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SPECIAL AUDIT REPORT  
OF THE AUDITOR-GENERAL ON  
**PAYROLL MANAGEMENT FOR**  
**COUNTY EXECUTIVE OF TURKANA**

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CLERK AT THE TABLE	Tiffany Kaine



COUNTY 023  
JULY 2025



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Making a difference in the lives and livelihoods of the Kenyan people



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## **FOREWORD BY THE AUDITOR-GENERAL**

I am pleased to present this Special Audit Report on Payroll Management for the Turkana County Executive for the financial years 2021/2022, 2022/2023 and 2023/2024. Article 229 of the Constitution of Kenya, 2010 mandates the Auditor-General to undertake financial, compliance and performance audits. Further, Section 7(1)(a) of the Public Audit Act, 2015 requires the Auditor-General to give assurance on the effectiveness of internal controls, risk management and overall governance at national and county governments. The Special Audit on Payroll Management for the Turkana County Executive was conducted in line with this mandate.

The Special Audit evaluated the human resource and payroll processes at the Turkana County Executive, and assessed their compliance with the established legal framework on payroll management. The scope of the Special Audit covered the requirements of the Second Kenya Devolution Support Programme (KDSP II), whose objective is to strengthen county-level performance and accountability.

The Special Audit identified weaknesses in controls and irregularities in salary processing and payments, and provides recommendations to the Turkana County Executive for enhancing compliance, accuracy, accountability, and efficiency in payroll management.

The report is submitted to Parliament in accordance with Article 229 (7) of the Constitution of Kenya, 2010 and Section 39 (1) of the Public Audit Act, 2015. I have also remitted copies of the report to the Principal Secretary, State Department for Devolution, Chairperson, the Turkana County Public Service Board and the Governor, Turkana County Government.

The Annexures contain personal data and will be handled in accordance with the data protection principles as provided for in the Data Protection Act, 2019.

  
FCPA Nancy Gathungu, CBS

**AUDITOR-GENERAL**

8 July, 2025

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## ABBREVIATIONS

CBA	Collective Bargaining Agreement
COB	Controller of Budget
COs	Chief Officers
CPSB	County Public Service Board
DO	Development Objective
DSA	Daily Subsistence Allowance
DLI	Disbursement-Linked Indicator
GoK	Government of Kenya
HR	Human Resource
HRIS-Ke	Human Resource Information System – Kenya
IDA	International Development Association
IFMIS	Integrated Financial Management Information System
IPPD	Integrated Payroll and Personnel Database
ISSAIs	International Standards of Supreme Audit Institutions
KDSP	Kenya Devolution Support Programme
KRA	Key Result Area
MIS	Management Information System
NHIF	National Hospital Insurance Fund
NSSF	National Social Security Fund
OAG	Office of the Auditor-General
PAYE	Pay As You Earn
PFM	Public Finance Management
PSC	Public Service Commission
SRC	Salaries and Remuneration Commission

## **1. EXECUTIVE SUMMARY**

### **Introduction and Background**

- 1.1. Article 229 of the Constitution of Kenya, 2010 mandates the Auditor-General to undertake financial, compliance and performance audits. Further, Section 7 (1) (a) of the Public Audit Act, 2015 requires the Auditor-General to give an assurance on the effectiveness of internal controls, risk management and overall governance at national and county governments. In addition, Section 34 of the Public Audit Act, 2015 mandates the Auditor-General to conduct periodic audits upon request or at the Auditor-General's own initiative, with a view to evaluating the effectiveness of risk management, control and governance processes in public entities. The Special Audit on Payroll Management for the Turkana County Executive, referred to as the County Executive in this report, was conducted in line with this mandate.
  
- 1.2. The Government of Kenya (GoK) received an International Development Association (IDA) Credit of EUR140.7 million (Approximately Kshs. 19,538,432,130 using the prevailing exchange rate as at 28 June 2024) from the World Bank, to implement the Second Kenya Devolution Support Program (KDSP II). KDSP II supports a sub-set of reforms envisaged under the Government's Devolution Sector Plan. The financing agreement, Credit Number IDA-7447-KE, became effective in March 2024 and is set to be implemented over a four-year period; 2023-2027. The development objective of the KDSP II is to strengthen county performance in the financing, management, coordination, and accountability for resources. To achieve the DO, the Program was expected to improve outcomes in the participating counties under three (3) Key Result Areas (KRAs). KRA 1 was on sustainable financing and expenditure management, KRA 2 on intergovernmental coordination, institutional performance, and human resource management, and KRA 3 on oversight, participation, and accountability.

