG/DSS/CD/052643/2001	Ministry of Gender, Children & Social Dev.	3.4.2001	700,000.00
92	Obwari Catholic Women Group	Nyamira	Nyamira North	Women Group	WG/177/75	Ministry of Gender, Children & Social Dev.	11.04.2012 (renewal)	350,000.00
93	Ogra PLWHA	Kisumu	Muhoroni	Self-Help Group/Project	134066	Ministry of Gender, Children & Social Dev.	26.11.2010	350,000.00
94	Participatory Research and Development Programme (PARADEP)	Siaya	Bondo	Self-Help Group/Project	BON/CBO/021	Ministry of Gender, Children & Social Dev.	9.3.2010	700,000.00
95	Partners in Community Transformation (PCT)	Kisumu	Kisumu West	Society	32790	Registrar of Societies	8.9.2010	350,000.00
96	Practical Solution for Pastoralist Development (PRASO)	Isiolo	Sololo	NGO	OP.218/051/2007/004/4359	Non-Governmental Organizations Co-Ordination Board	11.01.2007	700,000.00
97	Protouch Africa Consultants	Mombasa	Changamwe	Business	428901	Assistant Registrar of Business Names	10.11.2005	700,000.00
98	Regional Youth Resource and Information Centre	Nakuru	Kuresoi	Self-Help Group/Project	NKU/DSS/YG/4844	Ministry of Gender, Children & Social Dev.		700,000.00
99	Right Destitute Mother Child Organization (RT_DEMCO)	Busia	Teso North	NGO	OP .218/051/2008/0253/5353	Non-Governmental Organizations Co-Ordination Board	25.9.2008	700,001.00
100	Rongo Child & Family Programme	Migori	Rongo	Self-Help Group/Project	RGO/SHG/0304/1994	Ministry of Gender, Children & Social Dev.	27/10/1994	700,000.00
101	SAYYIDAT-AISHA Women Group	Muranga	Murang'a South	Self-Help Group/Project	MAR/MAR/WG/210	Ministry of Gender, Children & Social Dev.	4.10.1999	700,000.00

102	Sere Africa International	Uasin Gishu	Wareng	NGO	OP.218/051/2006/0114/4087	Non-Governmental Organizations Co-Ordination Board	15.03.2006	700,000.00
103	Shalem Community Educators	Meru	Imenti North	Self-Help Group/Project	459/2001	Ministry of Gender, Children & Social Dev.	7.11.2001	700,000.00
104	Smile Africa Development Organization	Kitui	Matinyani	NGO	OP.218/051/2006/059/4033	Non-Governmental Organizations Co-Ordination Board	15.3.2006	700,000.00
105	Solidarity for Eco-Friendly Efforts (Kenya)	Mombasa	Changamwe	NGO	OP.218/051/2009/0219/5810	Ministry of Gender, Children & Social Dev.		3,000,000.00
106	Songa Mbele Women Organization (SOMWO)	Nyeri	Tetu	NGO	OP.218/051/98159/1135(2)	Non-Governmental Organizations Co-Ordination Board	30.04.2003	700,000.00
107	Sporting Chance International	Nairobi	Kasarani	NGO	OP .218/051/2005/0204/3712	Non-Governmental Organizations Co-Ordination Board	11.08.2005	695,400.00
108	St. Thomas Retreat and Conference Centre	Embu	Mbeere South	NGO	BN/20 1 0/82866	Registrar of Business Names	23.07.2010	700,000.00
109	Strategic Intervention for Poverty Alleviation in Kenya (SIPAK)	Kiambu	Githunguri	NGO	OP.218/051/99108/1266	Non-Governmental Organizations Co-Ordination Board	9.9.1999	700,000.00
110	Strengthen Community Partnership Empowerment (SCOPE) CBO	Kilifi	Kilifi	CBO	218/051/2008/0261/5371	Ministry of Gender, Children & Social Dev.		700,000.00
111	Students Campaign against Drugs (SCAD)	Nairobi	Dagoretti	Company limited by Guarantee	C.126883	Registrar of Companies	27.7.2006	3,000,000.00
112	Suneka Jua Kali Association	Kisii	Kisii South	Society	30936	Registrar of Societies	6.11.2009	700,000.00
113	Sunrise for Men and Family Reformation	Kirinyaga	Kirinyaga East	CBO	KE.CBOA1/306/20 12	Ministry of Gender, Children & Social Dev.	3.8.2012	700,000.00
114	Taita Resource Centre	Taita taveta	Mwatate	Self-Help Group/Project	TT A/CD/2/5122	Ministry of Gender, Children & Social Dev.	2.3.2006	700,000.00

115	Tawakal Jua Kali Group	Mandera	Mandera Central	Self-Help Group/Project	M/E/27/2002	Ministry of Gender, Children & Social Dev.	26.07.2002	700,000.00
116	Thika United Football Club	Kiambu	Thika	Club	TKA/CSD/2/9(36)	Ministry of Home Affairs, Heritage and Sports	27/8/2003	3,000,000.00
117	Tigi Wiyi Women	Rarieda	Kisumu	Self Help Group	MDN/11796/1666	Ministry of Home Affairs, Heritage and Sports	25/7/2006	350,000.00
118	Ungana Self Help Group	Nairobi	Dagoretti	Self-Help Group/Project	DAG/SHG/5/4/2010/ (249)	Ministry of Gender, Children & Social Dev.	10.09.2010	350,000.00
119	United States International University (USIU)	Nairobi	Kasarani	University	Universities Act, Cap. 210B	Minister For Education	10.12.1999	700,000.00
120	Upendo Wetu Youth Initiative CBO	Garissa	Garissa	CBO	CD/2/3011	Ministry of Gender, Children & Social Dev.	26.7.2006	700,000.00
121	VASSCO Mission	Laikipia	Laikipia East	CBO	9583	Ministry of Gender, Children & Social Dev.	13.11.2009	350,000.00
122	Wajukuu Art Project	Nairobi	Makadara	Self-Help Group/Organiz ation	16056	Ministry of Gender, Children & Social Dev.	17.9.2007	350,000.00
123	Wakati Self Help Group	Kitui	Lower Yatta	Self-Help Group	20787	Ministry of Gender, Children & Social Dev.	20.12.2007	700,000.00
124	Wei-Wei Development Initiative Group	West Pokot	Pokot Central	Self-Help Group/Project	2012/1346	Ministry of Gender, Children & Social Dev.	14.2.2012	700,000.00
125	WorldWide Full Gospel Mission	Kilifi	Malindi	Society	26595	Registrar of Societies	16.10.2006	700,000.00
126	Yaw Pachi Community Based Organization	Siaya	Gem	CBO	YLA/20793/657	District Gender & Social Development Committee	20.7.2009	350,000.00
127	Young Women's Christian Association (YWCA)	Nairobi	Makadara	NGO	OP.218/051/9263/33	NGO Coordination Board	03/11/1993	2,959,175.00
128	Youth Action for Rural Development (YARD)	Muranga	Gatanga	Self Help Group	DGSD/GAT /CBO/011/350	Ministry of Gender, Children & Social Dev.	17/11/2011	700,000.00
129	Youth Against Drug and Substance Abuse (YADASA)	Nyeri	Mathira East	CBO	MATH/E/C.B.0/183/2011	Ministry of Gender, Children & Social Dev.	12.09.2010	700,000.00

130	Youth Alive! Kenya	Nairobi	Dagoretti	NGO	OP .218/051/2003/0140/2861	Non-Governmental Organizations Co-Ordination Board	18.12.2003	3,000,000.00
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Summary of Funds Disbursed to Ernest & Young

Tranche	Date	Amount in Kshs
1st Tranche	20/04/2013	24,750,000.00
2nd Tranche	28/06/2013	48,032,041.00
3rd Tranche	9/04/2014	22,129,520.50
Total		94,911,561.50
Balance with NACADA		4,088,438.50



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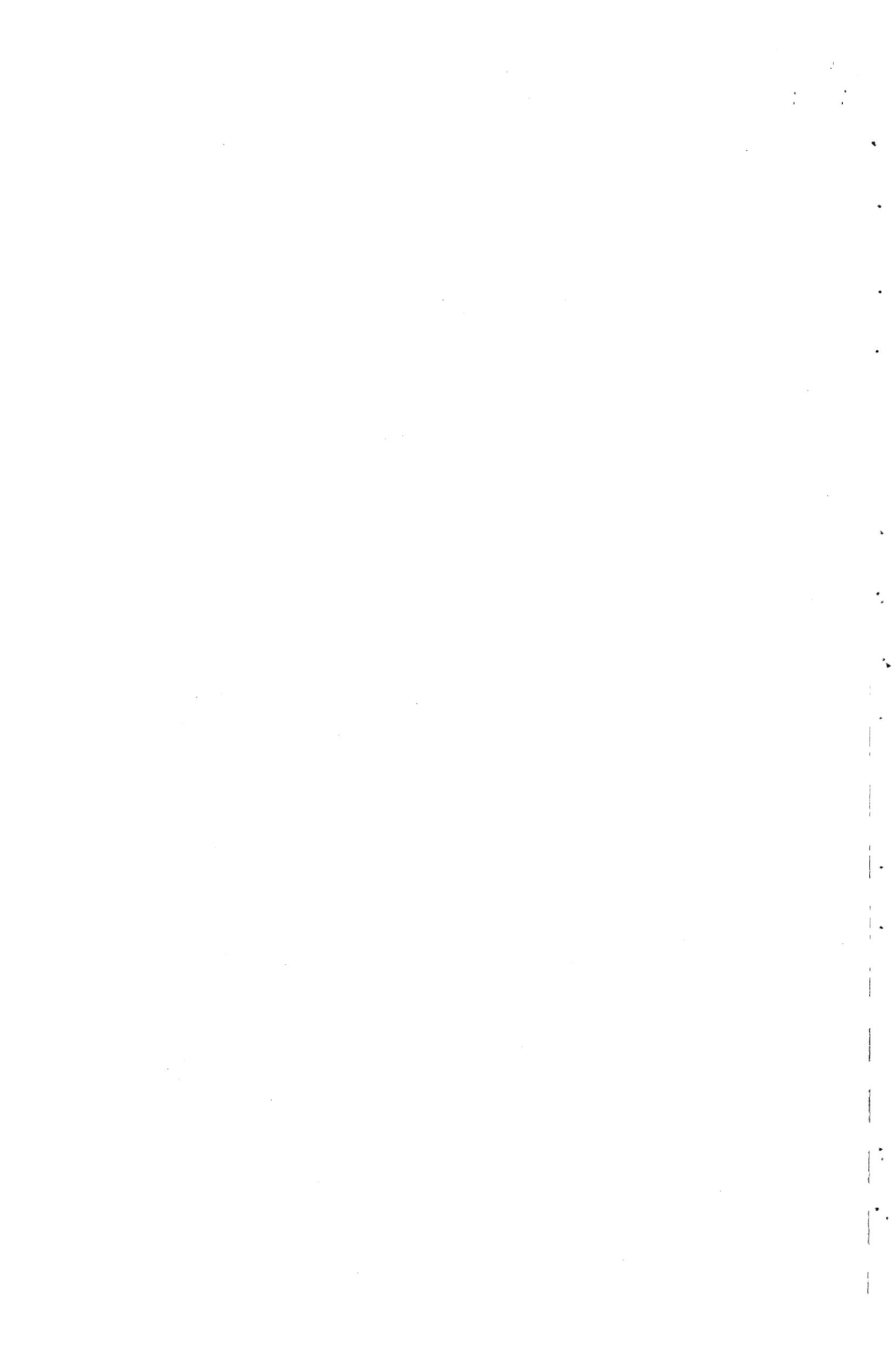
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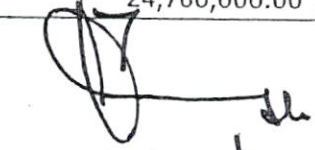
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TOTAL				24,760,000.00	



