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07/07/2015

KENYA NATIONAL AUDIT OFFICE

REPORT
OF
THE AUDITOR-GENERAL
ON
THE FINANCIAL OPERATIONS OF
WAJIR COUNTY EXECUTIVE

FOR THE PERIOD
1 JULY 2013 TO 30 JUNE 2014

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REPORT OF THE AUDITOR-GENERAL ON FINANCIAL OPERATIONS OF WAJIR COUNTY EXECUTIVE FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014

EXECUTIVE SUMMARY

Introduction

The Office of the Auditor-General has the mandate to audit and report on the accounts and financial operations of both the National and County Governments under Article 229 of the Constitution and the Public Audit Act, 2003. Further, Section 107 of the Public Finance Management Act, 2012 requires the County Treasury to enforce fiscal responsibilities in the management of County Government public finances to enhance service delivery to county residents.

Audit Objectives

The objective of the audit was to ascertain whether the system of internal control formulated and applied by the Wajir County Executive were reliable for the management of the finances in the delivering of services to the county residents. Further, establish the enforcement of the County Government Act, 2012, the Public Procurement and Disposal Act, 2005 and its Regulations, 2006, the Public Finance Management Act, 2012 and Government Financial Regulations and Procedures were properly adhered to in managing the public resources for the benefit of the citizens.

Key Audit Findings

1.0 Cash and Bank Balances

The County Executive accounting officer did not initiate and conduct a board of cash survey at the close of business on 30 June 2013 to ascertain the cash and bank balances as required by Chapter 5.9.9.2 of the Government Financial Regulations and Procedures.

2.0 Procurement of Goods, Works and Services

2.1 Construction of proposed County Headquarters

The County Executive management advertised for the construction of the County Headquarters and seven bidders applied although only two were finally evaluated. The second lowest bidder was awarded the contract at a cost of Kshs.136,730,070 whereas the lowest evaluated bidder had quoted Kshs.135,699,339.60. Further, the confidential business questionnaire for the winning bidder was not completed as required. In addition, by 10 February 2015, the contractors had only been paid Kshs.25,974,226.60.

It has not been possible to ascertain if value for money has been attained from the contract.

2.2 Viable Capital Projects

The County Executive awarded various capital projects amounting to Kshs.52,081,721.00 with adherence to the Public Procurement and Disposal Act, 2005 and Regulations,2006. Tender Committee and Evaluation Committee did not carry out their functions as per the law as contractors were awarded before approval and invoiced before ward of contracts. Further non-qualified tenders were awarded some contracts irregularly. Works completion certificates were issued before opening and awarding of tenders.

2.3 Procurement of Floodlights and Installation of Solar Power

The County Executive spent Kshs.6,952,601.50 to procure flood lights and install solar power in various secondary schools within the county. However, the process of awarding the contracts did not adhere to the procurement legislation and regulations as tender minutes approval, unsigned and undoubted inspection certificates, no notification and acceptance of contract award, quotations were evaluated after goods had been delivered and the quotations threshold of Kshs.4,000,000 was exceeded among other irregularities.

2.4 Funding of Stalled Appropriate Building Technology Housing (Abt) at Habaswein

The building was initiated by the Central Government and contract awarded to a contractor at a sum of Kshs.9,204,573 on 29 November 2011. However, the project stalled due to lack of funding after Kshs.5,441,215 had been paid to the contractor the county Housing, Lands and Physical Planning Chief Officer requested for an assessment of the building for purpose of completing it. The sub county works officer indicated that Kshs.5,609,550 was due to the contractor plus a further Kshs.300,000 to cater for inflation. In addition, Kshs.3,595,073 was required to complete the project. The basis for the Kshs.300,000 was not provided and no pending bills for the outstanding amount of Kshs.5,609,550 was shown in the County records.

2.5 Payment for Completion Works at Wajir Medical Training College

The contract for completion works, finishes and fencing of Wajir Medical College was awarded at a cost of Kshs.7,240,049 although Kshs.6,298,045.95 had been paid by 29 June 2014. However, the evaluation of preliminary, technical and financial was not done as required. Further, no contract agreement was signed for the contract contrary to Section 68(1) and (3) of the Public Procurement and Disposal Act, 2005.

2.6 Prime Cost and Premium Sums

A number of contracts for capital projects revealed unrealistic provisions and prime costs. No breakdowns were provided for the huge provisions and prime costs included in the contracts. The figure of contingencies in the bill of quantities was not clarified in the contracts.

2.7 Irregular and Unaccounted for Emergency Relief Food

The County Government of Wajir incurred Kshs.69,189,600 to procure relief food from a second lowest bidder specialised in hardware business in a tender that attracted 26 bidders under unclear circumstances.

No award notification was given contrary to Section 67(1) and (2) of the Public Procurement and Disposal Act, 2005.

No confirmation of the delivery, distribution and list of beneficiaries of the food worth Kshs.69,189,600 was provided for audit review.

2.8 Irregular and Unaccounted for Goods

The County Executive purchased goods worth Kshs.54,902,955.63 without being taken on charge contrary to Section 18.2 and 18.3 of the Government Financial Regulations and Procedures.

Further, delivery notes and inspection and acceptance certificates were dated earlier than the tender opening and awarding of the tender. Request for quotations were also not dated.

2.9 Payment for Rental Premises

The County Government of Wajir paid Kshs.3,636,342 for rental of office premises for three (3) months without competition. Further, payments were made without lease agreements after the three months. In addition, Nairobi liaison office rental payments were made without a lease agreement and valuation of the office buildings.

3.0 Payment for Consultancy Services

The County Government Executive incurred Kshs.11,625,254 for consultancy services without adherence to the Public Procurement and Disposal Act, 2005 and Regulations, 2006 as required. Further, the consultancy reports to show services rendered were not provided for audit review.

In addition, details of Kshs.4,672,800.00 and Kshs.6,821,500 for staff costs and reimbursable costs were not shown in the bill of quantities.

3.1 Unsupported payment for motor vehicle insurance

The County Government incurred an expenditure of Kshs.1,080,000 for vehicle insurance services. However, all the vital documentation including valuation reports, copy of registration certificates of the individual vehicles, duplicate insurance policy certificates for the insured vehicles were not provided for audit review.

3.2 Unaccounted for Fuel and Lubricants

The Wajir County Government bought 12,990 litres of diesel and 1000 litres of petrol worth Kshs.1,778,750 without taking the fuel on charge. The delivery and insurance (usage) documents were not provided for audit verification.

3.3 Catering Services

The County Government of Wajir spent Kshs.2,845,000.00 on workshops without providing list of participants for equivalent number of days being paid for.

3.4 Payment of Allowances

3.4.1 Unsupported Daily Subsistence Allowance (Local)

The County Government incurred Kshs.2,048,400.00 on domestic travel and subsistence allowances. However, a number of officers claimed night outs while on full board trainings and workshops. County Public Service Board members were paid five (5) extra night outs in Naivasha National Consultative Forum.

3.5 Human Resource Management

3.5.1 Lack of Human Resource Manual and Schemes of Services

The County Government of Wajir had not developed and implemented the requisite Human Resources Manuals.

3.6 Review Integrated Payroll and Personnel Database (IPPD)

3.6.1 Rights and privilege review of the IPPD revealed that 25 persons had unauthorised access to the system.

3.6.2 Irregular increase of Allowances

Some of officers basic salary was increased from Kshs.19,323 to Kshs.50,044 and Kshs.54,473 in the month of February 2014 without approval. Further, call allowances

of staff of 8 staff was increased from Kshs.30,000 per month to Kshs.40,000 in the month of April 2014.

3.6.3 House Allowance

In February 2014, 92 staff were paid house allowance of Kshs.1,161,100 without authority of the increase.

3.6.4 Owner Occupier and House Allowance

Five (5) staff members were paid both owner occupier and house allowance for the month of February, April, May and June 2014 without explanation.

3.6.5 Negative Net Pay

One staff had negative net pay in the month of February 2014.

3.6.6 Staff Without Tax Pin

A number of Wajir County Executive staff had not Tax Personal Identification Numbers. Further, two staff members had incorrect PIN numbers.

3.6.7 Salary Overpayment

38 staff members were paid salary above their normal pay without explanation or authority.

3.6.8 Responsibility Allowance

A staff member was paid Kshs.30,000 as responsibility allowance in April and June 2014 without authority. One bank account number was shared by two staff in February 2014.

Further (4) staff are beyond the age of 60 years and one (1) officer did not have an ID card. In addition, the payroll data is edited during odd hours and weekends. No explanation was given for this anomaly.

3.7 Statutory Deductions

A total of Kshs.63,441,480.15 was paid to Kenya Revenue Authority and LAPFUND as statutory deductions. However, the deductions paid have not been acknowledged.

3.8 The County Public Service Board

Although the County Executive has establish the Public Service Board, details of the Board members were not provided for audit verification as per Section 57 and 58 of the County Government Act, 2012.

3.9 Integrated Financial Management Information System (IFMIS)

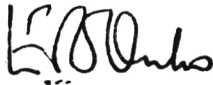
Although the County Executive had installed IFMIS, it is only used to procure pay module. All the other modules has serious transaction cycle delays necessitating use of orange modems.

3.10 Information Technology Environment

The County Executive does not have an IT strategic plan to support its operations. Further, no formally documented and approved processes to manage upgrades and system changes to all information systems. Further, no documented and approved user management standards and procedures as well as no IT strategic committee as required.

3.11 Non-Current Assets

The Wajir County Government Executive does not maintain a permanent and expendable Fixed Asset Register to record all its assets of permanent nature contrary to Section 18.5 of Government Financial Regulations and Procedures.



Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

21 May 2015

DETAILED REPORT OF THE AUDITOR-GENERAL ON FINANCIAL OPERATIONS OF WAJIR COUNTY EXECUTIVE FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014

Detailed Audit Findings

1.0 Cash and Bank

1.1 Failure to Carry Out Board of Survey

Examination of the cash book and other records at the County Treasury revealed that the Accounting Officer did not arrange for a board of survey to examine and verify cash on hand and bank balances for revenue (own collection), recurrent and development cash books at the close of business on 30 June 2014 as required by chapter 5.9.9.2 of the Government Financial Regulations and Procedures. A board of survey is important in ensuring proper management of cash books and accuracy of cash and bank balances.

Recommendation

Board of survey should be conducted at the close of every financial year and a report filed appropriately.