- 1.3. The Special Audit on Payroll Management for the County Executive is linked to Key Result Area (KRA) 2 There are two (2) Disbursement-Linked Indicators (DLIs) under this KRA:
- i. Participating counties that have integrated their human resource records, authorized staff establishment and payroll, and uploaded cleaned payrolls in the human resource management information system;
  - ii. Participating counties that are enhancing accountability for results through an integrated performance management framework.
- 1.4. From 2013, the County Executive was using the Integrated Payroll and Personnel Database (IPPD) System to operate payroll for employees with personal numbers, while excel spreadsheets were used to operate payroll for employees without personal numbers. However, due to technological limitations at the time of its development, IPPD did not comprehensively address all human resource related functions. This led to development of a web-based Human Resource Information System-Kenya (HRIS-Ke) in 2024.
- 1.5. A parallel run of the IPPD System and HRIS-Ke was conducted across Ministries, Departments and Agencies and County Governments in November 2024. This was to ensure the readiness of the HRIS-Ke for roll out. Thereafter, in January 2025, the HRIS-Ke was fully adopted for payroll management.

### **Audit Objectives**

- 1.6. The objective of the Special Audit on Payroll Management was to assess the adequacy of controls and compliance across the entire payroll process—from budgeting and recruitment to salary processing and payment The specific objectives were to:
- i. Evaluate whether the preparation and execution of the payroll budget align with relevant laws and approved budgetary provisions;
  - ii. Assess whether the recruitment process complied with applicable legal, regulatory, and organizational frameworks governing employment;

- iii. Assess the integrity of payroll data and identify any double entries, entries in multiple institutions, unverified employees, or inconsistencies across the County Government Payroll System;
- iv. Determine the accuracy of payroll calculations and payments;
- v. Evaluate adherence to tax laws, labour laws, and other statutory requirements; and
- vi. Assess whether payroll data was accurately and completely migrated from the Integrated Payroll and Personnel Database (IPPD) System to Human Resource Information System – Kenya (HRIS-Ke).

### **Audit Scope and Limitations**

- 1.7. The Special Audit of payroll management covered financial years 2021/2022, 2022/2023 and 2023/2024. It entailed review of the payroll management system and other related records maintained by the County Executive. The payroll systems included the Integrated Payroll and Personnel Database (IPPD), manual and casual payrolls.
- 1.8. The County Executive did not provide budgets for staff costs for stipends paid to Community Health Volunteers for the period under review. However, this limitation was mitigated by using data analysis to test the controls.

### **Methods of Gathering Evidence**

- 1.9. The Special Audit on Payroll Management involved review of payroll processes at the County Headquarters, analysis of payroll data and comparison with records maintained by the County Executive.
- 1.10. The methods used to gather audit evidence included document review, data analytics, interviews with key payroll staff and physical verification of staff. Further, audit evidence was gathered through walk through tests. In addition, data validation was also conducted to test data integrity.

## **Summary of Audit Findings**

The key audit findings are as detailed below: -

### **A. Payroll Budgeting**

#### **I. The Compensation of Employees to Revenue Ratio Exceeded the Set Threshold**

- 1.11. Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 requires the county government's expenditure on wages and benefits for its public officers not to exceed thirty-five (35%) percent of the county government's total revenue.
- 1.12. The Special Audit for the in-depth payroll audit established that compensation to employee's ratio was within 35% of the budgeted revenue in the three (3) financial years. However, a comparison of the actual personal emolument expenditure with the actual revenue as reflected in the financial statements, revealed that the County Executive had also exceeded the thirty-five (35%) percent threshold in the three (3) financial years.