18/4/13



18/4/13



18/04/2013

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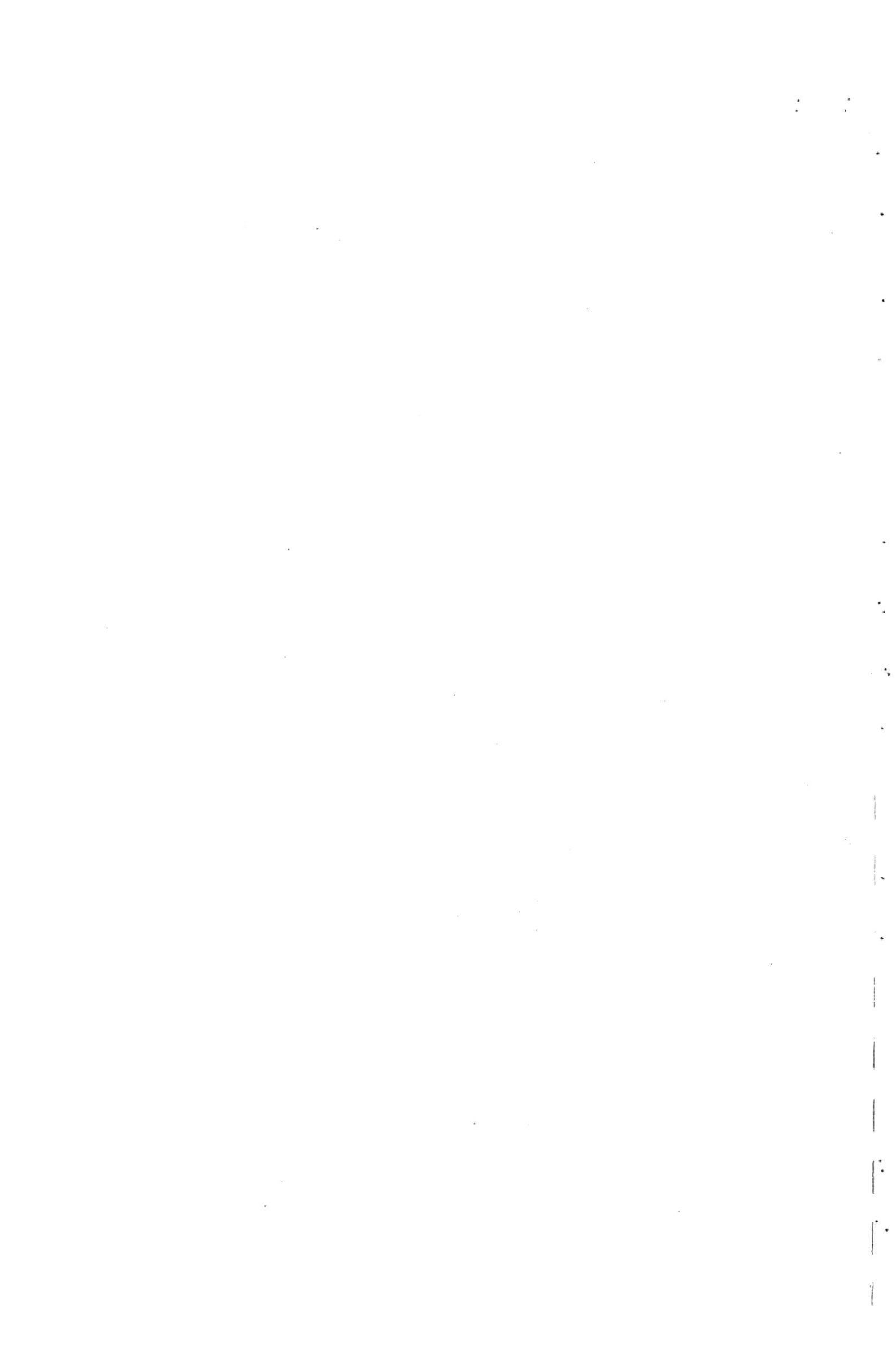
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* End of report : Sagacious Systems (Pty) Ltd *



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21/6/13

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21/6/13



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7	PAY	11003		0001116432217100	1	72	01175	
0000001125676671			1	IMPREST-0236			VINCENT SURERI	
KES 6,500.00	00	2014/04/07	0					

LABEL: UTL TOTALS : CURR CODE: KES DEBIT VALUES: 22,295,520.50
CREDIT VALUE: 22,295,520.50 DEBIT COUNT : 1 CREDIT COUNT: 6

* End of report : Sagacious Systems (Pty) Ltd *

BENEFICIARY NAME	ACCOUNT NO.	NACADA PAYMENTS		AMOUNT	REFERENCE
		BANK NAME/BRANCH	BANK CODE		
ERNST & YOUNG -ADCF CSO	1001215465	NIC/NIC HOUSE	41102	22,129,520.50	RESUBMITTED
VINCENT SURERI	1116432217100	COOP/KISUMU	11003	6,500.00	IMPREST-0236
PETER KITHEKA	1116133997100	COOP/UKULIMA	11011	6,500.00	IMPREST-0235
JOSPHAT MATHENGE	1114858382	KCB/MILIMANI	01175	5,000.00	IMPREST-0234
SAMUEL KAMAU	1147823898	KCB/MILIMANI	01175	6,500.00	IMPREST-0233
ADRIAN NJENGA	1118293991	KCB/MILIMANI	01175	141,500.00	IMPREST-0232
TOTAL				22,295,520.50	

Prepared by Henry Twaite Sign [Signature] Date 7/4/14
 Accountant

Checked by Samuel Makini Sign [Signature] Date 07/04/2014
 Finance Office

Authorised by Enoch N. Ochiwo Sign [Signature] Date 7/4/14
 Director Finance & Administration

Approved by Dr. William Orod Sign [Signature] Date 8/14/14
 Chief Executive Officer

3rd Contra.
 paid both in cashbank & Bank
[Signature]

5

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3/KE/Nairobi
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:59:/2027844262
KENYA BASIC SUPPORT FOUNDATION
ADC
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:72:/ACC/FOR NYERI
-}

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SONGA MBELE WOMEN ACD FUND
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2/P.O BOX 44286
3/KE/Nairobi
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COMMUNITY OF MERCY DEVELOPMENT
ORGANIZATION-ADC FUND
:71A:SHA
:72:/ACC/FOR KITUI
-}

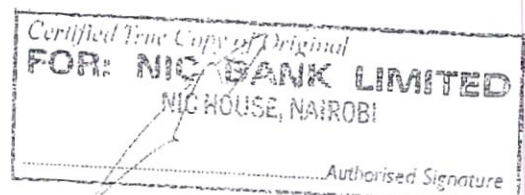
Certified True Copy of Original
FOR: NIC BANK LIMITED
NIC HOUSE, NAIROBI

.....
Authorised Signature

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WORLDWIDE FULL GOSPEL MISSIONS OF
KENYA - ADC FUND
:71A:SHA
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3/KE/Nairobi
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MARIAKANI YOUTH CENTRE ADC
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-}

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*COAST RURAL DEVELOPMENT
ORGANIZATION - ADC FUND
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:72:/ACC/FOR LIKONI
-}





DANA
CO-OPERATIVE BANK
TRANSACTION RECEIPT
MINI STATEMENT

Form No. A 142 A

Account Name: COAST RURAL DEV ORGANISATION A

Account Number: 01128397837000

Branch Code : 0000011086

DATE	DETAILS	DR.	CR.	BALANCE
12/06/13	CASH DEPOSIT		3,000.00	3,000.00CR
12/06/13				3,000.00CR
12/06/13				3,000.00CR
20/06/13	1 BOOK OF 50 LEAVES	375.00		2,625.00CR
20/06/13	1 BOOK OF 50 LEAVES	125.00		2,500.00CR
09/11/13	ERNST H YOUNG		343,000.00	345,500.00CR

Certified true copy
Per Pro. THE CO-OPERATIVE BANK OF KENYA LTD.
LIMAKI BRANCH

Manager

13/11/2013

END OF STATEMENT





- INTERIM STATEMENT

KITUI BRANCH

Date : 22/JUL/2013

Account Number : 01038075763800 Customer Name : COMMUNITY OF MERCY DEVELOPME

Trn Date	Reference	Debits	Credits	Balance
19/07/2013	FT13200VM48V 1/ERNST		402,500.00	401,500.00CR





REPUBLIC OF KENYA
OP. 218/051/2007/0307/4779
OFFICE OF THE PRESIDENT



CERTIFICATE OF REGISTRATION

I, WYCLIFFE AWUORI MUTSUNE, Chairman of the Non-Governmental Organizations Board, certify that the xxx COAST-RURAL DEVELOPMENT ORGANIZATION (C-RDO) xxx has this day been registered under section 10 of the Non-Governmental Organizations Co-ordination Act as applied for.

W.A. MUTSUNE
Chairman of the Board

Dated 27TH SEPTEMBER, 2007



REPUBLIC OF KENYA

OFFICE OF THE PRESIDENT

CERTIFICATE OF REGISTRATION

I, JOHN KHARIBO ETIMESI

Chairman of the Non-Governmental Organizations Board certify that the SEX COMMUNITY DEVELOPMENT ORGANIZATION SCS

has this day been registered under section 10 of the Non-Governmental Organizations Co-ordination Act as applied for.

Dated 20TH JUNE, 1996.


J.K. ETIMESI

Appendix 7:

Acknowledgement of receipt of funds and Accounting for Coast Rural and Community of Mercy

Shelly Beach, Likoni.
E-mail: matanongati@gmail.com
cordev.org@yahoo.com
Mobile: 0716 729 629.



7

Date: 14th -11- 2013

To
The Program Manager,
Ernst & Young
P.O. Box
Nairobi.

Dear Sir/Madam,

RE: ACKNOWLEDGEMENT RECEIPT

We, Coast-Rural Development Organization acknowledges receipt of KShs: Three hundred and forty-three thousand (KShs: 343,000/=) being payment for the 1st ADC project tranche as per the approved budget and work plan.

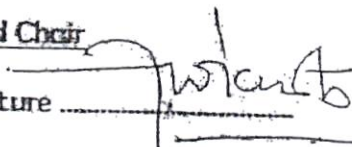
Attached, please find a certified transaction receipt from Co-op Bank.

Sincerely,


Program Manager

Signature: 

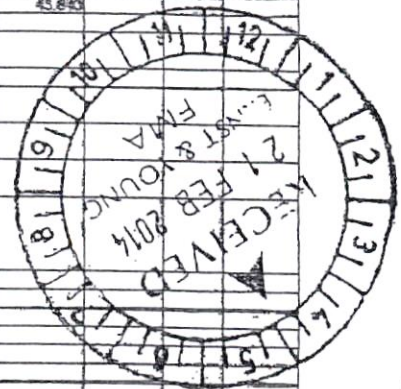
Board Chair

Signature: 

14/11/2013



FUND ACCOUNTABILITY STATEMENT									
FOR THE MONTH PERIOD/YEAR ENDED 31ST JANUARY 2014									
Project name:		Raising community awareness to participate fully in preventing and reducing adolescent alcohol abuse in Likoni District.							
Project number:									
Project implementer:		Coast Rural Development Organization							
		Approved budget	Commitment	This month	Commitment	Variance	Indicator	Target	Target
		KES	KES	KES	KES	KES		Set	Achieved
				December					
	Receipts	343,000	345,500						
	Funds received from the FMA								
	Interest earned								
	Other receipts								
a	Total Funds Available	343,000	345,500	106,940	46,340				
Sub activities (all cost items to enable the organisation carry out the activity)									
Thematic areas	Activities								
Public Education and Awareness	Project expenditure								
	As set by budget lines e.g.								
	Gen Office Exp	3,000	3,000		3,000				
	Stationery	34,790	13,890	3,000	16,890	17,900			
	Consultants Fees	3,000	4,310	3,000	7,310	(4,310)			
	Transport/Coordination	31,000	30,000	5,000	35,000	(4,000)			
	Radio shows	12,500	12,500	5,000	17,500	(5,000)			
	Office Rent	12,000	12,000		12,000				
	Secretariat Exp	3,000	2,500		2,500	500			
	Audio Hire	25,000	15,000	6,000	23,000				
	Hire Of Vehicle	21,000	8,000	3,000	9,000	12,000			
	Meals	54,000	25,000	9,000	34,000	20,000			
	Participants Refund	86,000	68,900	10,000	78,900	(17,900)			
	Hire Of Consultant	3,000				3,000			
	Radio Campaign	8,000				8,000			
	Radio Talk Show	8,000				8,000			
	Bank Charges	1,710				1,710			
	Project Salaries	45,000	30,500	14,600	45,100	(100)			
	Theatre Group Allowance	14,000	14,000		14,000				
b	Total expenditure	345,000	255,500	106,600	289,100	45,640			
c	Fund balance of (a-b)		106,940	46,340	46,340				
	Fund balance represented by:								
	Cash at bank (cashbook balance)		106,940	46,340	46,340				
	Cash in hand (attach certificate)								
	Outstanding interest (attach filing showing date advanced, date due and whether recoverable)								
	Other (attach details)								
d	Total (= c)		106,940	46,340	46,340				
DECLARATION									
The following declaration must be made by a duly authorized Officer of the civil society organisation.									
I declare:									
- this report is complete and accurate;									
- the attached report is a correct record of income and expenditure for this Project to date;									
- the expenditure detailed in this report is based on (name of implementing agency) financial accounting records;									
- copies of all payment vouchers and other records related to expenditure at the individual item level are attached;									
- expenditures to date were made in accordance with the approved Grant agreement and the approved Project Proposal, including for budget approved by the donor in writing.									
Full Name: <i>Shiraz Ngate</i>									
Signature: <i>[Signature]</i>									
Position: <i>Program Manager</i>									
Date:									



COMMUNITY OF MERCY DEVELOPMENT ORGANIZATION-KENYA

P.O. BOX 95-90204 KISASI KITUI COUNTY.

phone 0720692218/0725085732.email-communityofmercyd@yahoo.com

THE DIRECTOR,
ERNST&YOUNG.
NAIROBI.