2.0 Procurement of Goods, Services and Works

2.1 Construction of Proposed County

The County Executive of Wajir advertised for the construction of County Headquarters on 31 December 2013 in the Local Daily. It was noted that Seven (7) construction companies applied and the bids were opened on 13 January.

According to the evaluation report of the 27 January, 2014 on the proposed construction of County Headquarters, two bidders out of the seven tenderer's received, were further evaluated financially.

Examination of bill of quantities and other related records revealed that the lowest bidder was evaluated and quoted Ksh.135,699,339.60. However, the second lowest bidder was awarded the contract at a cost of Ksh.136,730,070 and no proper explanation was given as to why the contract was not awarded to the lowest evaluated bidder.

It was further noted that confidential business questionnaire for the winning firm was not completed as required by chapter 17.14.2 of the Government Financial Regulations and Procedures hence ownership of the firm that was awarded the tender was not known.

Physical verification done on 10 February 2015 revealed that the construction of the county headquarters was on going and only Kshs.25,974,226.60 was paid to the contractor for the period under review.

Under the circumstances, it was not possible to confirm whether the contract was awarded in a fair, equitable, transparent and competitive manner and also whether the County Government got value for money for the project.

Recommendation

The County Executive should adhere to the provisions of the public procurement legislation to ensure a fair, competitive procurement is done in awarding contracts.

2.2 Various Capital Projects

Examination of the Bill of Quantity and project files maintained at the County treasury Wajir revealed that the County Government of Wajir awarded contract amounting to Kshs.52,081,721.00 as detailed below for various projects implemented.

Fencing Wajir County Headquarters	Kshs.8,939,862.60
Construction of Fresh Produce Market at Tarbaj	Kshs.3,964,060.00
Renovation of Trade Offices	Kshs.1,649,415.00
Construction of Type 'D' 2 Dispensary Beladmin	Kshs.5,125,043.00
Construction of Wajir Baraza Park	Kshs.3,569,000.00
Site Clearance at County Headquarters	Kshs.4,842,000.00
Road Gravelling Works	<u>Kshs.23,992,341.00</u>
	<u>Kshs.52,081,721.00</u>

However, the following irregularities were observed;

- a) A number of contractors were invoicing for works before LSO was committed in the vote book and receipt acknowledged by the contractor
- b) Monitoring and evaluation of a number of projects were done long before LSO were committed in the vote book and some L.S.Os and invoice were raised at the same time.
- c) Tender opening/evaluation minutes were not made available for some projects and others had no contract agreements.
- d) Evaluation committee did not conduct technical and financial evaluation to compare each tender to the technical requirements as well as price of each tenderer.

- e) Tender opening and awarding minutes were dated after the winning bidders were notified via immediate communication and the contractors invoiced the County Government before they were handed over the sites.
- f) Completion certificates were issued before the opening and awarding of the tenders and contractors who had not been pre-qualified were being awarded the tenders (Schedule 1)

2.3 Procurement of Flood Lights and Installation of Solar Power

Examination of records maintained by County Government of Wajir revealed that an amount of Kshs.6,952,601.50 as detailed in Schedule 2 was used for procurement of flood lights and installation of solar power to secondary schools within the County.

The inspection certificate supporting the payment was not dated therefore it was not possible to confirm whether the officers visited the sites to verify and confirm whether the flood lights were installed.

Confidential Business Questionnaire did not show details of ownership of the company that was awarded the contract. Further, it was observed that the date the contract was awarded by the Tender Committee was not reflected in the tender committee minutes and the minutes awarding the contract were neither signed by the Chairman nor the Secretary. However, there was no notification of award as well as acceptance of offer for the contract. The quotations for the contract was evaluated on 15 May 2014, this was after the stock (Floodlights) were received in the stores on 2 May 2014 a clear indication of direct procurement and quotations raised for formalities.

Maximum level of expenditure under Section 88 of the Public Procurement & Disposal Act, 2005 for use of request for quotations as specified in the threshold matrix is Ksh.4,000,000. The entity did not use alternative method of procurement than request for quotations contrary to section 88 of the Public Procurement Act, 2005.

Recommendation

The County Executive should adhere to the Government regulations in all procurement of works. Explain and account for the expenditure of Kshs.6,952,601.50..

2.4 Funding of Stalled Appropriate Building Technology Housing (Abt) at Habaswein

Examination of Cash book voucher No. 326 of 1/6/2014 and supporting documents revealed that Kshs.5, 441,215 was paid to MK Gedi Construction Company Ltd for completion of stalled ABT housing at Habaswein. The project was initiated by the Central Government, evaluated and contract awarded to M.K Gedi Construction Co Ltd of Box 390 – 70200 Wajir at a cost of Kshs9,204,573 on 29/11/2011. The project stalled due to lack of funding. An assessment was made on the stalled project on 31/3/2014 by the sub county Works officer on request by the chief officer department of lands, housing and physical planning as per letter reference no. WCG/LHP/OD/VOL I (3) of 26/3/2014. The assessment report done revealed that total amount of Kshs.5,609,550

was due to the contractor and a further Ksh.300,000 was to cater for inflation rises during the period when the construction work stopped. Further the works officer recommended that Ksh.3,595,073 was required to complete the remaining works. However, the following observations were noted:-

- a) The tender committee discussed and approved the completion of the stalled project on 3/4/2014 under MIN 550/QT/195/Ids/2013 – 14 on the basis of evaluation and award done by the Provisional Tender Committee on 29/11/2011 and other correspondence by County Government departments
- b) It was observed that correspondence captured in the Tender Committee Min/550/QT/195/Ids/2013-14 dated 18/2/2014 to CEC Finance and Economic Planning explaining why the project stalled as well as letter dated 14/1/2014 by the CEC Lands, Housing and Urban Development addressed to the Governor requesting for assistance to fund the project were not made available for audit review.
- c) Evaluation report and previous tender documents were not made available.
- d) There were no pending bill to show the amount outstanding payable by the department of housing under Central.
- e) There was no report on the amount of Ksh.300,000 for the inflation rises cost to confirm the criteria used to arrive at the same.

Recommendations

The County Executive should:

- Put in place a policy for handling unpaid dues to creditors.
- Ensure that all correspondences and project records are made available for audit verification.
- Explain and account for the expenditure.

2.5 Payment for the Proposed Completion Works, Finishes and fencing of Medical Training College Wajir

Examination of cash book voucher No. 421 of 29/6/2014 for Kshs.6,298,045.95 and supporting documents held at Wajir County Treasury revealed that contract for the proposed completion works and fencing of Wajir Medical Training College was awarded to a Construction Company based in Wajir at a cost of Kshs.7,240, 049 . However the following observations were made:-

Proper evaluation stages for preliminary, technical and financial were not carried out by the evaluation committee as required by Public Procurement Regulations 2006, it was noted that all stages were combined in the preliminary stage and the winning bidder was declared as responsive

It was noted that no contract agreement was entered into by both parties to the contract as required by section 68 (1) and (3) of the Public Procurement & Disposal Act, 2005

Physical verification carried out on 10/2/2015 revealed that CDF Wajir East constructed the structures and roofing of the MTC during the financial year 2012/2013 with National Funds while the County Government did the completion works of lecture rooms, demonstration rooms, administration offices, fencing works and gate house at a cost of Ksh.7,240,049 during the financial year 2013/2014. However, the bill of quantities for the works and handing over report from the CDF Wajir East to the County Department of Health was not availed for audit to confirm that the completion works and fencing was not awarded in the previous contract awarded by CDF Wajir East. It was further noted that there was no sign board for work done by the County Government to confirm that the County Government took over the project.

Consequently, the propriety of the expenditure could not be confirmed.

Recommendation

The management should ensure adherence to the Public Procurement & Disposal Act, 2005 and proper evaluation is done by the tender committee.

2.6 Prime Cost and Provision Sums

Evaluation of bill of quantities for capital projects funded by Wajir County Government disclosed unrealistic provisions and prime cost as detailed in Schedule 3. Most project implemented were found to be high relative to the contract sums. The prime costs and provision sums indicate lump sum figures and does not specify the breakdown of works to be done. No justification was given as to why there were no full description and or technical requirements for plumbing, water supply and storage and drainage works and instead lump sum figure was provisioned for the same.

There was no clarification on what eventually comprise of contingencies figure in the bill of quantities after completion of works. It was further noted that complete description of electrical works provisions was not provided instead lump sum figure was provided for in the bill of quantities and in some instances provision sums were added a profit component.

Under the circumstances, the items as they are described in the bill of quantities cannot be justified.

Recommendation

The management should ensure that all items in the bill of quantities should be itemized, priced and specify breakdown of work to be done.

2.7 Irregular and Unaccounted for Emergency Relief Food

The County Government of Wajir used Kshs.69,189,600 for the procurement and delivery of relief food. A review of the tender process revealed that proper procedures were not followed in awarding the contract. It was noted that twenty six bidders applied for the contract advertised in the local daily on 28/2/2014.

A bidder (specialized in hardware business) based in Wajir was the second lowest bidder was awarded the contract to supply the food items at a cost of Ksh.69,189,600. However, the firm had no experience in supply of food item as it had not scored in the evaluation report. There was no notification of a ward of contract to the same firm contrary to Section 67(1) and (2) of the Procurement Act, 2005 which requires notification of award of contract to the successful and unsuccessful bidders.

There was no proper reason given as to why the lowest bidder was not awarded.

It was further noted that there were no way bills to show how the food was transported and no certificate of analysis from KEBS and Public Health was availed to confirm the suitability of the food for human consumption.

A review of the invoices reflects that it had no date and the delivery notes were not signed. The same food was not acknowledged by the County Government since it was received in the stores records. There was no indication of the ID cards of those issued with food.

In view of the above anomalies, it was not clear whether proper procedures were followed to award the contract or whether the good was issued to right individuals.

Recommendations

The management should ensure that all procurements are done in conformity with the relevant regulations and food items are taken on charge and issued out and Justify the expenditure as a proper charge to public fund.

2.8 Irregular and Unaccounted for Goods

Examination of records maintained by the County Government of Wajir revealed that goods and Services worth Kshs.54,902,955.63 as detailed in schedule 4 were procured during the period under review. However, the items procured were not taken on charge in the stores ledger cards contrary to section 18:2 & 3 of the Government Financial Regulations and Procedures.

It was noted that delivery notes used to support the payment had dates before the opening of the tenders and awarding of the tender. Inspection and acceptance certificates dated earlier than the delivery notes an indication that the committee issued the certificate to only support the payment process. The request for quotations used had no opening date and time.

In view of the above observation, it is not possible to ascertain whether the stores were delivered and used for the intended purposes.