#### **II. Budget Votes in Payrolls Systems not Aligned with those in Approved Budget**

- 1.13. The Special Audit established that the budget Vote Heads in the IPPD System and HRIS-Ke were not aligned with those in the approved budgets. This led to inconsistencies between budgetary allocations and actual payroll expenditure, thereby increasing the risk of misallocation or even misuse of public funds, as expenditure may be charged under incorrect or obsolete vote heads.

### **B. Recruitment Process**

#### **I. Lack of Annual Recruitment Plans**

- 1.14. The Special Audit established that the County Executive recruited one hundred and ninety-six (196) officers during the financial year 2021/2022, two hundred and six (206) officers during 2022/2023 financial year, and six hundred and fifty-two (652) officers during 2023/2024 financial year without annual recruitment plans to

guide the recruitments. Further, no evidence was provided to prove that budgetary availability was sought before the recruitments were initiated.

## **II. Lack of a Staff Establishment**

- 1.15. The Special audit for the in-depth payroll audit established that the Turkana County Executive did not have an approved staff establishment in the years under review that ought to have informed the staffing, competency, and effective service delivery by considering the current staff in post, the optimal staffing levels, and the grading structure for the County Public Service. However, there is a staff establishment approved after the period of audit dated July 2024.

## **C. Employee Data Management**

### **I. Integrity of Dates of Birth Records in the Payroll System**

- 1.16. The Special Audit identified four hundred and fifty-two (452) employees with inconsistent date of birth. Interview with a sample of one hundred and thirty-four (34) employees and verification of their identification documents established that the dates captured in the IPPD System for nine (9) employees were different from those in employees' Birth Certificates. This is contrary to the directive outlined in Circular Ref. No: PSC/ADM/13(9).

### **II. Integrity of Bank account detail in the payroll Systems**

- 1.17. The Special Audit identified seven (7) employees bank account numbers shared by fourteen (14) employees in the IPPD System paid a total of Kshs.4,304,937 in the three financial years under review.

## **III. Failure of Chief Officers to Account for Human Resources in their Departments**

- 1.18. A comparison of the staff lists countersigned by various COs with registers from the IPPD system revealed that seven (7) employees in the IPPD System but not in the CO's list. This raises concerns about their existence of the employees who

during the years under review, the seven (7) employees were paid gross pay amounting to Kshs.2,068,113.

#### **IV. Use of Manual Payroll**

- 1.19. The Special Audit established that during the period under review, the County Executive had two thousand five hundred and fifty-eight (2558) community health volunteers as at June 2024 whose stipends totaled to Kshs.53,718,000 was being processed through payrolls maintained in Excel which is vulnerable to manipulation and fraud, potentially resulting to unauthorized payments.

#### **D. Payroll Processing and Payments**

##### **I. Charging of Employee Costs to the Wrong Budget Vote**

- 1.20. The Special Audit established that there were misalignments between departmental Vote Heads in the IPPD System and those in the IFMIS Ledger Account as the Vote Heads in IPPD were not updated to align with those in IFMIS. As a result, a comparison of the gross salary processed through the IPPD System, casual payroll and manual payrolls to salary ledgers from the Integrated Financial Management Information System (IFMIS), revealed that posting of salary in IFMIS was not done as per departmental Budget Vote Heads.

##### **II. Irregular Promotions and Appointments**

- 1.21. An analysis of the payroll data and verification of records maintained by the County Executive established that fourteen (14) employees who changed job groups irregularly during the three (3) financial years under audit without meeting the requirements set in respective schemes of service as detailed in **Annexure 8**.
- 1.22. The irregularities in job group progressions may result in unforeseen payroll expenditures, disrupting planned financial allocations.

##### **III. Payment of Arrears**

- 1.23. During the three (3) years under review, the County Executive paid arrears amounting to Kshs.466,203,580. Further examination of records and verification of the arrears established that twelve (12) employees were paid Kshs.8,138,104

as arrears multiple times during the three financial years without supporting documentation such as requests, approvals, and calculations justifying the amounts paid.

#### **IV. Inadequate Recovery of Outstanding Salary Overpayments**

- 1.24. The Special Audit established that as at 30 June 2024, eight (8) employees had outstanding overpayment balances totaling to Kshs.816,287. However, the monthly deductions were prematurely halted without justification, resulting in irrecoverable financial losses due to non-compliance with payroll accountability procedures.