DEAR SIR,

RE:ACKNOWLEDGEMENT OF RECEIVING THE ADC FUNDS

This Is To Notify You That The Above Account Has Been Credited With Funds For The Implementation Of Nacada Activities,Ksh 402,500.00 On 19th July 23, 2013,for The 1st Quoter Activities.

The Activities Will Start On 30thjuly 2013 With Consultative Meeting As Outlined In Our Work Plan.

Thanks For Cooperation

Yours Faithfully,


PATRICK NZEMBEI,
PROJECT MANAGER.

ADC Funds for the Civil Society Organisations							
Name of Organization	County	District	Type of Org.	Registration No.	Registering Body	Date of Registration/Issue	Budget
1 Alliance for Education and Empowerment in Development (ALEED)	Embu	Mbeere	NGO	OP.218/051/2005/0367/3882	NGO Coordination Board	15/03/2006	2,997,700.00
2 Acacia Community Based Organization	Kakamega	Likuyani	Self Help Group	01520/2004	Ministry of Gender, Children & Social Dev.	14/08/2009	700,000.00
3 Action Network for the Disabled	Nairobi	Starehe	NGO	OP .218/051/2009/0321/5905	NGO Coordination Board	17/09/2009	2,967,400.00
4 African Brotherhood Church	Machakos	Machakos	Society	Certificate of Exemption from Registration No. 2154	Registrar of Societies	21/03/1987	3,000,000.00
5 Agape Self Help Group	Kitui	Katulani	Self Help Group	1523	Ministry of Gender, Children & Social Dev.	21/10/2010	350,000.00
6 Amazing Life Centre	Laikipia	Nyahururu	CBO	CBO/001	Ministry of Gender, Children & Social Dev.	14/08/2012	350,000.00
7 Bana Sungusia Youth Group	Nyamira	Nyamira South	Self Help Group	09oil	Ministry of Gender, Children & Social Dev.	31/05/2006	350,000.00
8 Benevolent Institute of Development Initiatives (BIDII)	Machakos	Machakos	NGO	OP.218/051/97168/991	NGO Coordination Board	9/9/1999	3,000,000.00
9 Blessed Mothers Group	Murang'a	Kangema	Self Help Group	KAN/WG/346	Ministry of Gender, Children & Social Dev.	30/9/2010	350,000.00
10 Bungoma Youth Development and Rehabilitation Group	Bungoma	Bungoma South	CBO	948	Ministry of Gender, Children & Social Dev.	19/01/2012	700,000.00
11 Burimaria Inukeni Youth Group	Meru	Igembe South	Self Help Group	NYB/CD/346/2007	Ministry of Gender, Children & Social Dev.	28/3/2007	700,000.00
12 Central Nyakach Community Based Organization	Kisumu	Nyakach	Self Help Group	NDO/CBO/11696	Ministry of Gender, Children & Social Dev.	1/7/2009	350,000.00
13 Centre of Community Empowerment	Uasin Gishu	Eldoret West	Society	29168	Registrar of Societies	22/07/2008	700,000.00
14 Cheripkei Community Awareness and Education Programme	Elgeyo Marakwet	Marakwet East	NGO	OP/218/051/2006/0473/4385	Ministry of Gender, Children & Social Dev.	14/9/2006	700,000.00

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15	Chimborani Social Welfare Association (CHISWA)	Kilifi	Magarini	Self Help Group	DSS/MLD/LR/MAF A/D/3070/2004	Ministry of Gender, Children & Social Dev.	12/7/2004	349,950.00
16	Christian Community Services of Mt. Kenya East	Kirinyaga	Mwea East	Company limited by Guarantee	C.23883	Companies Act	12/3/1982	700,000.00
17	Climatic & Environmental Conservation Kenya	Kitui	Kitui Central	NGO	OP.218/051/98146/1157	NGO Coordination Board	9/9/1999	700,000.00
18	Coast Initiative of Post Test Club	Kwale	Kinango	CBO	DGSD/KNG/KSM/A1974/09	Ministry of Gender, Children & Social Dev.	13/03/2009	350,000.00
19	Coast Rural Development Organisation	Mombasa	Likoni	NGO	OP.218/051/2007/0307/4779	NGO Coordination Board	27/09/2007	686,001.00
20	Community Aid and Resource Development	Homa Bay	Rachuonyo South	Self Help Group	CBO/400/2009	Ministry of Gender, Children & Social Dev.	5/1/2009	349,999.00
21	Community Empowerment and Development Centre	Busia	Teso South	CBO	TES/DSS/CD/004/2012	Ministry of Gender, Children & Social Dev.	7/1/2012	700,000.00
22	Community Health Care Volunteers (CHVC)	Homa Bay	Mbita	CBO	CBO 0027/12	Ministry of Gender, Children & Social Dev.	22/10/2012	693,800.00
23	Community of Mercy Development Organization	Kitui	Kisasi	NGO	OP.218/051/9631/600	NGO Coordination Board	20/06/1996	700,000.00
24	Co-ordination Centre for Community Empowerment (COSEP)	Murang'a	Murang'a East	NGO	OP.218/051/2005/0197/3619	NGO Coordination Board	11/8/2005	696,000.00
25	Eastern Africa Regional Youth Network (EARYN)	Nairobi	Langata	NGO	OP.218/052/2009/0 109/5603	NGO Coordination Board	12/3/2009	700,000.00
26	Elgik Consultants	Kisii	Gucha	Business	BN/2010/9009	Registration of Business Names Act	30/9/2010	350,000.00
27	Exodus Self Help Group	Machakos	Mwala	Self Help Group	DGSD/MWA/SH/2011/10/25(118)	Ministry of Gender, Children & Social Dev.	25/10/2000	700,000.00
28	Faza Anti Drugs Campaign Group	Lamu	Lamu East	Self Help Group	SS/IM/CD/6/5/209	Ministry of Gender, Children & Social Dev.	2009	350,000.00
29	Fight Against AIDS and Poverty Eradication (FAAPE)	Kiambu	Gatundu	Self Help Group	DSS/GTD/WG/010/97243	Ministry of Gender, Children & Social Dev.	12/7/2010	700,000.00

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30	FOCUS CBO	Kiambu	Ruiru	Self Help Group	DGSD/TKA/SHG/011/1296	Ministry of Gender, Children & Social Dev.	18/10/2011	350,000.00
31	Foundation for Charity Initiative (FOCI)	Nairobi	Embakasi	Society	30490	Registrar of Societies	13/08/2009	700,000.00
32	G6 Self Help Group	Kitui	Kitui Central	Self Help Group	12937	Ministry of Gender, Children & Social Dev.	19/05/2003	350,000.00
33	Galole Community Conservation Self Help Group	Tanariver	Tanariver	Self Help Group	TRD/GAL/CBO/5551	Ministry of Gender, Children & Social Dev.	2/3/2012	700,000.00
34	GAPLINK International	Nakuru	Nakuru	NGO	OP.218/051/2008/0306/5384	NGO Coordination Board	25/09/2008	700,000.00
35	Gesieka National Network Community	Kisii	Marani	Society	24960	Registrar of Societies	4/12/2008	700,000.00
36	Grand parents CBO	Njiru	Nairobi	Self Help Group	DGSD/NJI/5/4/20 1 0/(18)	Ministry of Gender, Children & Social Dev.	15/2/2010	700,000.00
37	Green View	Nyeri	Mukurweini	NGO	OP.218/051/9614/721	NGO Coordination Board	20/03/1997	700,000.00
38	Hamisi Civil Society Organization Network	Vihiga	Hamisi	Self Help Group	10400/2009	Ministry of Gender, Children & Social Dev.	18/9/2009	700,000.00
39	Homa Hills Community Development Organization	Homa Bay	Rachuonyo North	NGO	OP.218/051/914/5	NGO Coordination Board	12/5/1994	700,000.00
40	Igare Rural Development Organization	Kisii	Sameta	Self Help Group	CCA/DSS/CBO/07/2010	Ministry of Gender, Children & Social Dev.	18/5/2010	350,000.00
41	Igoma Vision Women Group	Kisii	Nyamache	Self Help Group	GCA/DSS/WG/0825/10	Ministry of Gender, Children & Social Dev.	4/1/2010	700,000.00
42	Indagalasia Community HIV/AIDS Resource centre	Kakamega	Kakamega Central	NGO	OP.218/051/2009/0125/5962	NGO Coordination Board	17/9/2009	700,000.00
43	Ininga Self Help Youth Group	Vihiga	Sabatia	Self Help Group	5798/2004	Ministry of Gender, Children & Social Dev.	22/1/2009	350,000.00
44	Iyego Self Help Group	Embu	Embu West	Self Help Group	11204	Ministry of Gender, Children & Social Dev.	28/9/2007	350,000.00
45	Joy Fellowship Ministries International	Kisii	Masaba	Society	27939	Registrar of Societies	15/8/2007	700,000.00

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46	Kahumbu CBO	Muranga	Kigumo	Self Help Group	KIG/MUT /CBO/1935	Ministry of Gender, Children & Social Dev.	5/2/2010	700,000.00
47	Kambuka NAKANDA Self Help Group	Nyandarua	Nyandarua North	Self Help Group	9957	Ministry of Gender, Children & Social Dev.	4/3/2011	700,000.00
48	Keiyo South Women Empowerment Network (KESWEN)	Elgeyo Marakwet	Keiyo South	NGO	OP.218/051/2010/0592/6796	NGO Coordination Board	9/12/2010	700,000.00
49	KENWA	Nairobi	Starehe	NGO	OP.218/051/9929/1303	NGO Coordination Board	9/9/1999	1,400,000.00
50	Kenya Alliance of Residents Association (KARA)	Nairobi		Society	20050	Registrar of Societies	22/9/2000	3,000,000.00
51	Kenya Arid Regions Children Fund	Nairobi	Westlands	NGO	OP.218/051/9622/774	NGO Coordination Board	10/6/1997	700,000.00
52	Kenya Basic Support Foundation (KBSF)	Nyeri	Mathira West	NGO	OP .218/051/2002/0229/2577	NGO Coordination Board	17/4/2003	2,100,000.00
53	Kenya Conference of Catholic Bishops (KCCB)	Nairobi	Westland	Incorporated Institution	PS341/1	Perpetual Succession Act Cap 286	29/01/1973	3,000,000.00
54	Kenya Girl Guides Association	Nairobi	Westlands	Association	Established by the Girl Guides Act Chapter 220 of the Laws of Kenya	Parliament	23/8/1935	2,999,700.00
55	Kenya Red Cross - Homa Bay	Homa Bay	Homabay	Association	Estsblhed by Kenya Red Cross Society Act (Chapter 256 Laws of Kenya)	Parliament	1/12/1965	700,000.00
56	Kenya Red Cross Nyeri	Nyeri	Nyeri Central	Association	Kenya Red Cross Society Act (Chapter 256 Laws of Kenya)	Parliament	1/12/1965	700,000.00
57	Kenyan Faith Based Organization	Kisii	Kenyan	Self Help Group	GCA/DSS/CBO/034/2011	Ministry of Gender, Children & Social Dev.	23/3/2011	350,000.00
58	Kiawariua Mwietheri Self Help Group	Muranga	Mathioya	Self Help Group	MAT/SHG/511	Ministry of Gender, Children & Social Dev.	30/8/2006	350,000.00
59	Kinangop District Peace Committee	Nyandarua	Kinangop	CBO	NYA/S/DGSS/SK-003/012	Ministry of Gender, Children & Social Dev.	15/2/2012	687,176.00
60	Kinda Riat Kochogo Women Group	Kisumu	Nyando	Self Help Group	NDO/WD/5731	Ministry of Gender, Children & Social Dev.	9/5/2011	700,000.00
61	Kirinyaga County Alcoholic and Drugs Abuse Forum (KICOADA)	Kirinyaga	Kirinyaga Central	Self Help Group	A.10550/773/2011	Ministry of Gender, Children & Social Dev.	7/2/2011	700,000.00