Recommendations

- Payments have to be processed in respect of demands for settlements of goods and services that have been supplied/rendered to the County Government.
- Stores received should be entered in the stores ledger cards and issues should be reflected in the ledger cards indicating the issue notes used in accordance with the existing Government Financial Regulations and Procedures.

2.9 Payment for Rental Premises

A review of the expenditure of Wajir County revealed that an amount of Kshs.3,636,342 as detailed in schedule 5 was paid to various landlords for provision of rental premises for office rent for the three (3) months. However, it was noted that there were no evidence that office rental premises were competitively sourced as there were no request for quotations. The County Government continues making payments for the premises for the County Public Service Board after the expiry of the lease agreement on 31/3/2014.

It was further noted that County Government had rented liaison office in Nairobi. However, there was no lease agreement and there was no valuation report from Department of Housing to confirm the rate was economical and fair.

Recommendation

The management should ensure that all procurements are done in accordance with the Public Procurement and Disposal Act, 2005 and the Public Procurement and Disposal Regulations, 2006 and other regulations in force.

3.0 Payment for Consultancy Services

Examination of payment vouchers and supporting documents revealed that Wajir County Executive incurred an expenditure amounting to Kshs.11,625,254 as detailed in schedule 6 for consultancy services. A review of the records revealed that there were vital documents which were not availed for audit. The following vital information were not reflected in payment.

- a) There was no company profile for Sarman Engineering Company the winning firm to show the hydro geologist whose license was used is a personnel of the company.
- Request for quotation of one supplier – Edges Borehole Drilling and Pumps Limited was returned on 2/5/2014, 5 days before the request for quotations were flouted.
 - LSO was raised on 7/5/2014 the same day the request for quotations were flouted.
 - Winning bidder returned quotation on 9/5/2014, 2 days after LSO was raised.
 - Payment is supported with proposal dated 13/3/2014 from the firm that won the contract quoting Ksh.1,350,000 for the service, this is 2 months before the request for quotations were flouted.
 - Payment was made on the strength of photocopy invoice dated 6/6/014 amounting to Ksh.1,350,000 as shown in the proposal of March 2014.
 - List of 6 sites being proposed for the hydro geological investigations not shown.
 - No hydro geological report to show work was actually carried out.
 - The winning firm quoted Ksh.1,350,000 for the service and invoiced for same amount however an amount of Ksh.1,390,500 was paid for the service hence an overpayment of Ksh.40,500 to be recovered.
- b) Feasibility study, environmental impact assessment study and detailed engineering design of Roads in Wajir County.
- Contract agreement was entered on 27/12/2013 however it was observed the firm accepted the offer on 17/1/2014 , 20 days after the contract agreement was signed and not immediately.
 - Payment of Kshs.26,226,266 was made upfront to the contractor before the feasibility and the preliminary design reports were received and accepted by Roads engineer contrary to the requirement of the condition of the agreement. The contractor availed a final feasibility report on July 2014; 3 month after payment was done. The design report is yet to be produced.
 - Complete description of Kshs.4,800,500 for reimbursable cost for stage 2 as shown in price per activity was not provided in the bills of quantity.

- Complete description of Ksh.54,672,800 and Kshs.6,821,500 for staff costs and reimbursable costs for stage 1 as shown in the price per activity was not provided either in the Bill of quantities.
- The contract did not indicate commencement date of the service.

In view of the above anomalies the authenticity of the above payment could not be ascertained.

Recommendation

The County Executive should justify the payment for the services as date for various documents are not consistent and payments to have been made before delivery of services.

3.1 Unsupported Payment for Motor Vehicle Insurance

The County Executive of Wajir paid an amount of Kshs.1,080,000 as detailed in schedule 8 to an Insurance firm for motor vehicle insurance services.

A review of the payment for the services revealed that there were no valuation reports from appointed valuer to ascertain the premium charged. The copies of registration certificates for the individual vehicles purported to have been insured were not also availed for audit.

It was further observed that copies of duplicate insurance policy certificates for the insured motor vehicles were not produced for audit verification to confirm duration of policy.

Recommendations

The management should ensure that services procured using public funds remain fully supported and the relevant records should be availed for audit verification. Expenditure of Kshs.1,080,000 should be accounted for or recovered.

3.2 Unaccounted For Fuel and Lubricants

The Wajir County Government bought 12,990 litres of diesel and 1000 litres of petrol worth Ksh.1,778,750 as per schedule 8 from various petroleum companies during the period under review. However, the fuel was not taken on charge in bulk fuel register and there were no work tickets, counter receipt vouchers, issue notes and delivery notes that were not availed for audit to confirm the authenticity of the same.

In view of the above, it was difficult to confirm how the fuel was procured and used.

Recommendation

Fuel received should be entered in the bulky fuel register, issues should be reflected in the same register and the work tickets of the vehicles issued.

3.3 Catering Services

Examination of payment vouchers and other supporting documents revealed that Wajir County Executive made payment totaling Ksh.2,845,000 as per Schedule 9 for catering services for workshops. However, it was observed that the schedules of participants of the workshop and training were not attached and where the list of participants was attached they were for fewer days than the ones being paid for. It was therefore difficult to confirm if all the catering services were provided to the right participants.

Recommendation

- All payment should be supported with relevant documents.
- Unsupported payments should be recovered.

3.4 Payment of Allowances

3.4.1 Unsupported Daily Subsistence Allowances (Local)

A review of the expenditure for allowances revealed that Wajir County Executive incurred expenditure totaling Kshs.2,048,400 as per schedule 10 on payment of travel and subsistence allowances to staff of the County Government and County Public Service Board members. Out of the total Kshs2,048,400 an amount of Kshs78,500 was used for hiring of taxi services that was purportedly transporting the staff to and from the airport. However, audit verification disclosed the following anomalies:-

- a) Some officers claimed night outs while attending training and consultative forums, despite being residential and on full board.
- b) An officer who was attending a 5 day training in Nairobi was paid 10 days night out, that's five extra days although, the officer was doing for the extra days in Nairobi was not disclosed.
- c) Officers who attended training at Kenya School of Government did not attach photocopy of the course programme attended to prove they actually attended the training.
- d) There was no program of work showing the activities to be undertaken by some officers who were on trips to other counties for special mission like reconciliation and consultative meetings.
- e) Two Board members who were attending a 3 day county public service board national consultative forum in Naivasha were paid 8 days night out, the five extra days in Naivasha was not disclosed or supported.

- f) In some instances there was no invitation or correspondence and official communication from the host county to show the initiation and arrangements of the visits.
- g) There was no imprest issued therefore the source of funds was not specified.

Recommendations

The County Executive should adhere to the Government Financial Regulations and Procedures and always ensure that all payments are fully supported and recover the extra five (5) night outs paid from the responsible officers.

3.5 Human Resources Management

3.5.1 Lack of Human Resources Manuals and Scheme of Services

The County Assembly Service Board had not developed the requisite manuals for use in the administration of the staff of the County Government. The manuals are important as they guide the board on human resource issues including performance management, annual leave management, job descriptions, payroll management and staff discipline among others.

Recommendation

Human Resources Manuals and schemes of service for staff should be developed and implemented.

3.6 Review Integrated Payroll and Personnel Database (IPPD)

The Wajir County Executive implemented use of IPPD system. However, audit of the data that was analyzed revealed the following integrity issues.

3.6.1 Rights and Privileges

A review of the IPPD payroll revealed 25 unauthorized staffs as detailed in Schedule 11 who were not system administrator but were able to create and edit employees' records in the system. This poses a high risk since they can change the data without any authority.

3.6.2 Irregular Increase of Allowances

Interrogation of the IPPD data for the County Executive revealed that some officer's basic salary was increased from Ksh.19,323 to Ksh.50,044 and Ksh.54,473 in the month of February 2014 without any approval.

It was further noted that eight (8) staffs as per Schedule 12 had their emergency call allowance increased from Kshs.30,000 to Kshs.40,000 without approval in the month of April 2014.

3.6.3 House Allowance

A review of the payroll revealed that an amount of Kshs.1,161,100 was paid to ninety two (92) staff as per schedule 13 as house allowance in the month of February, 2014. However, there was no authority to support the increase and therefore the payment for the same could not be justified.

3.6.4 Owner Occupier and House Allowance

Five (5) members of staff as per Schedule 14 earned owner occupier allowances and house allowances for the month of February, April, May and June 2014. The staff were paid both allowance at the same time and no proper explanation was given as to why they were paid both allowances.

3.6.5 Negative Net Pay

During the audit of the payroll it was noted that one (1) staff had a negative net pay for the month of February 2014. It is not clear how the negative pay was arrived at.

3.6.6 Staffs without Tax Pin

Some of the members of staff for Wajir County Executive were without Tax Personal Identification Numbers (PIN). The same information was also not available in the personal files for the same officers.

Incorrect PIN

There were two (2) officers with Incorrect Tax Personal Identification Numbers reflected as A000000002P and A000000000L.

No proper explanation was given why the staff were recruited or employed without PIN and the amount of tax deducted from the officers was not reflected in the payroll.

3.6.7 Salary Overpayment

Payroll data analysis revealed that there were thirty eight (38) members of staff in Schedule 15 that had been paid salary above their normal pay.

3.6.8 Responsibility Allowance

A staff with personal file (Pf) number 20005485 was paid a responsibility allowance of Kshs.30,000 per month in the month of April and June 2014 amounting Ksh.60,000. However, a review of the personal file reflected that there was no letter or authority approving the responsibility allowance.

Sharing of Bank Account Number

There was one (1) 1030193473997 bank account that was shared by two staffs in the month of February, 2014. No proper reason was given on how the officers shared one account.

It was further noted that there were four (4) staffs as per schedule 19 who are above the age of 60 years and were still reflected in the payroll. The payroll data also reflected that one officer with P/F number 2010157485 had no identification card.

No proper explanation was given as to why the staff were still in the payroll and how the officer without ID was employed.

Editing Payroll on Odd Hours

A scrutiny of the payroll data revealed that it is edited during weekends and odd working hours as reflected in Schedule 17. There was no proper explanation as to why the payroll is edited on weekend.

Recommendations

- The County Executive should ensure that staff in the payroll department are adequately trained on IPPD and access right to the system should be secured to guarantee the integrity of data processed by the system.
- Recover all the allowances that were paid erroneously or without authority.
- Correct all errors identified in the IPPD relating to staff details.
- Take administrative actions on responsible staff for editing of IPPD on odd hours/days.
- Remove any staff not approved to be on the payroll.