#### **E. Compliance with Laws and Regulations**

##### **I. Non-Compliance with One Third Basic Salary Rule**

- 1.25. An analysis of the staff payroll for the years under audit established that thirty-two employees (32) were paid net salaries that were less than one-third of their basic salaries contrary to Section 19(3) of the Employment Act, 2007, who may be unable to meet personal financial obligations and adversely affect their productivity, decision-making, and ability to effectively safeguard county interests.

##### **II. Non-Compliance with Requirement on Ethnic Diversity**

- 1.26. Analysis of employees in the IPPD system as at 30 June 2024 established that 84% of the staff were from one dominant ethnic community contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008. Further, 99% of employees recruited at the entry level were from one dominant ethnic community contrary to Section 65(1)(e) of the County Governments Act, 2012, that requires the County to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the county vacant posts at entry level.

##### **III. Non-Compliance to Remittance of Statutory Deductions**

- 1.27. A comparison of statutory deductions for employees in the IPPD payroll system with bank statements revealed cases of delay in remittance of statutory deductions

ranging from one (1) to twenty-two (22) days, totaling to Kshs.61,002,850 were not remitted on time to the fund.

- 1.28. The County Executive did not comply with tax and labour laws as evidenced by delayed statutory remittances, non-compliance with requirement on ethnic diversity. These increases the risk of penalties, litigation, and reputational damage, thereby undermining stakeholders' confidence.

#### **F. Migration from Integrated Personnel and Payroll Database System to Human Resource Information System-Kenya**

- 1.29. The County Executive adopted the Human Resource Information System (HRIS-Ke) with effect from December 2024. Comparison between payroll data from the IPPD system and HRIS-Ke for the month of November 2024 and December 2024 respectively established instances of overpayment and underpayments of allowances.

## Conclusion

- 1.30. The Special Audit of payrolls for the Turkana County Executive uncovered several audit issues in payroll and human resource management, which may negatively affect its financial sustainability, compliance, and operational efficiency. In view of the findings, the Special Audit concludes as follows:
- 1.31. The non-compliance with requirements on limiting the Employee Cost within thirty-five (35%) of Revenue indicates weaknesses in internal budgeting process and inadequate oversight role by the County Executive. Therefore, the County's financial resources are strained, limiting the funds available for critical development projects and essential service delivery.
- 1.32. The lack of annual recruitment plan resulted in unharmonized recruitment, employee disparities, and inadequate use of resources. This significantly hinders the County's Executive ability to plan, budget, and deploy personnel effectively across departments, leading to staffing gaps or surpluses.
- 1.33. Appointments were made without following the recruitment process. Further, there was violation of recruitment policies and procedures, which allowed irregular employment, undermining transparency and increasing legal exposure for the county.
- 1.34. The failure by the County Executive to update the IPPD system with approved designations in the approved staff establishment undermines budgetary control and increases the risk of unauthorized or irregular salary payments. This weakness compromises the integrity of payroll processing, weakens accountability, and may result in discrepancies between approved staffing structures and actual payroll expenditures.
- 1.35. The Special Audit identified that the data maintained by the payroll system used by the County Executive had integrity issues. This was evidenced by inaccurate employees' dates of birth. This indicates weak payroll controls, including lack of data validation controls.

- 1.36. The authenticity of some of the employees could not be established. These cast doubt on the authenticity of payroll records and raise the risk of irregular or fraudulent payments, including paying salaries to staff who do not offer services to the County Executive.
- 1.37. The County Executive did not comply with tax and labour laws as evidenced by delayed statutory remittances and non-compliance with the requirement on ethnic diversity and with the one-third basic salary rule. These increases the risk of penalties, litigation, and reputational damage, thereby undermining stakeholders' confidence.
- 1.38. The identified audit issues had persisted over time, suggesting a failure of risk identification mechanisms and an underperforming internal audit function that may not have identified and prevented the control breaches in a timely manner.