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62	Kisauni District Peace Committee	Kisauni	Mombasa	Self Help Group	DGSD/MSA/CD/2011/262	Ministry of Gender, Children & Social Dev.	22/7/2011	350,000.00
63	Kuria Shiners Youth Group	Migori	Kuria West	Self Help Group	KUR/00B22/2007	Ministry of Gender, Children & Social Dev.	6/2/2007	350,000.00
64	Lari District Peace Forum (LDPF)	Kiambu	Lari	CBO	A/016/12	Ministry of Gender, Children & Social Dev.	14/6/2012	700,000.00
65	Lower Ambira Community Child Development Program	Siaya	Ugunja	CBO	UG/1132003/2207	Ministry of Gender, Children & Social Dev.	11/3/2003	700,000.00
66	Lower Mbooni Youth Group	Makueni	Mbooni West	Self Help Group	MKN/DSS/YG/011/162	Ministry of Gender, Children & Social Dev.	25/3/2011	700,000.00
67	Maendeleo ya Wanawake Organization Emuhaya	Vihiga	Emuhaya	Self Help Group	9528/2008	Ministry of Gender, Children & Social Dev.	28/5/2009	700,000.00
68	Maranatha International Counseling Foundation	Nairobi	Starehe	NGO	OP.218/051/2007/0226/4687	NGO Coordination Board	27/9/2007	3,000,000.00
69	Mariakani Youth Centre	Kilifi	Kaloleni	Self Help Group	SS/KFI/LR/SHG/KAL.-D/38/2009	Ministry of Gender, Children & Social Dev.	27/3/2009	350,000.00
70	Marsabit Women Advocacy & Development Organization	Marsabit	Marsabit Central	Self Help Group	171/2003	Ministry of Gender, Children & Social Dev.	11/7/2003	700,000.00
71	Masimba Faith Women Group	Kisii	Masaba South	CBO	DGSD/MSCD/WG/0032/2008	Ministry of Gender, Children & Social Dev.	2/2/2008	350,000.00
72	Mbeere North DC Youth for Community Policing Group	Embu	Mbeere North	CBO	589	Ministry of Gender, Children & Social Dev.	8/25/2011	700,000.00
73	Men for Gender Equality Now	Nairobi	Westlands	NGO	OP.218/051/11-0566/7528	Non-Governmental Organizations Co-Ordination Board	12/10/2011	3,000,000.00
74	Mercy Ministries Orphanage	Migori	Uriri	Charitable Children's Institution	343	Minister For Home Affairs	12/5/2007	700,000.00
75	Meru Central Peace and Development Committee	Meru	Meru Central	Self Help Group/Project	MC/892/2011	Ministry of Gender, Children & Social Dev.	5/26/2011	700,000.00



76	Molo Disabled Persons Group	Nakuru	Molo	Self Help Group/Project	NKU/DSS/SHG/5088	Ministry of Gender, Children & Social Dev.	13.10.2004	700,000.00
77	Mosoriot Proactive Lifestyle Youth Network	Nandi	Nandi North	CBO	6785/2007	Ministry of Gender, Children & Social Dev.	2/19/2010	350,000.00
78	Movement Against Substance Abuse in Africa (MASAA)	Nairobi	Dagoretti	NGO	OP.218/051/2004/0445/3530	Non-Governmental Organizations Co-Ordination Board	27.04.2005	3,000,000.00
79	Muiyu Education and Poverty Alleviation	Kitui	Migwani	CBO	8918/07	Ministry of Gender, Children & Social Dev.	11/19/2007	350,000.00
80	Mumoni and Kyuso Organization for Rural Development and Active Participation (MUKY-ORDAP)	Kitui	Kyuso	NGO	OP.218/051/2001/0114/1644	NGO Coordination Board	2/11/2000	700,000.00
81	Muslim Youth Peace Care	Starehe	Nairobi	Self-Help Group/Project	DGSD/STA/5/4/2011/(1618)	Ministry of Gender, Children & Social Dev.	7/22/2011	350,000.00
82	Muungano Youth Group	Lamu	Lamu	Self Help/Women Group	SS/LM/YD/138	Ministry of Gender, Children & Social Dev.	15.07.1997	350,000.00
83	Muyenga Vision 2040	Kiambu	Limuru	Self-Help Group/Project	LMR 02215	Ministry of Gender, Children & Social Dev.	9/8/2011	700,000.00
84	Namanjalale Forest Association	Trans Nzoia	Kwanza	CBO	TN/130407/72007	Ministry of Gender, Children & Social Dev.	7/8/2007	350,000.00
85	Nandi Hills Enlighters Youth Group	Nandi	Nandi East	Self-Help Group/Project	N/E/Y.G/008	Ministry of Gender, Children & Social Dev.	12/6/2011	350,000.00
86	Narok District Network Forum	Narok	Narok North	NGO	OP.218/051/11-0537 /7 422	Non-Governmental Organizations Co-Ordination Board	9/29/2011	700,000.00
87	Neem Environment Project (Kisumu)	Kisumu	Kisumu East	NGO	OP.218/051/2007/0144/4569	Non-Governmental Organizations Co-Ordination Board	6/21/2007	3,000,000.00
88	Neema Community Based Organization	Trans Nzoia	Trans Nzoia	CBO	TN/123580/09/2012	Ministry of Gender, Children & Social Dev.	03.09.2012	350,000.00



89	New Laisamis Youth Association	Marsabit	Marsabit South	CBO	727	Ministry of Gender, Children & Social Dev.	3/16/2007	700,000.00
90	Nurture Smart Youth Programme Kenya	Nairobi	Kamukunji	NGO	OP.218/051/11-0228/7130	Non-Governmental Organizations Co-Ordination Board	31.03.2011	350,000.00
91	Obama Health and Community Development Programme (OBACODEP)	Migori	Awendo	Self Help Projects	MIG/DSS/CD/052643/2001	Ministry of Gender, Children & Social Dev.	3.4.2001	700,000.00
92	Obwari Catholic Women Group	Nyamira	Nyamira North	Women Group	WG/177/75	Ministry of Gender, Children & Social Dev.	11.04.2012 (renewal)	350,000.00
93	Ogra PLWHA	Kisumu	Muhoroni	Self-Help Group/Project	134066	Ministry of Gender, Children & Social Dev.	26.11.2010	350,000.00
94	Participatory Research and Development Programme (PARADEP)	Siaya	Bondo	Self-Help Group/Project	BON/CBO/021	Ministry of Gender, Children & Social Dev.	9.3.2010	700,000.00
95	Partners in Community Transformation (PCT)	Kisumu	Kisumu West	Society	32790	Registrar of Societies	8.9.2010	350,000.00
96	Practical Solution for Pastoralist Development (PRASO)	Isiolo	Sololo	NGO	OP.218/051/2007/004/4359	Non-Governmental Organizations Co-Ordination Board	11.01.2007	700,000.00
97	Protouch Africa Consultants	Mombasa	Changamwe	Business	428901	Assistant Registrar of Business Names	10.11.2005	700,000.00
98	Regional Youth Resource and Information Centre	Nakuru	Kuresoi	Self-Help Group/Project	NKU/DSS/YG/4844	Ministry of Gender, Children & Social Dev.		700,000.00
99	Right Destitute Mother Child Organization (RT_DEMCO)	Busia	Teso North	NGO	OP .218/051/2008/0253/5353	Non-Governmental Organizations Co-Ordination Board	25.9.2008	700,001.00
100	Rongo Child & Family Programme	Migori	Rongo	Self-Help Group/Project	RGO/SHG/0304/1994	Ministry of Gender, Children & Social Dev.	10/27/1994	700,000.00
101	SAYYIDAT-AISHA Women Group	Muranga	Murang'a South	Self-Help Group/Project	MAR/MAR/WG/210	Ministry of Gender, Children & Social Dev.	4.10.1999	700,000.00

102	Sere Africa International	Uasin Gishu	Wareng	NGO	OP.218/051/2006/0114/4087	Non-Governmental Organizations Co-Ordination Board	15.03.2006	700,000.00
103	Shalem Community Educators	Meru	Imenti North	Self-Help Group/Project	459/2001	Ministry of Gender, Children & Social Dev.	7.11.2001	700,000.00
104	Smile Africa Development Organization	Kitui	Matinyani	NGO	OP.218/051/2006/059/4033	Non-Governmental Organizations Co-Ordination Board	15.3.2006	700,000.00
105	Solidarity for Eco-Friendly Efforts (Kenya)	Mombasa	Changamwe	NGO	OP.218/051/2009/0219/5810	Ministry of Gender, Children & Social Dev.		3,000,000.00
106	Songa Mbele Women Organization (SOMWO)	Nyeri	Tetu	NGO	OP.218/051/98159/1135(2)	Non-Governmental Organizations Co-Ordination Board	30.04.2003	700,000.00
107	Sporting Chance International	Nairobi	Kasarani	NGO	OP.218/051/2005/0204/3712	Non-Governmental Organizations Co-Ordination Board	11.08.2005	695,400.00
108	St. Thomas Retreat and Conference Centre	Embu	Mbeere South	NGO	BN/20 1 0/82866	Registrar of Business Names	23.07.2010	700,000.00
109	Strategic Intervention for Poverty Alleviation in Kenya (SIPAK)	Kiambu	Githunguri	NGO	OP.218/051/99108/1266	Non-Governmental Organizations Co-Ordination Board	9.9.1999	700,000.00
110	Strengthen Community Partnership Empowerment (SCOPE) CBO	Kilifi	Kilifi	CBO	218/051/2008/0261/5371	Ministry of Gender, Children & Social Dev.		700,000.00
111	Students Campaign against Drugs (SCAD)	Nairobi	Dagoretti	Company limited by Guarantee	C.126883	Registrar of Companies	27.7.2006	3,000,000.00
112	Suneka Jua Kali Association	Kisii	Kisii South	Society	30936	Registrar of Societies	6.11.2009	700,000.00
113	Sunrise for Men and Family Reformation	Kirinyaga	Kirinyaga East	CBO	KE.CBOA1/306/20 12	Ministry of Gender, Children & Social Dev.	3.8.2012	700,000.00
114	Taita Resource Centre	Taita taveta	Mwatate	Self-Help Group/Project	TT A/CD/2/5122	Ministry of Gender, Children & Social Dev.	2.3.2006	700,000.00