3.7 Statutory Deductions

A review of records relating to statutory deductions and contributions of county staff revealed that an amount of Kshs.63,441,480.15 as shown on schedule 18 was paid as statutory deductions to Kenya Revenue Authority (KRA) and LAPFUND. However, no

acknowledgment letter and no documentary evidence to show that the deductions were received by both KRA and LAPFUND.

Consequently, it was not possible to confirm if statutory deductions were paid to the right institutions for the benefit of the beneficiaries.

Recommendation

All statutory deductions should be remitted to the right institution and receipt should be confirmed by the institutions with acknowledgement letters.

3.8 The County Public Service Board

Wajir County Government had established Public Services Board in line with Section 57 and 58 of the County Government Act, 2012. However, despite several requests, the files for the board were not produced for audit verification to confirm the qualifications and suitability of the board members. There was no documentary evidence availed to confirm that the County Public Service Board Secretary is a certified Public Secretary or of a professional required by the law.

It was further noted that the board does not maintain a register for all the applicants for the jobs that were advertised.

The Executive Member of Finance has not provided budget for the board and did not appoint the Secretary of the board as an accounting officer.

Recommendations

- Records of all the people appointed by the County Public Services Board should be kept in safe custody and availed for audit review.
- A budget be provided for the CPSB and the secretary appointed as Accounting Officer.

3.9 Integrated Financial Management Information System (IFMIS)

Wajir County Government installed IFMIS and uses it to handle County expenditure. The County had only utilized Procure to Pay module as at the time of inspection, the other modules such as Plan to Budget, Revenue to Cash Record to Report and ICT to Support are yet to be utilized. However, delays were noted during transaction cycle arising from downtime of IFMIS server thereby affecting their efficiency and necessitating the use of orange modem.

Recommendations

- The County should utilize IFMIS fully for its financial operations and ensure County Treasury configure fiber connectivity in a virtual private network (VPN) to create a more secure and reliable connection.

- All IFMIS modules should be implemented to enhance completeness in financial reporting.

3.10 Information Technology Environment

The County Executive does not have an IT strategic plan that supports operation requirements of the Executive and there were no formally documented and approved processes to manage upgrades and system changes made to all information systems. It was further noted that the backups were not stored in a secure offsite storage facility and were retained in the ICT office. This poses risk for the IT in case of fire or theft. There were no formally documented and approved user management standards and procedures in the organization, documented schedule for routine maintenance and IT strategic Committee.

The server room did not have a register for the persons who access the service indicating time and purpose and there were no service legal agreement between the ICT department and the vendor, no smoke detectors in the server room and disaster recovery plan.

Recommendations

- The County Executive should put in place measures to remedy the IT environment weaknesses.
- Establish IT strategic plan and IT strategic committee.
- Develop and implement policies and procedures to manage updates, user management standards and service level agreements for IT.

3.11 Non-Current Assets

3.11.1 Failure to Maintain Asset Register

The County Executive of Wajir does not maintain permanent and expendable register to record the assets of permanent in nature. There were no inventories of the assets maintained showing description of the items, date acquired, where issued to and the location of the items contrary to chapter 18.5 of the Government Financial Regulations and Procedures.

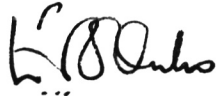
Recommendation

The County Executive should maintain a permanent and expendable register for all its assets at all times showing description of items, holders of the assets and location.

Conclusion

The County Executive of Wajir had challenges in its first year of operations. The organizational structure and setting up of systems and staffing the county was slow and challenging. The County Executive should adhere to the relevant laws and the Constitution of Kenya in the management of public resources for the benefit of the residents of Wajir County.

I wish to thank the County Executive Member for Finance and Economic Planning of Wajir County and staff for the co-operation accorded to the audit team during the audit exercise.



Edward R.O. Ouko, CBS
AUDITOR-GENERAL

Nairobi

21 May 2015

SCHEDULE 1

AWARD OF CONTRACT FOR CAPITAL PROJECTS -KSH.52,081,719

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>
3038 of 11/4/2014	M/s Kenlink Construction Ltd Box 141 Wajir	308-308110302- 071201-2620111	3,964,060	Being first payment for the proposed construction of fresh producemarket at Tarbaj vide LSO No. 0000412 of 7/4/2014 and invoice No. 16 of 7/4/2014 OBSERVATIONS a) LSO was committed in the vote book on 8/4/2014, one day after the contractor invoiced for the works on 7/4/2014 b) Monitoring and evaluation team inspected the works on 1/4/2014, this is one week before LSO for the works was approved and committed in the vote book
3455 of 29/4/2014	M/s Gubba Investment (K) Ltd Box 197-70200 Wajir	308-308110302- 071201-311008	1,649,415	Being payment for renovation at trade offices vide L.S.O no. 000417 of 4/4/2014 and invoice No. 124 of 23/4/2014 OBSERVATION a) There was no contract agreement entered into by both parties to the contract as required by section 68 of the Procurement Act, 2005, it was noted that the form of agreement in the tender document was not signed and witnessed
3552 of 2/5/14	M/s Maow Holdings Ltd	308-308090101- 3110402	5,220,000	Being first payment In respect of the proposed fencing of Wajir County Head quarters at Wajir Town vide LSO No. 0002964 of 30/3/2014 and Invoice No 17 of 26/4/2014
CBV409 of 29/6/14	M/s Maow Holdings Ltd		3,719,862.60	Being second and final payment made to the contractor for the proposed fencing of Wajir County Head quarters OBSERVATIONS a) L.S.O was committed in the vote book and received by contractor on 30/4/2014 whereas the contractor invoiced for the works on 26/4/2014, this is four days before receipt and acknowledgement on LSO b) There was no interim certificate for payment on

account from technical ministry supported by summary statement for payment

- c) No retention money was retained from the final payment made to the contractor for defect liability as required by section 14.8 of the Government Financial Regulations and Procedures

CBV213 of 28/5/14	Skyline Construction Co. Ltd	308-308090101-070502-3110501	4,842,000	Being payment made for site clearance at County Head quarters vide L.S.O no.003488 of 15/4/2014 invoice no.162 of 19/5/2014
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OBSERVATIONS

- a) There was no contract agreement entered into by both parties to the contract as required by section 68 of the Procurement Act, 2005

CB127 of 15/4/14	M/s Alhamdu Enterprises Ltd	308-308070201-070404-2220209	4,100,034	Payment for Construction of type D2 Dispensary at Beladmin Wajir West as per documents supporting payment voucher
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CB484 of 28/6/14	M/s Alhamdu Enterprises Ltd	308-308070201-070404-2220209	1,025,009	Payment for Construction of type D2 Dispensary at Beladmin Wajir West as per documents supporting payment voucher
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OBSERVATIONS

- a) The Evaluation committee did not conduct technical and financial evaluation to compare each tender to the technical requirements of the description of works as well as the price of each tender as required by section 49 (1) and and 50 (1) of Public Procurement Regulation 2006 instead the evaluation committee combined the stages when conducting the preliminary evaluation

4837 of 5/5/14	M/s Alhamdu Enterprises Box 169 Wajir	308-308090101-070502-3110204	3,569,000	Being first Payment for the proposed construction of Wajir Baraza Park vide LSO No. 0003251 of 31/3/2014 and Invoice no.296 of 2/5/2014
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OBSERVATIONS

- a) Tender opening/evaluation minutes were not made available for audit verification
b) There was no contract agreement entered into by both parties to the contract as required by section

68 of the Procurement Act, 2005

- c) Statement for payment on account certificate no.1 is dated 17/3/2014, this is two weeks before L.S.O was raised on 31/3/2014
- d) L.S.O was committed in the vote book on 5/5/2014, however, it was observed that the contractor invoiced the County Government on 2/5/2014, three days before L.S.O was committed, further project monitoring was done on 25/4/014 before equally the LSO was committed in the vote book

00400 of 29/6/2014 Al Halo Traders

1-308090101-32110402

4,995,000

Gravelling of Matho - Griftu Road (2700m2) @1,850 vide invoice no.805 of 26/6/2014 and L.S.O no.0003050

OBSERVATIONS

- a) Opening and awarding of the tender - 31/5/2014
- b) L.S.O committed on 25/6/2014 and invoice dated 26/6/2014 an indication that gravelling was done in a day?
- c) Only BQs for the winning bidder was not availed for audit

Not indicated

Hayuga Construction Co. Ltd

1-308090101-3110402

2,999,880

Gravelling of Ganyure Road 1 vide invoice no.519 of 25/6/014 and L.P.O no.0001831

Tender no.WKS/RF/185/2013-2014

OBSERVATIONS

- a) Tender awarded on 16/6/2014
- b) Site handing over minutes not dated
- c) Immediate communication dated 20/6/2014, L.P.O raised on 20/6/2014 and committed on 25/6/2014
- d) Invoice dated 25/6/2014
- e) Completion certificate dated 26/4/2014
- f) Completion certificate issued 24 days before immediate communication and 20 days before the tender was awarded
- g) Confidential Business Questionnaire not attached

3429 of 28/4/2014 Jirtoy Company Ltd

1-308090101-3110402

2,295,000

Gravelling of ministry of water road junction to Air port road vide invoice no.63 of 11/4/2014 and L.P.O no.0003477

OBSERVATIONS

- a) Tender opening and awarding minutes dated 20/3/2014
- b) Immediate communication dated 14/2/2014 36 days before the tender was awarded
- c) Handing over site minutes not dated
- d) Completion certificate not dated

Not indicated Amran Construction Co. 1-308090101-3110402 775,515

Bush clearing at Hadado vide invoice no.89 of 20/6/014 and L.S.O no.00001808

OBSERVATIONS

- a) Opening of the quotations & awarding the tender 16/6/2014
- b) Immediate communication dated 20/6/2014
- c) Site handing over dated 21/6/2014
- d) Inspection report not dated
- e) Completion certificate dated 27/6/2014
- f) Invoice dated 20/6/2014
- g) L.S.O committed om 25/6/2014

NB: The contractor invoice the County Government a day before he was handed over the site

716 of 30/6/2014 Al-Hamdu Enterprised Ltd 1-308090101-3110402 2,499,994

Bush clearing of Afarshance - Abakheranso road invoice no.64 of 20/6/2014 and L.S.O no.0001838

OBSERVATIONS

- a) L.S.O and the invoice were raised the same day 20/6/2014
- b) L.S.O was committed on 25/6/2014 - 5 days after the invoice was raised
- c) Site handing over was done on 22/6/2014 - 2 days after the invoice was raised
- d) Inspection report not dated