## Recommendations

- 1.39. In view of the findings and conclusion of the Special Audit, the following is recommended for implementation by the Turkana County Executive;
- 1.40. To ensure compliance with the fiscal responsibility principle on capping expenditure on wages to thirty-five (35) percent of the County Executive's total revenue, the County Executive should establish mechanisms to ensure compliance with the PFM Act in the execution of its oversight responsibilities.
- 1.41. The County Executive should strengthen budget monitoring and align compensation expenditure with revenue trends to maintain compliance with the 35% threshold, while regularly reviewing the wage bills against actual revenues to help promote sustainability and adherence to the set limits. Further, the County Executive Committee Members for Finance, with oversight from the County Assemblies and the Controller of Budget, should strictly enforce Regulation 25(1)(b) of the PFM (County Governments) Regulations, 2015, to ensure that the wage bill does not exceed 35% of total county revenue.
- 1.42. Develop and approve annual recruitment plans aligned to goals and objectives in their strategic plans and budget ceilings. This ensures structured and strengthens transparency and accountability in human resource management.
- 1.43. All staff appointments, promotions, redesignations and casual engagements must fully comply with the provisions of the Employment Act, the County Governments Act, and relevant Public Service Commission (PSC) regulations and guidelines.
- 1.44. The management of the County Executive should align the payroll system with the approved staff establishment and ensure consistency between authorized positions and personnel data. Additionally, the staff establishment module in the HRIS-Ke should be fully implemented and configured to enforce recruitment strictly within the approved establishment limits.
- 1.45. The management of the County Executive to enforce compliance with set labor laws and statutory deductions, should implement monitoring and reporting

mechanisms to promptly detect and address compliance issues, alongside staff training on compliance obligations.

- 1.46. To avoid redundancy, and promote fiscal discipline in line with the Public Finance Management Act, 2012, the County Executive should rationalize its engagement of advisory staff to align with the ceilings and staffing guidelines issued by the Salaries and Remuneration Commission (SRC). The County Public Service Boards (CPSBs) should ensure adherence to SRC advisories.
- 1.47. To ensure the integrity of data maintained in the payroll systems, the management should ensure that the validation controls are implemented in the HRIS-Ke. Further, the HRIS-Ke should be integrated with Key government systems such as the National Identity, National Social Security Fund (NSSF), and Social Health Authority (SHA).
- 1.48. The management should implement a thorough reconciliation process following system migrations and validate all payroll data before processing payments. Audit trails, should be established to ensure data integrity and avoid financial losses. The management to also conduct a comprehensive post-migration payroll reconciliation to identify and correct overpayments, and underpayments resulting from the system transition. Further, HRIS-Ke should be configured to enforce approved salary structures and allowance.