115	Tawakal Jua Kali Group	Mandera	Mandera Central	Self-Help Group/Project	M/E/27/2002	Ministry of Gender, Children & Social Dev.	26.07.2002	700,000.00
116	Thika United Football Club	Kiambu	Thika	Club	TKA/CSD/2/9(36)	Ministry of Home Affairs, Heritage and Sports	27/8/2003	3,000,000.00
117	Tigi Wiyi Women	Rarieda	Kisumu	Self Help Group	MDN/11796/1666	Ministry of Home Affairs, Heritage and Sports	25/7/2006	350,000.00
118	Ungana Self Help Group	Nairobi	Dagoretti	Self-Help Group/Project	DAG/SHG/5/4/2010/ (249)	Ministry of Gender, Children & Social Dev.	10.09.2010	350,000.00
119	United States International University (USIU)	Nairobi	Kasarani	University	Universities Act, Cap. 210B	Minister For Education	10.12.1999	700,000.00
120	Upendo Wetu Youth Initiative CBO	Garissa	Garissa	CBO	CD/2/3011	Ministry of Gender, Children & Social Dev.	26.7.2006	700,000.00
121	VASSCO Mission	Laikipia	Laikipia East	CBO	9583	Ministry of Gender, Children & Social Dev.	13.11.2009	350,000.00
122	Wajukuu Art Project	Nairobi	Makadara	Self-Help Group/Organiz ation	16056	Ministry of Gender, Children & Social Dev.	17.9.2007	350,000.00
123	Wakati Self Help Group	Kitui	Lower Yatta	Self-Help Group	20787	Ministry of Gender, Children & Social Dev.	20.12.2007	700,000.00
124	Wei-Wei Development Initiative Group	West Pokot	Pokot Central	Self-Help Group/Project	2012/1346	Ministry of Gender, Children & Social Dev.	14.2.2012	700,000.00
125	WorldWide Full Gospel Mission	Kilifi	Malindi	Society	26595	Registrar of Societies	16.10.2006	700,000.00
126	Yaw Pachi Community Based Organization	Siaya	Gem	CBO	YLA/20793/657	District Gender & Social Development Committee	20.7.2009	350,000.00
127	Young Women's Christian Association (YWCA)	Nairobi	Makadara	NGO	OP.218/051/9263/33	NGO Coordination Board	11/3/1993	2,959,175.00
128	Youth Action for Rural Development (YARD)	Muranga	Gatanga	Self Help Group	DGSD/GAT /CBO/011/350	Ministry of Gender, Children & Social Dev.	17/11/2011	700,000.00
129	Youth Against Drug and Substance Abuse (YADASA)	Nyeri	Mathira East	CBO	MATH/E/C.B.0/183/2011	Ministry of Gender, Children & Social Dev.	12.09.2010	700,000.00

130	Youth Alive! Kenya	Nairobi	Dagoretti	NGO	OP .218/051/2003/0140/2861	Non-Governmental Organizations Co-Ordination Board	18.12.2003	3,000,000.00
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**MINUTES OF THE SPECIAL BOARD MEETING HELD ON WEDNESDAY, 22ND
OCTOBER 2014 IN THE AUTHORITY'S 18TH FLOOR BOARD ROOM AT 11.45 A.M**

PRESENT

- | | | |
|--------------------------------|---|--|
| 1. Hon John Mututho, EBS | - | Chairman |
| 2. Dr William Oked, HSC | - | Chief Executive Officer/Secretary |
| 3. Mr. Mohammed Barre | - | Alternate to PS, Interior |
| 4. Ms. Anne Mugo, MBS | - | Alternate to PS, National Treasury |
| 5. Mr. Fazul Yusuf Mahamed | - | Director |
| 6. Mr. Mohamed M. Mwinyipembe | - | Alternate to PS, Ministry of Education |
| 7. Mr. Mathias O. Wanyela, OGW | - | Scouts Movement |

ABSENT WITH APOLOGIES

- | | | |
|---------------------------|---|-------------------------------------|
| 1. Dr. Kepha Ombacho, MBS | - | Alternate to PS, Ministry of Health |
| 2. Dr. Hamisi Massa | - | Officer in Charge (ANU) |

SECRETARIAT

- | | | |
|-------------------|---|-------------------------------|
| Ms. Jane Githinji | - | Manager, Legal (Taking notes) |
|-------------------|---|-------------------------------|

C

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Government is not governed by the Public Procurement and Disposal Act 2005 and the Regulations.

e) There was need for the Board to apply curative measures

v) Board's Resolutions

1. The Board approved the payments subject to ratification by the National Treasury and the Parent Ministry
2. Management was asked to write to the National Treasury and the Parent Ministry for post ratification. The letter should provide a justification do the omission to observe guidelines as provided. In addition, the justification should include the following information;-
 - That approval was not sought at the time due to the fact that there was a crisis following the death of over 100 people.
 - That funds were available for payment
3. Copies of the letters should be given to the representatives of the PS National Treasury and the Parent Ministry to enable them to follow up
4. It was noted that although some of the procurements had already been approved by the Board totaling KShs 21,507,589, they were procured in breach of the governing circulars and the Procurement Act and therefore, require ratification by the Parent Ministry.
5. The Officers concerned should explain to the Board why the Procurement Regulations and related Government Circulars/Directives were not adhered to.

b) FUNDING FOR CIVIL SOCIETY ORGANIZATIONS

It was observed that this issue had been discussed both by the Technical Board Committee meeting and the Finance Board Committee meeting. It was agreed that both reports be presented for decision making:-

i) Finance Committee Report

During its meeting held on 21st October 2014, the Committee observed as follows in regards to the funding of civil society:-

- a) Funding to civil society is in line with Alcoholic Drinks Control Act, 2010. Section 5 provides that amount of not less than fifteen per cent shall be used to fund relevant Civil Societies programmes
- b) On the basis of the Act's provisions, NACADA had continued to build the capacity of the Civil Society Organization (CSOs) to effectively deliver messages and improve their service delivery standards, management and reporting on activities

On 29th September 2014, Management tabled before the Finance Committee financial statements for the Authority for the year ending 30th June 2014. The statements were also forwarded to the Board Chairman for Review

The Finance Committee reviewed and recommended the statements for approval by the Full Board. As the statements had to be submitted to the Auditor General by close of business on 30th September, Management forwarded the reviewed statements to the Board Chairman for Signing.

The Chairman advised that the statements be tabled to the full Board for deliberations. Management complied and forwarded copies of the statements to all Board members on 2nd October 2014 via email.

Request to the Board

The Board was invited to review and approve the financial statements for 2013/14.

Board's Resolutions

1. The Board approved the Financial Statements 2013/14 upon incorporation of Members' comments
2. Board Chairman to sign the financial statements the following day.

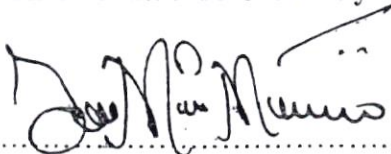
MIN. 6/SBM/10.2/2014: ANY OTHER BUSINESS

Member resolved to hold a Full Board meeting on Tuesday 11th November 2014. There being no other business the meeting ended at 3.15 p.m

Minutes confirmed at meeting:


.....
Dr. William Okedi
Chief Executive/Board Secretary

26/11/14
.....
Date


.....
Hon. John Mututho, EBS
Chairman, NACADA Board

26/11/14
.....
Date



APPENDIX IV

TREASURY CIRCULAR NO.6 /2014

REPUBLIC OF KENYA
THE NATIONAL TREASURY

Telegraphic Address: 22921
Finance - Nairobi
FAX NO. 310833
Telephone: +254-20-2252299
Email: psfinance@treasury.go.ke
Website: www.treasury.go.ke



TREASURY BUILDING
P O BOX 30007 - 00100
NAIROBI

When replying please quote

Ref: ES 1/02 "TY" (27)

13th May 2014

TREASURY CIRCULAR NO. 6/2014

TO: ALL CABINET SECRETARIES
ALL ACCOUNTING OFFICERS

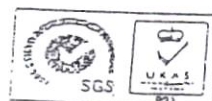
COMMITMENT CONTROL DURING THE CLOSURE OF FINANCIAL YEAR 2013/14

I. PURPOSE

1. The purpose of this Circular is to provide guidelines to Ministries, Departments and Agencies (MDAs) on commitment control for the remaining period of FY 2013/14.

II. BACKGROUND

2. The Government recently outlined a number of expenditure control measures which were implemented in FY 2013/14 Supplementary Estimates I across all MDAs. The measures were aimed at eliminating wasteful expenditures in Government and reprioritizing expenditures to emerging needs and capital investment. These included but not limited to:



- (i) Foreign travelling;
- (ii) Training expenses;
- (iii) Total freeze on the purchase of motor vehicles;
- (iv) Curtailing spending on purchase of furniture and fittings;
- (v) Curtailing spending on minor alterations and refurbishment of buildings; and
- (vi) Restricting unnecessary expenditures on publicity and advertising campaigns.

3. As we come towards the closure of the FY 2013/14, Accounting Officers should avoid last minute purchases and ensure that no new commitments are entered into. It will only be under exceptional circumstances that the National Treasury will approve the procurement of the above mentioned items. Even under such circumstances, Accounting Officers will be required to write to the Treasury to request for express authority to make such procurements.

III. SPECIFIC GUIDELINES

4. We have noted a common trend where Ministries/Departments/Agencies have been engaging in last-minute procurement towards the closure the financial year, just because they want to exhaust the funds allocated to them. This does reflects poor planning in the execution of the budget and often leads to delays in delivery of services and huge carry-overs of unpaid invoices which essentially are portrayed as pending bills in the new financial year.

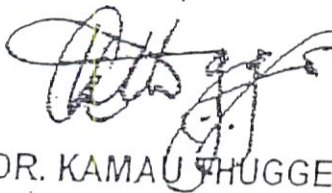
5. In order to contain the expenditures and commitments to the approved budget, and allow sufficient time for closure of the financial year, all pending tenders for this financial year must be issued by 15th May 2014. In this regard, ALL Tender Committees will remain suspended as from 16th May – 30th June 2014 and no new commitments will be made during this period. For those expenditures that strictly relate to essential services which may require to be made after 15th May 2014, authority must be obtained from the National Treasury before commitments are made. Accounting Officers should note that no expenditures should be incurred without due consideration of the value for money aspect



even in cases where there is adequate budgetary provision and/or where the necessary exchequer may have been released.

IV. CONCLUSION

6. Accounting officers are required to ensure strict adherence to these guidelines and to bring them to the attention of all officers working under them, including Chief Executives of State Corporations and other Semi Autonomous Government Agencies (SAGAs). It is important to note that these guidelines apply to all public agencies which are funded from the Exchequer.



DR. KAMAU THUGGE
PRINCIPAL SECRETARY/NATIONAL TREASURY
FOR: CABINET SECRETARY/NATIONAL TREASURY

Copy to: Mr. Joseph K. Kinyua, CBS
Chief of Staff and Head of the Public Service
State House
NAIROBI.

Hon. Prof. Githu Muigai, MP
Attorney General
Sheria House
NAIROBI.

Mr. Edward Ouko
Auditor General
Kenya National Audit Office
NAIROBI.

Mrs. Agnes N. Odhiambo
Controller of Budget
Office of the Controller of Budget
NAIROBI.





APPENDIX V

LETTER BY THE PRINCIPAL
SECRETARY/ NATIONAL TREASURY



REPUBLIC OF KENYA
THE NATIONAL TREASURY

Telegraphic Address: 22921
FINANCE-NAIROBI
Fax No.: 310833
Telephone: 2252299

THE NATIONAL TREASURY
P.O. Box 30007-00100
NAIROBI
KENYA

When replying please quote

Ref: CONF/MOF/347/02/(11)

Date: 2nd March, 2015

Dr. William Okedi, HSC
Chief Executive Officer
National Authority for the Campaign
Against Alcohol and Drug Abuse (NACADA)
NSSF Building
NAIROBI

Dear *Dr. Okedi*

*Noted - File
matter being handled in C
Board.
19/3/15*

RE: REQUEST FOR POST-FACTO APPROVAL ON COMMITMENTS MADE
BETWEEN 15TH MAY AND 30TH JUNE 2014

This is in reference to your letter Ref. No. OP.PA.2/27A dated 25th February, 2015, addressed to the CEO, NACADA and copied to us among others. We also refer to a letter by NACADA, CEO Ref. NACADA.3/1 dated 24th October, 2014 addressed to us and copied to the Cabinet Secretary, Ministry of Interior and Coordination of National Government and the Principal Secretary, State Department of Interior regarding the above subject (*See copy attached*).

We have noted that the Authority requested for National Treasury's post-facto authority to settle pending bills relating to procurement carried out in Financial Year 2013/14. We also note that the procurements were not carried out in accordance with the provisions of the Public Procurement and Disposal Act 2005 as well as the Regulations 2006. We further note that the Authority has adequate funds to underwrite the pending bills.