00215 of 30/6/2014 Barrow Building Contractors 1-308090101-3110402 2,909,972

Bush clearing of Dela-Matho-Griftu Road vide L.S.O no.0001816

OBSERVATIONS

00811 of 30/6/2014	Sakafa Construction Co. Ltd	1-308090101-3110502	2,572,222	<p>a) Payment made without being supported by invoice</p> <p>Bush clearing at Loikuta South - Hadado Road vide L.S.O no.0003013 and invoice no.05 of 16/5/2014</p> <p>OBSERVATIONS</p> <p>a) Invoice raised before the tender opening and awarding</p> <p>b) Invoice dated 16/5/014 while the tender was opened and awarded on 23/5/2014</p> <p>c) L.S.O raised on 24/5/2014 and committed on 29/5/2014</p>
661 of 29/6/2014	New Elnoor Construction Co.	1-308090101-3110402	2,424,755	<p>Bush clearing of Arbujahan - Aladagol Road vide invoice dated 24/6/2014 and L.S.O no.0001809</p> <p>OBSERVATIONS</p> <p>a) Completion certificate issued on 23/6/2014 while the L.S.O was committed on 25/6/2014</p> <p>b) Invoice raised 1 day after the L.S.O was committed invoice dated 24/6/2014 while the L.S.O was committed on 25/6/2014</p>
5648 of 18/6/2014	Alert Guard Services Ltd	1-308020201-2210799	2,520,000	<p>Provision of training services of county guards for 14days vide L.S.O no.0002951 and invoice no.0016 not dated</p> <p>OBSERVATIONS</p> <p>a) The three bidders listed below submitted their quotations before the request for quotations were raised on 14/4/2014</p> <p>b) Alert guard services quotation dated 10/4/2014, Sarman security Co. Ltd quotation dated 10/4/2014, and Idar Group Security services quotation dated 10/4/2014 an indication that the bidders had prior knowledge of the services required thus no fairness</p>

SCHEDULE 2

PROCUREMENT OF FLOOD LIGHTS AND INSTALLATION OF SOLAR POWER - KSH.6,952,601.50

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>								
4963 of 6/6/14	Maray Construction Company Ltd	D308-00712-3110602	2,000,000	Being Payment for purchase of 4No. Flood lights vide L.S.O No.0003234 of 29/4/2014, invoice no.106 undated S13 No.7268623 of 2/5/2014								
				OBSERVATIONS								
				a) Request for Quotations were flouted to 3No. Bidders as follows:-								
				<table border="1"> <thead> <tr> <th><u>Bidder</u></th> <th><u>Amount quoted</u></th> </tr> </thead> <tbody> <tr> <td>Maray Construction Co Ltd</td> <td>2,000,000</td> </tr> <tr> <td>Hamza Fahad Construction</td> <td>2,400,000</td> </tr> <tr> <td>Ramco Construction Co.</td> <td>2,800,000</td> </tr> </tbody> </table>	<u>Bidder</u>	<u>Amount quoted</u>	Maray Construction Co Ltd	2,000,000	Hamza Fahad Construction	2,400,000	Ramco Construction Co.	2,800,000
<u>Bidder</u>	<u>Amount quoted</u>											
Maray Construction Co Ltd	2,000,000											
Hamza Fahad Construction	2,400,000											
Ramco Construction Co.	2,800,000											
				b) The Contract was awarded to Maray Construction Co. as per Min 604/QT/EN/227/2013-14, however the minutes were not signed by the secretary and chairman of the tender committee and date of meeting not shown								
				c) There was no offer and acceptance letter for the contract								
				d) There was no requisition from user department to warrant the purchases of the flood lights								
				e) Stores were received vide S13 on 2/5/2014, before the request for quotations were opened on 15/5/2014								
				f) The inspection certificate supporting the payment voucher was undated, therefore it was not possible to confirm whether the officers visited the sites to verify that the flood lights were installed								
				g) The stores were not taken on charge in the stores ledger as required by government regulations, further, 20 m of 6.0 mm earth cable each Ksh.1,500 amounting to Ksh.30,000 was not received vide S13 no.7268623 of 2/5/2014								
6232 of 26/6/14	Maray Construction Company Ltd	D308-308020201-071303-3111106	4,952,601.50	Being payment made in respect of installation of solar power to secondary schools vide LSO no.0000241 of 28/5/2014, invoice no.0141 undated								

OBSERVATIONS

a) The following firms bided for the contract

<u>Firm</u>	<u>Amount quoted</u>
Hamza general suppliers	5,694,254.70
Maray Construction Co.	4,952,601.50
Ramco Construction Ltd	6,061,455.40

- b) Contract was awarded to Maray Construction Ltd at a cost of Ksh.4,952,601.50 on 23/5/2014
- c) There was no offer and acceptance letter for the contract
- d) Confidential business questionnaire did not disclose details of ownership of the company that won the contract and thus was not filled as required by government regulations
- f) Maxmum level of expenditure under section 88 of the Procurement Act, for use of request of quotation as specified in the threshold matrix is Ksh.4,000,000, the entity could have used alternative method of procurement since the expenditure is more that Ksh.4,000,000
- g) Ksh.400,000 provided as prime cost and provision sum was not supported with schedule showing how the sums were utilized
- h) There was no officer from the department of energy that accompanied the inspection team to verify whether the solar installation was done as per user department requirement, further the inspection certificate did not specify the works done for each secondary school where the solar installations were carried out

SCHEDULE 3

PRIME COSTS AND PROVISION SUMS - KSH.45,648,680

<u>PROJECT</u>	<u>CONTRACT SUM</u>	<u>PRIME COST &PROVISION SUM</u>	<u>% OF PRIME COST/PROVISION SUM OVER CONTRACT SUM</u>
Renovation of trade offices	1,649,415.00	600,000.00	36.3765335
Tarbaj Fresh Produce Market	6,500,790.00	630,000.00	9.691129847
Habaswein Fresh Produce Market	6,986,369.00	680,000.00	9.733239112
Eldas Fresh Produce Market	6,647,565.00	690,600.00	10.38876641
Market Stalls at Soko Mjinga	19,099,660.00	1,769,215.00	9.263070652
Khorof Harar Fresh ProduceMarket	6,886,469.90	680,000.00	9.874435086
Lag boghol Fresh ProduceMarket	6,923,970.40	719,000.00	10.38421539
Maternity Wing at Abdi Waqo	3,492,906.00	584,000.00	16.71960253
Maternity Wing at Basir(Eldas)	3,499,884.00	670,000.00	19.14349161
Maternity Wing at Anole Dispensary	3,499,884.00	670,000.00	19.14349161
KMTC Completion works and Fencing	7,240,049.00	875,000.00	12.08555356
Beladamin D2 Dispensary	5,125,043.00	924,750.00	18.04375105
Maternity Wing at Wagalla	3,499,923.00	622,740.00	17.79296287
Maternity Wing at Adhi bohul	3,470,000.00	450,000.00	12.96829971
Materinty Wing at Adan Awale	3,499,884.00	670,000.00	19.14349161
Materinty Wing at Sarman	3,499,884.00	450,000.00	12.85756899
Maternity Wing at Malkagufu	3,493,780.00	450,000.00	12.88003251
Materinty Wing at Biyamadhow	3,475,394.80	300,000.00	8.632112818
Materinty Wing at Burder	3,489,416.88	450,000.00	12.89613753
Ward Admin Office Leheley	11,200,000.00	1,963,000.00	17.52678571
Ward Admin Office Mansa	10,925,649.00	2,052,000.00	18.78149298
Ward Admin Office Wagalla	11,095,050.00	1,929,000.00	17.38613165
Ward Admin Office Sarman	9,802,340.00	1,710,000.00	17.4448142
Ward Admin Office Tarbaj	999,050.00	1,919,000.00	192.0824784
Ward Admin Office Ibrahim Ure	10,373,556.00	1,710,000.00	16.484222
Ward Admin Office Anole	10,575,723.00	1,895,000.00	17.91839669
Ward Admin Office Elnur	10,234,990.00	1,919,000.00	18.74940767
Ward Admin Office Kutulo	10,917,896.00	1,710,000.00	15.66235839
Ward Admin Office Khorof Harar	11,152,020.00	2,058,000.00	18.45405586
Ward Admin Office Dadajabulla	10,578,295.00	1,806,000.00	17.07269461
Ward Admin Office Wagberi	11,199,090.00	2,630,000.00	23.48405094
Ward Admin Office Wajir Township	10,840,730.00	1,710,000.00	15.77384549
Ward Admin Office Barwaqo	10,801,590.00	1,710,000.00	15.83100266
Sub county Admin Office Tarbaj	12,585,637.00	2,995,000.00	23.79696792

Sub county Admin Office Wajir East

13,326,255.00

3,047,375.00 22.86745226

45,648,680.00

SCHEDULE 4

UNACCOUNTED FOR STORES - KSH.54,902,955.63

<u>PV NO. & DATE</u>	<u>PAYEE</u>	<u>A/C NO.</u>	<u>AMOUNT(KSH)</u>	<u>PARTICULARS</u>
6480 of 27/6/2014	Dibe Merchants Ltd	0-308-308050401 070404-3110302	2,418,640	Supply of equipments (furniture & computer and fridges) vide invoice dated 25/6/2014, delivery note dated 25/6/2014 and L.P.O no.0003715/17 OBSERVATIONS a) Stores not taken on charge but received vide S13 b) Request for quotations opened on different dates as follows:- Dibe Merchants Ltd - 11/6/2014 Ibrahli Merchants & Gen. Supplies Ltd - 16/6/2014 Hanye General Supplies Ltd - 16/6/2014 Opening & awarding minutes dated - 16/6/2014
6397 of 27/6/2014	Helmand Construction Co.	0-308000101- 2211103	8,499,844.13	Supply of sanitary towels (pads) vide L.P.O no.0005482, invoice dated 20/6/2014 and delivery note dated 24/6/2014 OBSERVATIONS a) Stores not taken on charge b) Bills of quantities for the other bidders not availed for audit
2880 of 8/4/2014	Worldways General Trading Co.	0-308020201- 3110302	1,246,000	Supply of Lap Tops, AC and other electrical items vide L.P.O no.0000048 and invoice dated 2/4/2014 OBSERVATIONS a) Stores not taken on charge
2882 of 8/4/2014	Azhaar Suppliers	0-308020201- 3110302	673,000	Supply of fridge and other office furnitures vide L.P.O no.0000408/406/407 and invoice no.38 of 28/3/2014