## **2. INTRODUCTION AND BACKGROUND**

### **Introduction and Background**

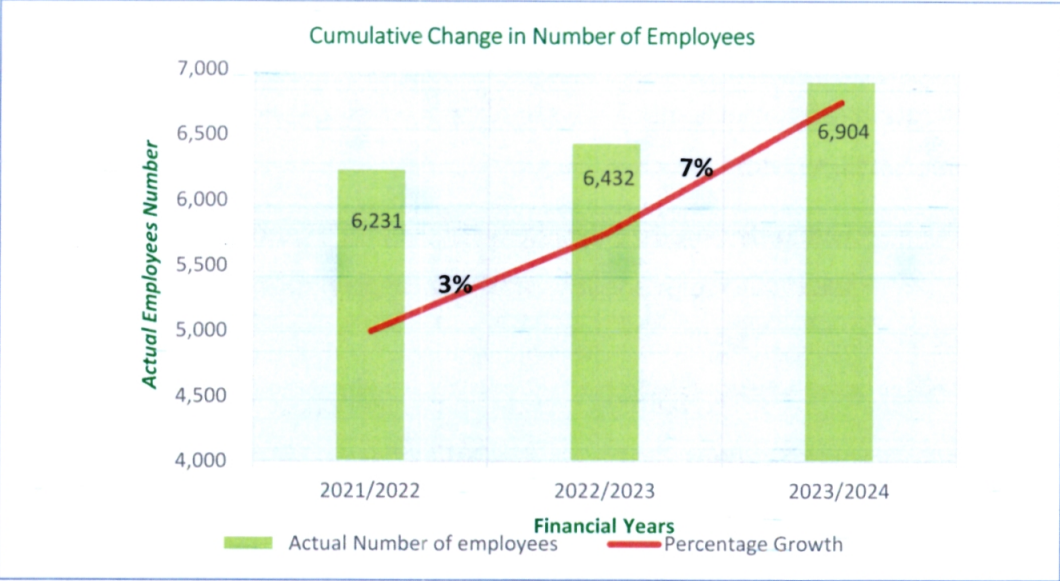
- 2.1. Article 229 of the Constitution of Kenya, 2010 mandates the Auditor-General to undertake financial, compliance and performance audits. Further, Section 7 (1) (a) of the Public Audit Act, 2015 requires the Auditor-General to give an assurance on the effectiveness of internal controls, risk management and overall governance at national and county governments. In addition, Section 34 of the Public Audit Act, 2015 mandates the Auditor-General to conduct periodic audits upon request or at the Auditor-General's own initiative, with a view to evaluating the effectiveness of risk management, control and governance processes in public entities. The Special audit of the County Executive of Turkana, referred to as the County Executive in this report was conducted in line with this mandate.
- 2.2. The Government of Kenya (GoK) received an International Development Association (IDA) Credit of EUR140.7 million (Approximately Kshs. 19,538,432,130 using the prevailing exchange rate as at 28 June 2024) from the World Bank, to implement the Second Kenya Devolution Support Program (KDSP II). KDSP II supports a sub-set of reforms envisaged under the Government's Devolution Sector Plan. The financing agreement, Credit Number IDA-7447-KE, became effective in March 2024 and is set to be implemented over a four-year period; 2023-2027. The development objective of the KDSP II is to strengthen county performance in the financing, management, coordination, and accountability for resources. To achieve the DO, the Program was expected to improve outcomes in the participating counties under three (3) Key Result Areas (KRAs). KRA 1 was on sustainable financing and expenditure management, KRA 2 on intergovernmental coordination, institutional performance, and human resource management, and KRA 3 on oversight, participation, and accountability.
- 2.3. The Special Audit on Payroll Management for the County Executive is linked to Key Result Area (KRA) 2. There are two (2) Disbursement-Linked Indicators (DLIs) under this KRA:
  - i. Participating counties that have integrated their human resource records, authorized staff establishment and payroll, and uploaded cleaned payrolls in the human resource management information system;

- ii. Participating counties that are enhancing accountability for results through an integrated performance management framework.
- 2.4. From 2013, the County Executive was using the Integrated Payroll and Personnel Database (IPPD) System to operate payroll for employees with personal numbers, while excel spreadsheets were used to operate payroll for employees without personal numbers. However, due to technological limitations at the time of its development, IPPD did not comprehensively address all human resource related functions. This led to development of a web-based Human Resource Information System-Kenya (HRIS-Ke) in 2024.
- 2.5. A parallel run of the IPPD System and HRIS-Ke was conducted across Ministries, Departments and Agencies and County Governments in November 2024. This was to ensure the readiness of the HRIS-Ke for roll out. Thereafter, in January 2025, the HRIS-Ke was fully adopted for payroll management.