We would, however, like to advise the Authority as follows:-



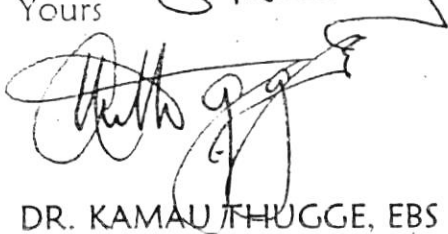
- i) Section 27(2) of the Public Procurement and Disposal Regulations 2006, on procurement approvals states that "No procurement approval shall be made to operate retrospectively to any date earlier than the date on which it was made".
- ii) Section 8 and 10 of the Public Procurement and Disposal Regulations 2006 on the Internal Organization of the Procurement Entities, stipulates and provides details on how the procurement function should be conducted by the procuring entities. This includes involvement of the Procurement Units, Tender Committees' approvals and confirmation of availability of funds for any procurement that is under consideration.
- iii) Notwithstanding the above procurement procedures, there is no provision for Post-Facto authority in any procurement undertaking.
- iv) Printing materials such as tee-shirts, caps, fliers is prohibited by the National Treasury Circular No.17/2013 of 7th December, 2013, under austerity measures.

In light of the above, the National Treasury is not in a position to grant Post-Facto approval to pay the above Pending Bills with all the stated procurement irregularities. This is a case of mis-procurement as the said procurements did not meet the stipulated thresholds, in the Public Procurement process.

The Authority should instead ensure that action is taken against the officers who violated the public procurement procedures in accordance with the Procurement Act, 2005, Article 226(5) of the Constitution and Section 197(1)(h) of the Public Finance Management Act, 2012.

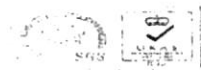
Please take the necessary action accordingly.

Yours

Sincerely


DR. KAMAU THUGGE, EBS
PRINCIPAL SECRETARY/NATIONAL TREASURY

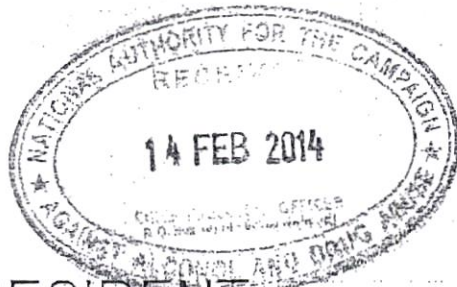
Copy to: Amb. (Dr) Monica K. Juma, MBS
Principal Secretary, Interior
State Department of Interior
NAIROBI



APPENDIX VI

LETTER BY THE PRINCIPAL
SECRETARY MINISTRY OF INTERIOR
AND COORDINATION OF
NATIONAL GOVERNMENT

750/2



OFFICE OF THE PRESIDENT

Telegraphic address: "Rais"
Telephone: Nairobi 2227411
When replying please quote

MINISTRY OF INTERIOR
AND CO-ORDINATION
OF
NATIONAL GOVERNMENT

P.O. Box 30510-00100
Nairobi

OP.PA/2/27A

14th February, 14

Ref No
and date

..... 20

The Deputy Inspector General (KPS)
Kenya Police Service,
Police Headquarters,
NAIROBI.

The Deputy Inspector General,
Administration Police Service,
Jogoo House,
NAIROBI.

The Director,
Directorate of Criminal Investigation,
NAIROBI.

The Commandant,
General Service Unit,
NAIROBI.

The Chief Executive Officer,
NACAADA,
NAIROBI.

The Director Administration,
Department of Home Affairs,
NAIROBI.

The Secretary,
National Steering Committee,
NAIROBI.

Circulate - F+I

- SMPs.
- DFAs
- All Unit/Reads
14/2/14.

The Government Printer,
Government Press,
NAIROBI.

The Senior Deputy Secretary,
Department of Immigration,
NAIROBI.

The Director,
KESAL,
NAIROBI.

The Secretary,
Department of National Cohesion,
Extelcom House,
NAIROBI.

The Commission Secretary,
National Cohesion and Integration Commission,
NAIROBI.

DA/F

DDHRM

SAAG

SAD/SCMS

SAD/HRD

CE

SDS (R&T)

DS – ACU

PGRO

T. O.

NEWSPAPER ADVERTISING

The Treasury Circular No. 17/2013 of December, 17, 2013 on austerity measures Para (v) Control of Printing, Advertising and Information Supplies and Services controls advertising in public newspapers unless it is a statutory requirement.

It has been decided by the Cabinet that all newspaper advertisement requirements be approved by the Cabinet Secretaries.

This memo is therefore to inform you that all your advert requests must be submitted to the Cabinet Secretary through the Principal Secretary for approval before going to the papers.



BERNARD MASIGA

For: PRINCIPAL SECRETARY

Copy To:

Cabinet Secretary

Principal Secretary/I



APPENDIX VII

KENYA BROADCASTING
CORPORATION AIR TIME ORDER



KENYA BROADCASTING CORPORATION

Serial No. 2014

Tel: 318823/223757 Fax: 223566
Email: marketing@kbc.co.ke
Offices: Broadcasting House
Harry Thuku Road

Approved: Mary 4/6/14

AIR-TIME ORDER

Client Order Number

DATE 4/6/2014 SERVICE NO. TV
CLIENT NACADA PRODUCT SILVER SPONSORSHIP WORLD CUP
AGENCY DIAL A RADIO DURATION 1 SOURCE

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	TIMES PER WEEK
This contract is to facilitate the airing of the following items under Silver Sponsorship of the World Cup as per the contract: TV & Radio production							
50 min of Advertising on Channel 1							
Main Branding on Channel 1 (Pre, Mid & Post)							
15 min of Advertising on Radio Taarifa							
2 branded promos daily on 7 KBC Stations							
2 intro & outro sponsorboards on all games							
6 mentions Radio Commentary on 8 KBC Radios							
3 branded squeezebacks 3 popups & 3 scrolls on all matches							
Strip on World Cup feature page on Newspapers 2 days							

Rate Per Broadcast Total Broadcasts Rate Card No. Package (Silver)
Additional Charges Total Gross Charges 47,792,000 inclusive of
Commercial Materials 3% monitoring fee and 15% commission

Marketing Executive
Name JANET OKARA
Signature [Signature] Date 4/6/2014

I have read the terms and conditions overleaf and accept to be bound thereby.
Client Name Z. Nethesa
Designation MCS
Signature [Signature] Date 04/06/2014

Approved/Not Approved Approved
Finance Manager Signature [Signature]
Kenya Broadcasting Corporation
P. O. Box 30456, Nairobi

Postal Address
Physical Address
Rubber Stamp/Seal
CHIEF EXECUTIVE OFFICER
NATIONAL AUTHORITY FOR THE
CAMPAIGN AGAINST ALCOHOL
AND DRUG ABUSE
P. O. Box 10774 - 00100
NAIROBI
TEL: 020 - 2721997



APPENDIX VIII

SUBMISSIONS BY THE EXECUTIVE DIRECTOR NON – GOVERNMENT ORGANIZATIONS COORDINATION BOARD



NGOs CO-ORDINATION BOARD

THE PRESIDENCY
MINISTRY OF DEVOLUTION & PLANNING

Telephone: Nairobi, 2214044, 2214813
Fax: (020) 2214801

Email: info@ngobureau.or.ke
Website: www.ngobureau.or.ke

Co-operative Bank Hse, 15th Floor
Haile Selassie Avenue

P. O. Box 44617 (00100)
NAIROBI, KENYA.

NGOB/5/30A/8/Vol. XI

June 22, 2015

~~Mr. Ndegwa Muhoro~~
~~Director~~
~~Directorate, Criminal Investigations Unit~~
~~NAIROBI~~

Halake Wako
Chief Executive Officer/Secretary
Ethics and Anti Corruption Commission (EACC)
NAIROBI

Dear Halake Wako,

Re: POSSIBLE LOSS OF PUBLIC FUNDS TO NGOs BY NACADA

I write with reference to the above captioned subject matter.

The NGOs Co-ordination Board (hereinafter the Board) is established under section 3 of the NGOs Co-ordination Act, 1990 with the mandate to register, co-ordinate and regulate all charitable organizations (popularly known as NGOs) in Kenya.

On 27th May 2015 my office received a letter from NACADA (Copy Attached) requesting to know the compliance and Legal status of 119 NGOs that had been advanced 99 Million by NACADA during the FY 2013-2014 inline with the Alcoholic Drinks Control Act, 2010 to support civil society programs to carry out advocacy against Alcohol and Drug abuse.

Our preliminary investigations into the matter has revealed the following:

1. Out of the one hundred and nineteen (119) Civil Society Groups funded by NACADA, only 33 are registered by the NGOs Coordination Board.






2. Out of the 33 organizations registered by the Board, only 14 organizations have accurately disclosed the funds received totaling KES 13,933,175; (*See Table A, attached*)
3. Two (2) organizations; Coast Rural Development Organization and Community of Mercy Development Organization, which received KES 745,500, had been deregistered; (*See Table B, attached*)
4. Even though from NACADA records, it is claimed that KES 10,671,447.50 was advanced to eleven (11) organizations, however the records at the Board reflect that none of them received any funding from NACADA; (*See Table C, attached*)
5. Six (6) organizations declared funds in excess of what was received from NACADA which points to other possible sources of funding; (*See Table D, attached*)

Other than the organizations listed herein above, which are 33 in number, the Board was unable establish the legal status and whether the funds allegedly advanced to them were received by the organizations or not, of the remaining 86 Organizations provided by NACADA.

The purpose of this letter therefore is to request your office to carry out urgent investigations into this matter to ascertain the extent of the problem and take necessary action to avert further possible loss of public funds.

Yours

Sincerely,


Fazul Mahamed
EXECUTIVE DIRECTOR





NGOs CO-ORDINATION BOARD

THE PRESIDENCY
MINISTRY OF DEVOLUTION & PLANNING

Telephone: Nairobi, 2214044, 2214813
Fax: (020) 2214801

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Co-operative Bank Hse, 15th Floor
Haile Selassie Avenue

P. O. Box 44617 (00100)
NAIROBI, KENYA.

NGOB/5/30A/8/Vol. XI

June 10, 2015

The Chairman
National Authority for the Campaign
Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI

Dear

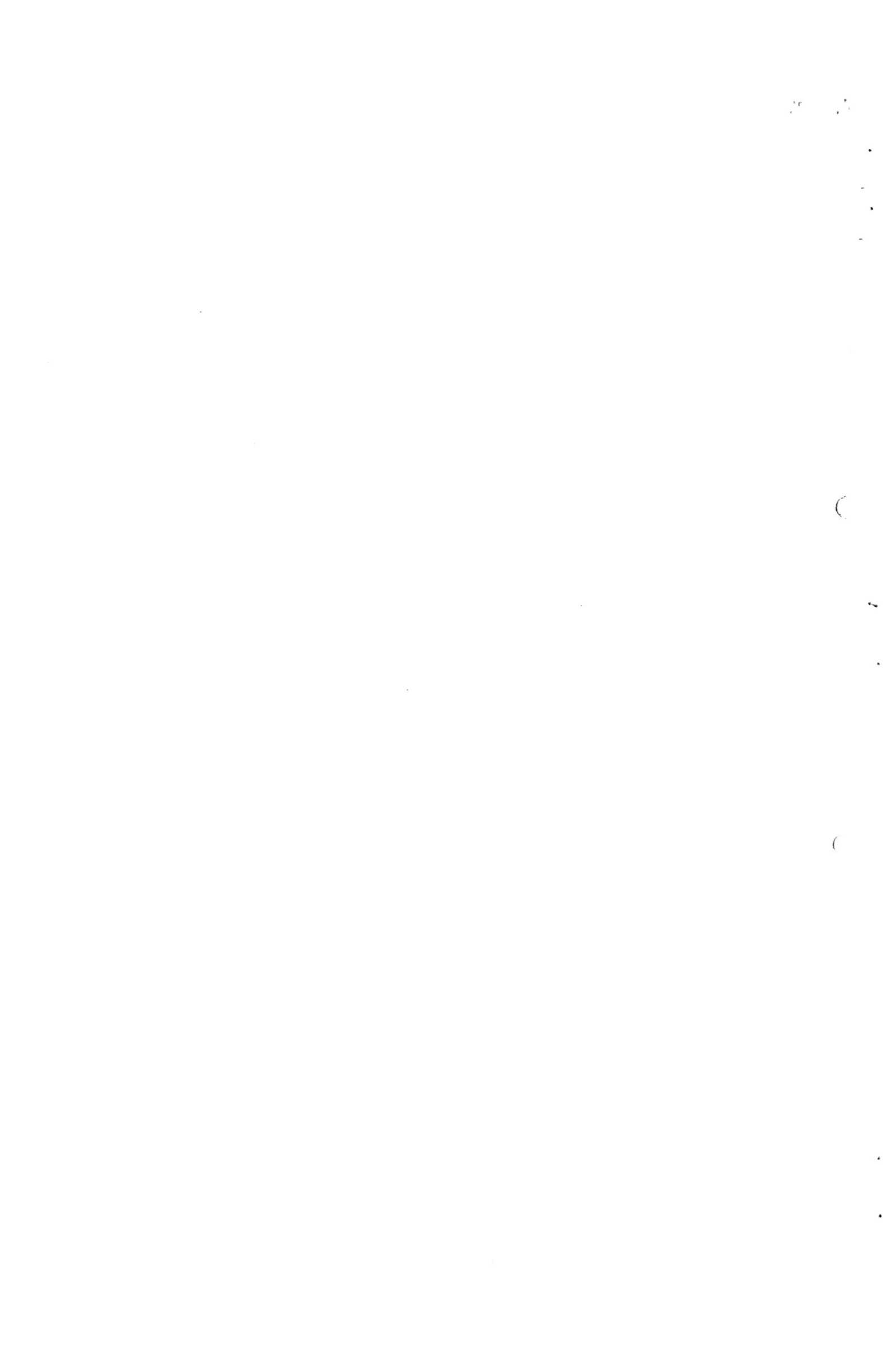
Hon. John Mutunga

REF: NGOs FUNDED BY NACADA

I write with reference to the above captioned subject matter and further to your letter dated June 9th 2015.