				OBSERVATIONS
				a) Stores not taken on charge
3465 of 29/4/2014	Yahtech Communications Ltd	0-308030101-2211006	855,000	Purchase of Lap Tops, water dispenser, scanning machines, flash disk, external hard disk vide invoice dated 5/4/2014
				OBSERVATIONS
				a) Stores not taken on charge
5483 of 16/6/2014	Mandesha Investment Ltd	0-308030101-2211006	1,577,000	Supply of office furniture and equipment vide invoice no.11 of 12/6/2014, delivery note of 11/6/014 and L.P.O no.0003651
				OBSERVATIONS
				a) Stores not taken on charge
				b) Minutes awarding the tender dated 30/5/2014 while request for quotations indicated the opening date as 31/5/2014, a day after the tenders were awarded
6048 of 24/6/2014	Al- Marshidy Enterprises Ltd	0-3080001-2220202	1,645,000	Supply of tools vide invoice no.10050 of 16/6/2014, L.P.O no.0003667 and delivery note no.10602 of 6/6/2014
				OBSERVATIONS
				a) Stores not taken on charge
4782 of 31/5/2014	Anaka Building & Construction Company	0-308030101-2210299	500,000	Supply of office items vide invoice dated 30/5/2014 and L.P.O no.0005445
				OBSERVATIONS
				a) Stores not taken on charge
5705 of 19/6/2014	Misky General Ltd	0-308030101-2220202	2,866,940	Supply of office stationeries vide invoice dated 17/6/2014 and L.P.O nos.0003671/2/3/4/5
				OBSERVATIONS
				a) Stores not taken on charge
6612 of 30/6/2014	Zodiac Logistic	0-308020201-2211310	3,760,000	Supply of T-shirts and caps vide L.P.O no.0003664 & S13 no.7269337

				OBSERVATIONS
6479 of 27/6/2014	Deeq Merchants Co. Ltd	0-308020201-22113100 2211310	1,665,000	a) Stores not taken on charge Supply of photocopier machine, office shelves, Modem & Flash disk vide L.P.O nos.0005404/5/6/7 and invoice dated 28/6/2014
5878 of 23/6/2014	Hidaya Hardware	0-308020201- 2211310	3,975,000	OBSERVATIONS a) Stores not taken on charge Supply of tyres and vehicle parts vide L.P.O no.0003666
2914 of 9/4/2014	Qutech Holding Ltd	0-308090101- 2220206	1,250,000	OBSERVATIONS a) Stores not taken on charge Supply of conference tables, red carpet, HP laser jet & TV set vide invoice dated 27/3/2014 and L.P.O no.0005163

2939 of 9/4/2014	Kenya Medical Supplies Authority	0-308072101-2211001	2,453,084.50	<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p> <p>Supply of medicine and other accessories vide L.P.O no.1871223, S13 no.7002137 and invoice no.70087 of 14/1/2014</p>
2881 of 5/4/2014	Deeq Merchants Co. Ltd	0-308030101-2211006	1,073,000	<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p> <p>b) No documentary evidence was availed to show that the procurement was competitive</p> <p>Supply of dispenser, AC, Fridge and office furniture vide L.P.O no.0000405 & 0000450 and invoice not dated</p>
4683 of 28/5/2015	Qalaf Enterprise Ltd	0-308030705-2211106	1,865,280	<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p> <p>b) Request for quotations (all) lacked quotation numbers and dates</p> <p>Supply of uniforms vide invoice dated 26/5/014 and L.P.O no.0005441/5440</p>
6656 of 30/6/2014	Al-Furqan Medical Centre Ltd	0-308070207-70404	4,003,696	<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p> <p>Supply of pharmaceuticals and non pharmaceuticals vide invoice no.Snv00034769 and L.P.O no.0000310</p>
6248 of 24/6/2014	AMG International E. A. Limited	0-308020201-2640203	1,014,750	<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p> <p>Supply of 3no. Computer screen, orthopaedic chairs, 1 key box medium vide invoice no.29/5/2014 and L.P.O no.0003670</p>
3103 of 15/4/2014	Mission for Essential	0-308070201-		<p>OBSERVATIONS</p> <p>a) Stores not taken on charge</p>

Drugs and Supplies	2211001	3,360,925	Supply of pharmaceuticals and non pharmaceuticals vide L.P.O nos.1912084/85 and various invoices
			OBSERVATIONS
			a) Drugs worth Ksh.457,432 had no delivery notes, S13 and not taken no charge
			b) Drugs worth Ksh.2,903,493 had delivery notes but not received vide S13 & not taken on charge
34270 of 28/4/2014 Portlink Holdings Ltd	D308-30020401 070204-3111111	3,796,797	Being payment made in respect of supply, delivery and installation of ICT networking & communication equipment vide invoice no.275 dated 31/3/2014 and L.P.O no.46, 45, 44, 43 and 42 dated 19/3/2014
			Bidders
			i) North Tech Limited - 3,876,140
			ii) Iscope Technologies - 3,940,000
			iii) Portlink Holdings - 3,796,796
			OBSERVATIONS
			a) No requisition form from the user department
			b) The items were not taken on charge in the stores ledger
			c) Invoice and delivery notes not attached
			d) There was no evaluation committee minutes
6602 of 30/6/2014 Kontosa Enterprises Ltd	308-3030304	500,000	Payment being made in respect of purchasing 5no. of Laptops @100,000 vide invoice no.10 dated 21/6/2014 and L.P.O no.2146019 undated. QT no.FN/QT/19/2013-2014
			OBSERVATIONS

4779 of 31/5/2014	Al-Fatah Bookshop	R308-308030101 071003-2210299	496,000	<ul style="list-style-type: none"> a) No requisition form from the user department b) No delivery notes c) No inspection and acceptance committee minutes /report d) There is no specifications for the Laptop purchase e) The Laptops were not taken on charge in the stores ledger <p>Payment being made in respect of purchase of 4no. Galaxy note 3 with gear @124,500 vide L.P.O no.5443 dated 30/5/2014 and invoice no.1 dated 28/5/2014</p>
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The bidders were as follows:-

- i) Anaka building and construction - Ksh.500,000
- ii) Al-Fatah Bookshop - Ksh.496,000

OBSERVATIONS

- a) The stores were not taken on charge
- b) The date and time of the quotation were not indicated
- c) Only two quotations were availed for audit
- d) The stores were not taken on charge
- e) There was no inspection report

4788 of 31/5/2014	Kontosh Enterprises Ltd	R308-308030101 071003-2210299	486,000	<p>Payment being made in respect of purchase of 3no. Galaxy Ipad @128,000 = 384,000 and 2no. Digital camera @102,000 vide invoice 10 dated 30/5/2014 and L.P.O no.5446</p>
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Bidders

- i) Safe Road Construction Ltd - 590,000
- ii) Kontosh Enterprises Ltd - 486,000 (winner)
- iii) Shukran Construction - 560,000

OBSERVATIONS

- a) The date and time for opening the quotations was not indicated
- b) Goods were not taken on charge in the stores ledger
- c) No inspection and acceptance minutes/report/certificate

6601 of 30/6/2014	Lead Time Construction Co.Ltd	R308-308060101 070601-2210301	450,000	<p>Being payment made in respect of 5no. Desktop core 15 @90,000 vide invoice no.12 dated 21/6/2014 and L.P.O no.2146018 with no date</p>
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Bidders

- i) Ramla Communication Ltd - 450,000
- ii) Al-Fatah Bookshop - 560,000
- iii) Kontosh Enterprise Ltd - 565,000

OBSERVATIONS

- a) The stores were not taken on charge
- b) No requisition form from the user department
- c) No inspection and acceptance certificate/minutes attached

3458 of 29/4/2014 Deeq Merchants

R308-3080401
07040101-3110302

760,000

Being payment for the purchase of ICT materials for Ministry of Agriculture and livestock vide L.P.O no.421 dated 24/3/2014 and invoice no.33 dated 10/4/2014

Bidders

- i) Azhaar Suppliers - 804,200
- ii) Delta Equipment - 770,100
- iii) Deeq Merchants - 760,400 (Winner)

OBSERVATIONS

- a) The date and time when the quotations were opened was not indicated
- b) The items were not taken on charge in the stores ledger
- c) Inspection and acceptance committee certificate attached

SCHEDULE 5

PROCUREMENT OF RENTAL PREMISES - KSH.3,636,342

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>
6706 of 30/6/14	Daud Sheik Mohamed	R308-308020201-071303-2210603	900,000	<p>Payment made in respect of leased offices for Wajir Water and Sewerage Company vide L.S.O no.0001855 of 1/2/2014 invoice no.73 of 8/1/2014</p> <p>OBSERVATIONS</p> <p>a) There was no evidence to show that the rental offices were procured through competitive procurement as there were no request for quotation raised to source for the services</p> <p>b) The service provider invoiced Wajir County Government on 8/1/2014, five month after the L.S.O was committed in the votebook</p>
5823 of 20/6/14	Omar Gure Yussuf	R308-308030101-071303-2210603	900,000	<p>Being payment of rent for offices leased for department of Energy and Natural Resources vide L.S.O no.0001869 of 4/6/14 and ordinary invoice dated 19/6/2014</p> <p>OBSERVATIONS</p> <p>a) L.S.O was committed in the vote book on 20/6/2014 and acknowledged by the supplier same day, however, it was observed that the service was invoiced on 19/6/2014, one day before L.S.O was acknowledged by supplier</p> <p>b) There was no evidence to show that the rental offices were procured through competitive procurement as there were no request for quotation raised to source for the services</p> <p>c) County Government of Wajir entered into a fixed term agreement (Lease) for term of 12 Months but the term indicated in the lease is 1st June 2014 ending 30th Nov. 2014 the anomaly was not realized and corrected</p>
4350 of 21/5/14	Abass Sheik Mohamed	308-308020501-071303-3111099	1,200,000	<p>Payment for rent in respect of offices for County Public Service Board for the period April - June, 2014 vide L.S.O no.0002994 of 1/4/2014 and invoice no.045 of 8/5/2014</p> <p>OBSERVATIONS</p> <p>a) Lease was for one year covering 1st April - 30th</p>

				March 2013 period and no evidence was provided to show renewal of the Lease agreement for 2014 to support the payment made to the service provider for the current period
5256 of 12/6/14	TYSON Limited	R308-3080301-030101-2210603	336,342	Being payment of rent for Wajir County Government Liason office in Nairobi vide L.S.O no.0002988 of 31/3/2014 and invoice no. 4A/01/2014 of 4/2/2014
				OBSERVATIONS
				a) There was no evidence to show that the rental offices were procured through competitive procurement as there were no request for quotation raised to source for the services
				b) No valuation report from Government valuer to support whether the rate charged is fair and economical
				c) There was no duly signed lease agreement for the rental premises only an offer of lease dated 20/8/2013 from Tyson Ltd is used to support the payment
6445 of 28/6/14	Abdisirat Farah Box 579 Wajir	R308-308001-071003-2210603	300,000	Being payment for offices rented for Monitoring and Evaluation Department vide LSO no.0001893 of 1/2/2014 and invoice no.0001 of 26/6/2014
				OBSERVATIONS
				a) The rental services were single sourced from the service provider as indicated in the minutes of the department which lacked date and signature of the secretary and chairman contrary to the requirement of competitive procurement
				b) Lease agreement was not signed by both parties to the contract as required by Section 68 of the Public Procurement Regulations, 2006

SCHEDULE 6

IRREGULAR AND UNSUPPORTED FOR CONSULTANCY SERVICES - KSH.11,625,254

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>								
4988 of 6/6/14	Sarman Engineering Company Ltd	D308-308050401-070504-311062	1,190,000	<p>Being payment for hydrological survey for 10 sites in Wajir County vide L.S.O No.0003236 of 12/5/2014 and invoice No. 001 of 15/5/2014</p> <p>OBSERVATIONS</p> <p>a) Payment was not supported with hydro geological survey reports for the 10 sites</p> <p>b) The Company profile was not made available for audit to confirm that the hydro geologist whose license was used to support the payment is among company personnel</p>								
6446 of 27/6/14	Aqua Well Services Ltd	D308-308050401-070504-311062	1,309,500	<p>Being payment for hydrological investigations and data collection for six (6) boreholes in Wajir County vide L.S.O no. 0003232 of 7/5/2014 and Invoice No.AWS/3157/2014</p> <p>OBSERVATIONS</p> <p>a) 3 No. firms bided for the services as follows:-</p> <table border="1"> <thead> <tr> <th><u>Bidder</u></th> <th><u>Amount Quoted (Kshs)</u></th> </tr> </thead> <tbody> <tr> <td>Aqua wells services</td> <td>1,350,000</td> </tr> <tr> <td>Biselex Kenya Ltd</td> <td>1,704,000</td> </tr> <tr> <td>Edge borehole drilling</td> <td>1,900,000</td> </tr> </tbody> </table> <p>b) Aqua wells services was awarded the contract at a sum of Ksh.1,350,000 on 23/5/2014</p> <p>c) All the three request for quotations were raised on 7/5/2014. It was however noted that request for quotation for one bidder - Edge Borehole Drilling and Pumps Limited was returned on 2/5/2015, 5 days before the request for quotations were flouted</p> <p>d) LSO was raised on 7/5/2014, the same day the request for quotations were flouted, further it was noted that the winning bidder returned the quotations on 9/5/2014, 2 days after LSO was raised</p> <p>e) Payment is supported with proposal ref AWS/Proposal/Wajir/2014 dated 13/3/2014 from the</p>	<u>Bidder</u>	<u>Amount Quoted (Kshs)</u>	Aqua wells services	1,350,000	Biselex Kenya Ltd	1,704,000	Edge borehole drilling	1,900,000
<u>Bidder</u>	<u>Amount Quoted (Kshs)</u>											
Aqua wells services	1,350,000											
Biselex Kenya Ltd	1,704,000											
Edge borehole drilling	1,900,000											

winning bidder quoting Ksh.1,350,000 for the service, this is two months before the quotations were flouted

- f) Payment was made on the strength of photocopy invoice ref AWS/3157/2014 of 6/6/2014 of Ksh.1,350,000 with same amount as quoted in the proposal by the bidder dated 13/3/2014 an indication that the services were single sourced
- g) The List of the six sites being proposed for the hydro geological investigations were not provide for audit review and were not indicated in the payment voucher
- h) There was no hdro geological report to support the payment as evidence of work done
- i) There was no evidence to show that the firm that won contract had a licensed hydro geologist to undertake hydro geological investigations
- j) Quotations of the winning bidder as well as invoice were totaling to Ksh.1,350,000, however, an amount of Ksh.40,500 was paid as withholding tax at 3% over and above the quoted price

CB770 of 30/6/14	Max and Partners Ltd	D308-308090101-70502	26,226,266 [4,562,877]
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Being pyment made in respect of submission of feasibility study report for roads in Wajir County vide Fee note No. M 140 1/2 of 11/4/2014

CB771 of 30/6/14	Max and Partners Ltd	D308-308090101-70502	26,226,266 [4,562,877]
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Being pyment made in respect of submission of preliminary design report for roads in Wajir County Fee note No.M 140 1/3 of 25/4/2014

OBSERVATIONS

- a) The following firms bidded for the services

<u>Firm</u>	<u>Amount Quoted</u>
Max and Partners	26,226,266
SMEC Kenya Ltd	45,064,161
KIRI Consult Ltd	42,822,560
Procon Consulting Eng	39,103,757
Aung Su Consultancy Ltd	28,263,400
GIBB Africa Ltd	78,812,307

- b) Max and Partners was awarded the contract at a sum of Ksh.26,226,266 on 24/12/2013
- c) Immediate communication was done to notify the award of contract to the winning firm on 24/12/2013
- d) Contract agreement was signed between Wajir County

Government and the winning firm on 27/12/2013.

However, it was noted that the firm accepted the offer on 17/1/2014, 20 days after entering into agreement with County Government of Wajir hence the agreement was entered into before the firm accepted the offer

- e) Payment of Ksh.9,125,754 was made to the Consultant without submission of both the feasibility study and preliminary design reports contrary to the requirement of the schedule of payment in the contract agreement, a final feasibility study report of July 2014 was made available for audit which was 3 months after payment was made
- f) LSO for the services was raised on 2/1/2014 and committed in the vote book on 5/3/2014 long after the contract agreement was signed and entered into on 27/12/2013
- g) Complete description of Ksh.4,800,500 for reimbursable costs for stage 2 as shown in the price per activity was not provided in the bill of quantities
- h) Complete description of Ksh.4,672,800 and Ksh.6,821,500 for staff costs and reimbursable costs for stage 1 as shown in the price per activity was not either provided in the bill of quantities
- i) The Contract agreement did not indicate the date for the commencement of services
- j) The entity could have used request for proposal method rather than using open tender method of procurement

SCHEDULE 7

UNSUPPORTED PAYMENT FOR MOTOR VEHICLE INSURANCE - KSH.9,636,453

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>
CB7569	Takaful Insurance of Africa box 355 Wajir	308-308030101- 071003-2210904	8,556,453	Being payment made for motor vehicle insurance vide various LSO's and invoices attached to the payment voucher OBSERVATIONS a) There was no valuation report from appointed valuer to ascertain the premiums charged b) Copies of registration certificates for the individual vehicles being covered were not made available for audit verification c) Copies of duplicate insurance policy certificates for motor vehicles covered were not made available for audit to confirm duration of policy d) Payment voucher did not show date paid through cash book and was not authorized either by the AIE Holder
4772 of 3/5/14	Takaful Insurance of Africa box 355 Wajir	308-308030101- 3080001-2210904	1,080,000	Being payment of Insurance premiums vide L.S.O no.0003000 of 20/5/2014 and invoice no.DN 301251 OBSERVATIONS a) Treat as CB7569 (a) - (c) above

SCHEDULE 8**UNACCOUNTED FOR FUEL - KSH.1,778,750**

<u>PV NO. & DATE</u>	<u>PAYEE</u>	<u>A/C NO.</u>	<u>AMOUNT(KSH)</u>	<u>PARTICULARS</u>
2877 of 8/4/2014	Wajir Plaza Service Station	0-308-308070201-2211201	520,000	Supply of 4000litres of diesel @125 for the Ministry of Health vide L.P.O no.1871229 and invoice no.6831 of 3/4/2014 OBSERVATIONS a) Copies of the work ticket not attached b) Original work tickets not availed for audit c) Fuel not taken on charge in the bulky fuel register
3996 of 13/5/2014	Wajir Plaza Service Station	0-308-308070201-2211201	623,750	Supply of 4990litres of diesel @125 vide invoice no.6826 o 5/5/2014 and L.P.O no.0000307 OBSERVATIONS a) Fuel not taken on charge b) Copies of the work ticket not attached c) Original work tickets not availed for audit
6580 of 30/6/2014	Wajir Plaza Service Station	0-308-308040101-2510101	635,000	Supply of 4000litres of diesel @125 and 1000litres of petrol @135 vide invoice no.7101 of 28/6/2014 and L.P.O no.005248 OBSERVATIONS a) Copies of the work tickets not attached b) Original work tickets and bulky fuel register not availed for audit

SCHEDULE 9**CATERING SERVICES - KSH.2,845,000**

<u>PV NO. & DATE</u>	<u>PAYEE</u>	<u>A/C NO.</u>	<u>AMOUNT(KSH)</u>	<u>PARTICULARS</u>
6608 of 30/6/2014	Diamond Palace Hotel	0-308-30800101-2210799	665,000	Provision of hall hire services and meals vide L.S.O no.0961151 and invoice no.000304 OBSERVATIONS a) Schedule of the participants not attached
5516 of 17/6/2014	Shamel Sheq Resort Palace	0-308-3080202-2640253	1,680,000	Payment for conference package for fourteen days (from 29th May - 12th June, 2014) vide L.S.O no.0002952 and invoice no.393 undated OBSERVATIONS a) List of participants attached is only for 5 days instead of the 14 days that the services were provided
4541 of 7/3/2014	Wajir Hilton Palace	0-308-020201-2210801	500,000	Payment for provision of catering services vide invoice no.0812 of 10/3/2014 and L.S.O no.0961203 OBSERVATIONS a) List of the 120no. participants provided with breakfast, lunch and evening meals for 3 days not attached