I wish to confirm the following.

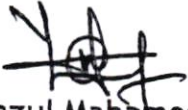
1. Out of the one hundred and nineteen (119) organizations funded by NACADA, only 14 organizations registered by the Board have accurately disclosed the funds received totaling KES 13,933,175; (*See Table A, attached*)
2. Two (2) organizations; Coast Rural Development Organization and Community of Mercy Development Organization which received KES 745,500, had been deregistered; (*See Table B, Attached*)
3. Even though from NACADA records, it is claimed that KES 10,671,447.50 was advanced to eleven (11) organizations, however the records at the Board reflect that (9) nine of them did not receive any funding from NACADA while (2) two of them were underfunded; (*See Table C, Attached*)
4. Six (6) organizations declared funds in excess of what was received from NACADA which points to possible audit queries on the extra source of funding; (*See Table D, Attached*)



Other than the organizations listed hereinabove, which are 33 in number, the NGOs Coordination Board cannot establish the legal status of the remaining 86 Organizations funded by NACADA.

I hope the above information will enable NACADA make an informed decision to avert further loss of Public Funds.

Yours *Sincerely,*



Fazul Mahamed
EXECUTIVE DIRECTOR

Copy to:

Principal Secretary, Interior
Ministry of Interior and Coordination of National Government
Harambee House, 4th Floor
Harambee Avenue
NAIROBI

Chief Executive Officer
National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI





Table B

Deregistered NGOs that were Funded by NACADA.						
No	Organization Name	Registration Number	Registration Status	NGOs Records		Difference of amount funded by NACADA and What Financial Records of the NGOs reflect
				2013 - 2014	Amount Funded by NACADA 2013	
1	COAST RURAL DEVELOPMENT ORGANIZATION	OR.218/051/2007/0307/477	Deregistered in Dec 2014	KES 0	KES 343,000.00	KES 343,000.00
2	COMMUNITY OF MERCY DEVELOPMENT ORGANIZATION	OR.218/051/9631/600	Deregistered in Dec 2010	KES 0	KES 402,500.00	KES 402,500.00
				KES 0	KES 745,500.00	KES 745,500.00

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NGOs Purportedly Funded by NACADA but Financial Records of the NGO reflect that none of them received any funding from NACADA										Table C
NO	Organization Name	Registration Number	Registration Status	NGOs Records		Amount Funded by NACADA 2013	Difference of amount funded by NACADA and What Financial Records of the NGOs reflect	Status of Funding		
				2013 - 2014						
1	MARANATHA INTERNATIONAL COUNSELLING FOUNDATION	OP:218/051/2007/0226/4687	Active	KES 700,000	KES 2,056,500.00	KES 1,356,500.00	Under Funded			
2	MEN FOR GENDER EQUALITY NOW	OP:218/051/11-0566/7528	Active	KES 0	KES 1,857,750.00	KES 1,857,750.00	Not Funded			
3	SOLIDARITY FOR ECO - FRIENDLY EFFORTS IN KENYA	OP:218/051/2009/0219/5810	Active	KES 0	KES 1,500,000.00	KES 1,500,000.00	Not Funded			
4	SONGA MBELE WOMEN ORGANIZATION (MOVE FORWARD)	OP:218/051/98159/1135	Active	KES 400,000	KES 489,500.00	KES 89,500.00	Under Funded			
5	KENYA BASIC SUPPORT FOUNDATION	OP:218/051/2002/0229/2577	Active	KES 0	KES 1,430,000.00	KES 1,430,000.00	Not Funded			
6	NAROK DISTRICT NETWORK FORUM	OP:218/051/11/0537/7422		KES 0	KES 350,000.00	KES 350,000.00	Not Funded			
7	STRATEGIC INTERVENTION FOR POVERTY ALLEVIATION IN KENYA	OP:218/051/99108/1266	Active	KES 0	KES 348,400.00	KES 348,400.00	Not Funded			
8	MUMONI AND KYUSO ORGANIZATION FOR RURAL	OP:218/051/2001/0114/1644	Active	KES 0	KES 350,000.00	KES 350,000.00	Not Funded			
9	SPORTING CHANCE INTERNATIONAL	OP:218/051/2005/0204/3712	Active	KES 0	KES 343,650.00	KES 343,650.00	Not Funded			
10	MAENDELEO YA WANAWAKE ORGANIZATION	OP:218/051/93279/171	Active	KES 0	KES 348,560.00	KES 348,560.00	Not Funded			
11	YOUNG WOMENS CHRISTIAN ASSOCIATION (YWCA)	OP:218/051/9763/33		KES 0	KES 1,597,087.50	KES 1,597,087.50	Not Funded			
				KES 1,100,000	KES 10,671,447.50	KES 9,571,447.50				

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NGOs who declared funds in excess of what was received from NACADA										Table D
NO	Organization Name	Registration Number	Registration Status	NGOs Records		Amount Funded by NACADA 2013	Difference of amount funded by NACADA and What Financial Records of the NGOs reflect	Status of funding		
				2013 - 2014						
1	GESIEKA NATIONAL NETWORK COMMUNITY	OP.218/051/14-0304/9698	Active	KES 700,000		KES 350,000.00	-KES 350,000.00	Declared in excess		
2	KEIYO SOUTH WOMEN EMPOWERMENT NETWORK	OP.218/051/2010/0592/6796	Active	KES 700,000		KES 350,000.00	-KES 350,000.00	Declared in excess		
3	KENYA ARID REGIONS CHILDREN FUND	OP.218/051/9622/774	Active	KES 700,000		KES 382,850.00	-KES 317,150.00	Declared in excess		
4	NURTURE SMART YOUTH PROGRAM KENYA	OP.218/051/11-0228/7130	Active	KES 350,000		KES 175,000.00	-KES 175,000.00	Declared in excess		
5	PRACTICAL SOLUTION FOR PASTORALIST DEVELOPMENT	OP.218/051/2007/004/4359	Active	KES 700,000		KES 461,500.00	-KES 238,500.00	Declared in excess		
6	MOVEMENT AGAINST SUBSTANCE ABUSE IN AFRICA	OP.218/051/2004/0445/3530	Active	KES 3,000,000		KES 1,500,000.00	-KES 1,500,000.00	Declared in excess		
				KES 6,150,000		KES 3,219,350.00	-KES 2,580,650.00			

F.M.





NGOs CO-ORDINATION BOARD

THE PRESIDENCY
MINISTRY OF DEVOLUTION & PLANNING

Telephone: Nairobi, 2214044, 2214813
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Email: info@ngobureau.or.ke
Website: www.ngobureau.or.ke

Co-operative Bank Hse, 15th Floor
Haile Selassie Avenue

P. O. Box 44617 (00100)
NAIROBI, KENYA.

REF : NGOB/5/30A/8/Vol. XI

8th June, 2015

The Chairman
National Authority for the Campaign
Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI

Dear *Hon. Mstano,*

Re: **CONDUCTING DUE DILIGENCE AND LOSS OF FUNDS TO NGOs BY NACADA**

I write with reference to the above captioned subject matter and further to our letter to you dated March 26, 2015 and your letter dated May 27 but received at the Board in June 4, 2015.

The NGOs Co-ordination Board (hereinafter the Board) in its letter referred to hereinabove was categorical on the need for NACADA to conduct due diligence with the Board before partnering or advancing any funds to NGOs. The Board proceeded to warn NACADA of the dangers it faced by funding NGOs without verifying with the Regulator their legal and compliance status.

From NACADA's letter also referred to hereinabove, NACADA is purporting to conduct due diligence after it has advanced and lost funds to phantom organizations. In fact, from the list of NGOs NACADA has filed, the Board has ascertained that:

1. Out of the one hundred and nineteen (119) organizations funded by NACADA, only 14 organizations registered by the Board have accurately disclosed the funds received totaling KES 13,933,175;
2. Two (2) organizations; Coast Rural Development Organization and Community of Mercy Development Organization, which received KES 745,500, had long been deregistered;
3. Even though from NACADA records, it is claimed that KES 10,671,447.50 was advanced to eleven (11) organizations, however the records at the Board reflect that none of them received any funding from NACADA;





4. Six (6) organizations declared funds in excess of what was received from NACADA which points to other possible sources of funding;

Other than the organizations listed hereinabove, which are 33 in number, the Board cannot establish the legal status of the remaining 86 Organizations provided by NACADA.

The NGOs Board as the Government Agency in charge of charity regulations in the country wishes to register great exception and takes umbrage in the manner with which NACADA has opted to finance or partner with illegal/unregistered organizations in total disregard to the Kenyan laws. **TAKE NOTICE THAT** funding of illegal and unregistered organizations as is the case with NACADA has not only led to loss of public funds but also pose a serious threat to National security through the diversion of donor aid, potential terrorism financing and money laundering.

From the foregoing, it is our considered opinion that the funds allegedly expended by NACADA to NGOs led to careless and avoidable loss of public funds and therefore did not achieve the intended purpose as enshrined in the NACADA Act, 2010. The Board therefore demands that NACADA should with immediate effect take legal action against all officers involved in these fraudulent and/or negligent acts to avert any further loss of public funds and report to the same to the Board.

Yours *Sincerely,*


Fazul Mahamed
EXECUTIVE DIRECTOR

Copy to:

Principal Secretary, Interior
Ministry of Interior and Coordination of National Government
Harambee House, 4th Floor
Harambee Avenue
NAIROBI

The CEO
National Authority for the Campaign Against Alcohol and Drug Abuse (NACADA)
NSSF Building, 18th Floor
P.O. Box 10774 - 00100
NAIROBI





**NATIONAL AUTHORITY FOR THE
CAMPAIGN AGAINST ALCOHOL AND
DRUG ABUSE (NACADA)**

Telegraph Address: "Rais"

Telephone: 0202721997/ 2721993/
2737679/2722138

Fax: 2721994

E-mail: chairman@nacada.go.ke, john@mutu

Website: www.nacada.go.ke

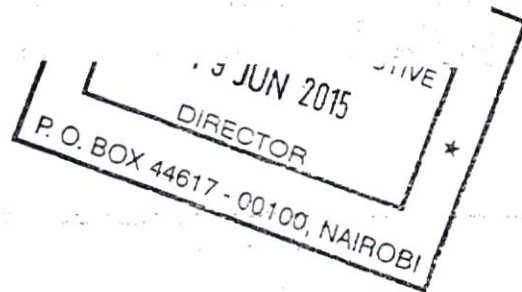
When replying please quote

Ref. No. NACADA/CEO. 1.6/15

Dr. William N. Okedi, HSC
Chief Executive Officer
National Authority for the Campaign against
Alcohol and Drug Abuse (NACADA)
NSSF Building
P.O. Box 10774 - 001000
Nairobi

Dear

Dr. William Okedi,



RE: LOSS OF KSHS 99 MILLION FUNDED TO CIVIL SOCIETIES BY NACADA

I refer to the above subject matter and further to the Audit queries raised on the same by the Public Procurement Oversight Authority (PPOA) over the noncompliance of the procurement process in total disregard to the Public Procurement and Disposal Act 2005 and the various questions raised by the NGO Coordination Board regarding the legality of the NGOs funded by NACADA respectively that might have led to possible loss of public funds.

In view of the aforementioned and in compliance with Chapter 6 of the Constitution of Kenya on Leadership and Integrity, Executive order No. 6 touching on Ethics and Integrity in the Public Service, and most recently Presidential Directive requiring all public and state officers who have any integrity queries to step aside to pave way for investigations, I hereby suspend you for a period of three (3) months with immediate effect pending investigations by the NACADA Board, the NGO Coordination Board, Ethics and Anti-Corruption Commission (EACC), the Directorate of Criminal Investigations and other relevant Government agencies.

While on suspension, you will be entitled to benefits provided for in accordance with the NACADA Human Resource Policies and Procedures Manual and code of regulations revised 2006 of the Republic of Kenya.

By copy of this letter, all these agencies copied herein below are invited to come and conduct investigations and take further action.



Yours



Hon John M. N. Mututho, EBS
Chairman - NACADA Board

cc. **Joseph Kinyua, CBS**
Chief of Staff and Head of Public Service
Harambee House
Nairobi

Hon Maj. Gen (Rtd.) Joseph Nkaissery, MGH
Cabinet Secretary
Ministry of Interior and Coordination of National Government
Nairobi

Amb (Dr) Monica Juma, MBS
Principal Secretary
Ministry of Interior and
Coordination of National Government
Nairobi

Ndegwa Muhoro, CBS, NDC (K)
Director
Criminal Investigations Department
CID Headquarters
Nairobi

Maurice Juma, MBS
Director General
Public Procurement Oversight Authority
National Bank Building
Harambee Avenue
Nairobi

Halakhe Waqo
Executive Director
Ethics and Anti Corruption Commission
Integrity House
Nairobi

Mr. Fazul Mohammed
Executive Director
NGO Coordination Board
Cooperative House
Nairobi

Edward Ouko
Auditor General
Kenya National Audit Office
Anniversary Towers
Nairobi

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**NATIONAL AUTHORITY FOR THE
CAMPAIGN AGAINST ALCOHOL AND
DRUG ABUSE (NACADA)**

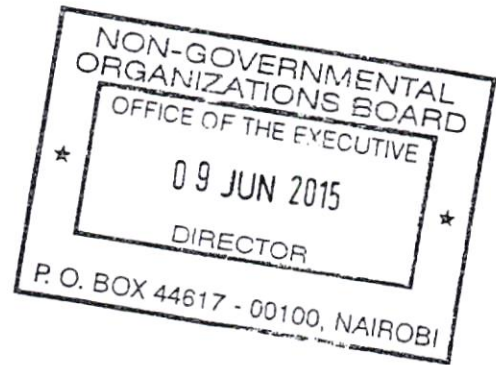
Telegraph Address: "Rais"
Telephone: 0202721997/ 2721993/
2737679/2722138
Fax: 2721994
E-mail: chairman@nacada.go.ke, john@mututho.co.ke
Website: www.nacada.go.ke
When replying please quote

Chairman's Desk
P. O. Box 10774 – 00100
NAIROBI
NSSF Building, 18th Floor,
Eastern Wing Block A.

Ref. No. **NACADA 1/28**

9th June, 201520.....

Mr. Fazul Mohamed
Executive Director, NGO Coordination Board,
Co-operative Bank House, 15th floor,
P.O. Box 44617 -00100
NAIROBI



Dear Sir,

RE: FUNDING OF NGO'S BY NACADA

I am in receipt of your letter Ref: NAOB/5/30A/8Vol.XI dated 8th June, 2015 on the above matter.

I have noted the contents therein and the Board will initiate requisite action.

Your support is highly appreciated.

Yours faithfully,

**Hon John Mututho, EBS
Chairman, NACADA Board**

Copy to:

Principal Secretary, Interior.

Chief Executive Officer NACADA





**NATIONAL AUTHORITY FOR THE
CAMPAIGN AGAINST ALCOHOL AND
DRUG ABUSE (NACADA)**

Telegraph Address: "Rais"
Telephone: 0202721997/ 2721993/
2737679/2722138
Fax: 2721994
E-mail: chairman@nacada.go.ke, john@mututho.co.ke
Website: www.nacada.go.ke
When replying please quote

Chairman's Desk
P. O. Box 10774 - 00100
NAIROBI
NSSF Building, 18th Floor,
Eastern Wing Block A.

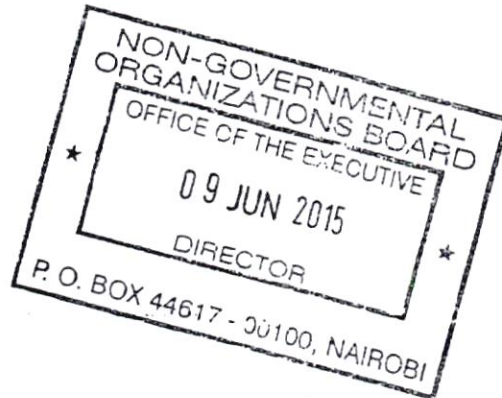
Ref. No. NACADA/NGOC. 2.6/15

9th June 15
.....20.....

Mr. Fazul Mohammed
Executive Director
NGO Coordination Board
Cooperative House
Nairobi

Dear

Mr. Fazul Mohammed



REF: NGOs FUNDED BY NACADA

Reference is made to your letter Ref No NGOB/5/30A/8/Vol. XI dated 8th June 2015 in response to mine of Ref NACADA/NGOC. 1.5/15.

Kindly furnish me with more details of these NGOs and CBOs in regard to the exact amount of NACADA funding received by each. This information will be of great benefit for the Board's deliberations, guidance and further directions.

Yours

John M. N. Mututho

Hon John M. N. Mututho, EBS
Chairman - NACADA Board

cc **Hon Maj. Gen (Rtd.) Joseph Nkaissery, MGH**
Cabinet Secretary
Ministry of Interior and Coordination of National Government
Nairobi



APPENDIX IX

SUBMISSIONS BY THE DIRECTOR GENERAL PUBLIC PROCUREMENT OVERSIGHT AUTHORITY



CONFIDENTIAL *from the audit chair NACADA's Gh-Ngas*

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY
Transforming Procurement

Telephone: +254(020) 3244000, 2213106, 2213107
 Fax: +254(020) 2213105, 3244377, 3244277
 E-mail: info@ppoa.go.ke
 Website: www.ppoa.go.ke

National Bank Building, 10th Floor
 Harambee Avenue
 P.O. Box 58535-00200
 NAIROBI
 KENYA

When replying please quote:



Ref: PPOA.4/30/163 Vol. I(9)

28th May, 2014

Enoch N. Onchwari,
 Ag. Chief Executive Officer,
 National Authority for Campaign against Alcohol and,
 Drug Abuse (NACADA),
 NSSF Building, 18th Floor,
 P.O. Box 10774-00100,
 NAIROBI.

Dear *Mr. Onchwari,*

RE: OBSERVATIONS ON PROCESSING OF RESTRICTED TENDER FOR CONSULTANCY SERVICES FOR MANAGEMENT OF NACADA'S FUNDING TO CIVIL SOCIETY ORGANIZATIONS.

Please refer to your letters Ref. No. NACADA 7/20/3 and Ref. No. NACADA 7/20/14 dated 20th May, 2014. We have reviewed the documents you submitted to us regarding the above subject tender and observed the following:

1. Though the disbursement of Ksh 99,000,000 was approved by the Board of Directors in its meeting of March, 2013, the resultant costs for the disbursement was not budgeted, planned nor approved as required under Section 26 (3) (a) and 26 (6) of the Public Procurement and Disposal Act, 2005 (the Act) which provides that all procurements shall be planned and that the procuring entity shall not commence any procurement procedure until it is satisfied that sufficient funds are set aside. In addition, Regulation 20 (4) of the Public Procurement and Disposal Regulations, 2006 (the principal Regulations) requires that 'a head of department shall submit an annual procurement plan to the accounting officer at least thirty days before the close of each financial year'; this provision was not complied with.

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2. There was no Purchase Requisition for consultancy raised by the user department contrary to the provisions of Regulation 9 (a) (i) and 22 of the Principal Regulations, 2006.
3. Though Terms of Reference were prepared for the consultancy, the procuring entity did not use standard tender document prescribed by PPOA against the provisions of Section 29 (4) of the Act.
4. The consultancy was procured through restricted tendering. However, the choice of restricted tender method did not satisfy the requirements of Section 29 (3) (a) and (b) and Section 73 (2) (a), (b) nor (c) of the Act as there are no tender committee minutes which approved the use of the method on any of the grounds. The choice of the method did not satisfy the requirements of Regulation 54 (2) (3) or (4) of the principal Regulations, 2006 on identification of the persons to be invited to participate in restricted tender as seven firms were invited to participate in tender contrary to Regulation 54 (3) which requires a procuring entity to invite tenders from at least ten persons selected from the prequalified list. The seven firms that were invited on 12/11/2012 were: M/s KPMG; M/s Kenya Commercial Bank; M/s SACCO Societies Regulatory Board; M/s Price Waterhouse Coopers; M/s Ernst & Young; M/s Kenya Post Office Savings Bank; and, M/s Deloitte Kenya.
5. The procurement being an RFP required bidders to submit a Technical Proposal and Financial Proposal. The Technical Proposals were opened on 19th December, 2012 by a committee comprised of three officers in accordance with Section 60 (a) of the Act. Minutes were prepared which were signed by all members of the tender opening committee in accordance to Section 60 (8) and (9) of the Act. Three firms whose bids were opened included M/s Ernst & Young; M/s Price Waterhouse Coopers; and, M/s Kenya Post Office Savings Bank. There were no Financial Proposal opening minutes contrary to the requirements of the aforementioned Sections of the Act.
6. The evaluation of the tender was carried out by four officers and an evaluation report was prepared where M/s Price Waterhouse Coopers was ranked 1st after scoring 97 out of 100 marks; 2nd was Ernst & Young who was scored 69 out of 100; and, M/s Kenya Post Office Savings Bank was last after scoring 0 marks. The evaluation criteria had stated that one was to meet the minimum technical score to qualify for further evaluation but the minimum marks were not stated in the document. It was therefore

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irregular and in contravention of Section 60 (2) of the Act for the evaluation committee to recommend M/s Price Waterhouse Coopers and M/s Ernst & Young for financial evaluation as the evaluation and comparison of the tenders was not carried out in accordance with the criteria stated in the bid document with respect to minimum qualifying marks. The statement by the evaluation committee that the two bidders were recommended for further evaluation on the basis of 'Best Fit' as indicated in Clause 4.1.2 of the bid document was misleading as this was not an objective evaluation criteria. Financial evaluation of the tender was carried out contrary to Regulation 16 (7) of the Principal Regulations, 2006.

7. Despite the anomalies cited above, the tender committee at its meeting held 21st January, 2013 awarded the tender to M/s Ernst & Young who scored the highest combined (technical and financial) score of 78.30 at Ksh 17,001,540 contrary to the provisions of Section 27 (3) that requires committee members to ensure that the procurement law is adhered to and Regulation 10 (2) (a) of the Principal Regulations that the tender committee has an obligation to review, verify and ascertain that whatever the committee is awarding satisfies the procurement law. It is not clear whether letters of notification of award were issued out to all the candidates who participated in the subject procurement pursuant to Section 67 (2) of the Act.
8. Despite the irregularities cited above, the Accounting Officer signed a contract with M/s Ernst & Young at Ksh 17,001,540 on March 2013 contrary to the provisions of Section 27 (2) of the Act which stipulates that the Accounting Officer is primarily responsible to ensure that the procurement law is adhered to.
9. With all the anomalies cited above, the procuring entity still went ahead and made payments on various dates such as 8/10/2013; 31/10/2013; 10/12/2013; 07/02/2014; 11/03/2014; 27/03/2014; 15/04/2014; 8/05/2014; etc. totaling to Ksh 13,900,167.35 contrary to the provisions of Section 27 (3) of the Act which states that the staff of procuring entity have obligation to ensure that the procurement law is adhered to.

Conclusion

It is our view that the processing of the subject tender did not satisfy the requirements of the procurement law and the consequent contract entered between the parties and the payments made were irregular.

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