SCHEDULE 10

DAILY SUBSISTANCE ALLOWANCE - KSH.2,048,400

<u>PV NO & DATE</u>	<u>PAYEE</u>	<u>A/C CHARGED</u>	<u>AMOUNT</u>	<u>PARTICULARS</u>
4179 of 16/4/14	Ibrahim Hassan Dahiye (Chair CPSB)	308-308020501- 308001-071303- 2210399	123,600	<p>Being payment of a 10 days nightout and air ticket to chairman of County Public Service Board while attending Policy formulation training at Kenya School of Government between 4/4/2014 and 13/4/2014 as per attached travel documents and imprest warrant</p> <p>OBSERVATIONS</p> <p>a) According to the invitation letter attached, the training was for only five days, that is between 7/4/2014 and 11/4/2014. However the officer was paid 10 days night out. Recover night out for 3 days</p> <p>b) According to the invitation letter attached to the PV, the participants of the training will be issued with certificate upon successful completion. However, the officer did not attach copy of the certificate to prove he actually attended the training</p> <p>c) The officer claimed an extra 4,500 for taxi hire on top of his nightout-Recover 4,500 for taxi hire</p> <p>c) Only return ticket was supporting the payment. The means of transport used by the officer to attend the training was not specified</p>
4221 of 15/4/14	Osman M. Kassim (County HRM)	308-308020501- 308001-071303- 2210399	81,000	<p>Being payment of a 8 days nightout and air ticket to County Human Resource Manager while attending Policy formulation training at Kenya School of Government between 6/4/2014 and 13/4/2014 as per attached travel documents and imprest warrant</p> <p>OBSERVATIONS</p> <p>a) According to the invitation letter attached to the PV, the participants of the training will be issued with certificate upon successful completion. However, the officer did not attach copy of the certificate to prove he attended the training</p> <p>b) The officer claimed an extra Ksh.3,000 for taxi hire on top of his night out.</p> <p>Recover taxi hire expenses</p>

4186 of 15/4/14	Abdille Y. Mohamed (Board member)	308-308020501- 308001-071303- 2210399	115,500	<p>Being payment of 8 days nightout and air ticket to County Public Services Board Member while attending CPSB's national Consultative Forum at the Great Rift Valley Lodge between 23rd to 25th of April, 2014 as per attached travel documents and imprest warrant</p> <p>OBSERVATIONS</p> <p>a) The Board Member claimed a total of Ksh.13,000 on top of his nightouts for taxi hire from the Airport to Eastleigh and then to Naivasha</p> <p>b) The consultative forum was for three (3) days but the Board member was paid 8 days night out</p> <p>Recover nightout for 3 days and expense for taxi hire</p>
4185 of 15/4/14	Yussuf Maalim Hussein (Board member)	308-308020501- 308001-071303- 2210399	115,500	<p>Being payment of 8 days nightout and air ticket to county Public Services Board Member while attending CPSB's national consultative forum at the Great Rift Valley Lodge between 23rd to 25th of April 2014 as per attached travel documents and imprest warrant</p> <p>OBSERVATIONS</p> <p>a) The Board Member claimed a total of Ksh.13,000 on top of his nightouts for taxi hire from the Airport to Eastleigh and then to Naivasha</p> <p>b) The consultative forum was for three (3) days but the Board member was paid 8 days night out</p> <p>Recover nightout for 3 days and expense for taxi hire</p>
5120 of 11/6/14	Ahmed Mohamed (CEC-Lands,Housings & Physical planning)	308-308080301- 071001-2210399	108,000	<p>Being payment of 7 days nightout and air ticket to CEC Lands, Housings and Physical Planning while in Nairobi attending a consultative meeting with the National Land Commission between 22/5/2014 and 29/5 2014 as per attached travel documents</p> <p>OBSERVATIONS</p> <p>a) No imprest warrant was attached to the payment voucher hence the source of fund for the nightouts can not be established</p> <p>b) No invitation or correspondence letter asking the CEC to attend the consultative meeting</p>

c) The outcome of the consultative meeting not documented
and presented for audit review

6451 of 27/6/14 Mohamed Abdirahman
Ahmed
(CCO-Health) 308-308070201-
070404-2210399 69,500

Being payment of 6 days nightout and air ticket to CCO Health while in Nairobi attending a training on health system management between 1/6/2014 and 07/6/2014

OBSERVATIONS

- a) According to the invitation letter attached to the PV, the training was held at Milele Trust house and its residential and full board, However the officer claimed Ksh.3,000 each day for 6 days, that's (1/4*12000). Recover Ksh.18,000
- b) The officer claimed and was paid ksh.5,500 for taxi hire on top of his night outs, Recover Ksh.5,500 for taxi hire

6451 of 27/6/14 Rukia Maalim Kahiya
(CEC-Health) 308-308070201-
070404-2210399 70,500

Being payment of 7 days nightout and air ticket to CEC Health while in Nairobi attending a training on health system management between 25/5/2014 and 31/5/2014

OBSERVATIONS

- a) According to the invitation letter attached to the PV, the training was held at Milele Trust house and its residential and full board, However the officer claimed Ksh.3,000 each day for 7 days, that's (1/4*12000). Recover Ksh.21,000
- b) The officer claimed and was paid Ksh.3,500 for taxi hire on top of his night outs. Recover Ksh.3,500

4168 of 15/4/14 Omar Jibril 308-308030101-
3080001-071003-
2210399 175,000

Surrender of imprest issued in respect of travel expenses and night out for two officers attending drought management consultative meeting at Machakos between 6th and 9th April, 2014

Omar Jibril:

Air Ticket	26,500
4 days nightout in Machakos	30,000
6 days nightout in Nairobi	60,000
Total	116,500

Stephen M Mwoka:

Transport	10,000
4 days nightout in Machakos	16,000
6 days nightout in Nairobi	32,500
Total	58,500

OBSERVATIONS

6101 of 26/4/14	Hussein A Mohamed	308-308020201-071303-2210399	142,500	<p>a) The invitation letter dated 19/3/2014 from National Drought Management Authority states that the consultative meeting will be residential and full board, However the officers were paid nightouts</p> <p>b) The meeting was only 4 days, that's between 6/4/2014 and 9/4/2014 in Machakos what the officers were doing 5 days in Nairobi was not explained</p> <p>c) The invitation letter stated that the travel costs incurred while using public means will be refunded by NDMA. However, the officers claimed travel expenses from the County</p> <p>d) Recover 175,000</p> <p>Payment of nightout claim to county director of peace when he travelled to different places both in Wajir and Garissa Counties at different dates for 23 days as per attached schedule</p> <p>OBSERVATIONS</p> <p>a) The specific objectives and who the director met during his visit to various areas could not be established</p> <p>b) No imprest warrant attached to the payment voucher, hence the source of funds for the visits was not specified</p>
6557 of 30/6/14	Mohamud Jamaa Hashi	308-308020801-071303-2210399	138,500	<p>Payment of 31 days nightout claim to driver of KBW 824V while in Nairobi to service the vehicle at CMC as per attached work tickets</p> <p>OBSERVATIONS</p> <p>a) What the driver was doing in Nairoi for 31 days after taking the vehicle to CMC could not be established</p> <p>b) The services and repairs done to the motor vehicle not shown in the work ticket</p> <p>c) No invoice from CMC to prove that repairs were actually done</p> <p>d) The offcer was initially paid 10 days night out to take the vehicle to CMC but later extended to 31 days. How the extra 21 days was funded could not be established</p> <p>Recover night out for 21 days</p>

8319 of 30/6/14	Ibrahim Rashid Ahmed	308-308030101-3080001-71003	146,500	<p>Payment made to officer in respect to travelling expenses and 10 days night out while on duty in Nairobi to facilitate in convening of consultative meeting with various investors and other stake holders between 31/5/2014 and 10/6/2014</p> <p>OBSERVATIONS</p> <p>a) No imprest warrant is attached to the payment voucher and hence source of fund not specified</p> <p>b) No invitation or program of work showing the activities undertaken by the officer for the 10 days the officer is paid</p> <p>c) The officer claimed 3000 for taxi hire on top of his nightouts</p>
4230 of 15/4/14	Halima Ali Omar (Youth and Women Secretary)	308-308020201-3080001-7100303-2210399	158,500	<p>Payment made to officer in respect to travelling expenses and 15 days night out while on duty in Nairobi between 29/3/2014 and 13/4/2014 to liase with commissioner of sports and national team coach on matters pertaining to sports developments for the County</p> <p>OBSERVATIONS</p> <p>a) No invitation or correspondence letter from the host office</p> <p>b) No program of work showing the activities undertaken by the officer for the 15 days in Nairobi</p> <p>c) The officer was paid 16,000 for taxi hire on top of her night outs</p>
5291 of 12/6/14	Arale Hassan	308-308020201-071303-2210399	206,000	<p>Payment made to officer in respect to travelling expenses and 18 days night out while on duty in Nairobi to brain storm with Garissa and Mandera counties on boundry disputes that touches the three Counties</p> <p>18 night outs @ 10,000</p> <p>Air tickets @ 46,000</p> <p>14/5/2014 to 21/5/2014 - 7 days night out</p> <p>30/5/2014 to 8/5/2014 - 9 days night out</p> <p>OBSERVATIONS</p> <p>a) No invitation or correspondence letter from other counties regarding the consultative forum</p> <p>b) The output of the consultative meeting with other counties not availed for audit review</p>

3570 of 2/6/14	Arale Hassan	308-308020201-071303-2210805	216,800	<p>c) The participants from other two counties and venue not specified</p> <p>Payment made to officer in respect Meal and hall hire and 10 days night out while leading reconciliatory team to defuse tensions that were building up at the boarder of wajir and Garissa Counties over grazing land</p> <p>10 days night out - 75,000 (20/4/2014- 29/4/2014) Meal & hall hire @ 141,800</p> <p>OBSERVATIONS</p> <p>a) The receipts attached shows : Tea, snakes and lunch for 60 people @ 49,500 Tea and snakes for 60 people@ 40,000 Lunch for 25 people @ 24,000 Lunch for 25 people @ 28,300</p> <p>b) Schedule showing the name, signature and ID of the participants who were provided with meals not supporting the payments</p> <p>c) According to the work ticket attached to Pv, the vehicle the officer claimed to be using was in Nairobi between 22/4/2014 and 26/4/2014</p> <p>Justify the expenditure or recover the money from the officer concerned</p>
5501 of 16/6/14	Rukia Maalim Kahiya	308-308070201-070404-2210399	181,000	<p>Payment made to CEC in respect travelling expenses and 10 days night out while on official duty to Kwale between 9/4/2014 and 18/4/2014</p> <p>Air ticket @44,000 10 days nightout @120,000 taxi hire @17,000</p> <p>OBSERVATIONS</p> <p>a) No invitation letter attached to PV to prove the CEC was on official duty</p> <p>b) The CEC was paid 17,000 for taxi hire on top of her night outs</p> <p>Recover Ksh.17,000 for taxi expenses</p>