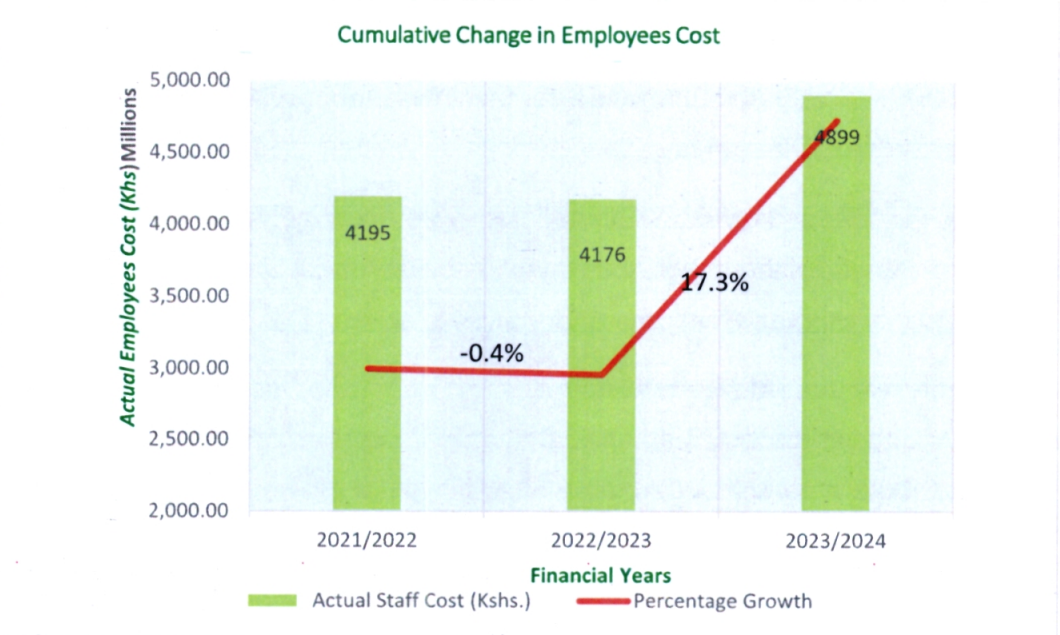
#### **Numbers of Employees and Payroll Expenditure**

- 2.6. Over the three-year period under review, there was a gradual increase in the number of employees and payroll costs.
- 2.7. The overall staff growth from financial year 2021/2022 to 2023/2024 period was **11%**, while the cumulative growth in payroll costs over the three years was approximately **16.8%** as indicated in **Figures 1** and **Figure 2**.

**Figure 1: Cumulative Growth of Staff**



**Figure 2: Cumulative Growth of Payroll Cost**



2.8. The higher rate of growth in payroll compared to staff numbers indicates a combination of factors, including promotions done to employees who were due and employment of additional community health volunteers and other medical staff due to high demands towards health care delivery. These dynamics contributed to an escalating wage bill that is potentially unsustainable.

### **Audit Objectives**

- 2.9. The objective of the Special Audit on Payroll Management was to assess the adequacy of controls and compliance across the entire payroll process from budgeting and recruitment to salary processing and payment. The specific objectives were to:
- i. Evaluate whether the preparation and execution of the payroll budget align with relevant laws and approved budgetary provisions,
  - ii. Assess whether the recruitment process complied with applicable legal, regulatory, and organizational frameworks governing employment,
  - iii. Assess the integrity of payroll data and identify any double entries, entries in multiple institutions, unverified employees, or inconsistencies across the County Government Payroll System,
  - iv. Determine the accuracy of payroll calculations and payments,
  - v. Evaluate adherence to tax laws, labour laws, and other statutory requirements.
  - vi. Assess whether payroll data was accurately and completely migrated from the Integrated Payroll and Personnel Database (IPPD) System to Human Resource Information System – Kenya (HRIS-Ke).

### **Audit Scope and Limitations**

- 2.10. The Special audit of payroll management covered financial years 2021/2022, 2022/2023 and 2023/2024. It entailed review of the payroll management system and other related records maintained by the County Executive. The payroll systems included the Integrated Payroll and Personnel Database (IPPD), manual and casual payrolls.
- 2.11. The audit was carried out in the month of March 2025.

### **Audit Methodology**

- 2.12. The Special Audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs) 4000 for Compliance Audit. These standards require that the audit is planned and performed so as to draw

reasonable audit conclusions on the design, implementation and operating effectiveness of internal controls.

### **Methods of Gathering Evidence**

- 2.13. The Special Audit on Payroll Management involved review of payroll processes at the County Headquarters, analysis of payroll data and comparison with records maintained by the County Management.
- 2.14. The methods used to gather audit evidence during the audit included, document review, data analytics, interviews with key payroll staff and physical verification of staff.

#### **a) Document Review**

- 2.15. The Audit Team reviewed various documents in order to set audit criteria and assess compliance with the criteria and in gathering audit evidence. They include:
- i. The Constitution of Kenya, 2010;
  - ii. The Public Finance Management Act, 2012;
  - iii. The Public Finance Management (County Governments) Regulations, 2015;
  - iv. County Governments Act, 2012;
  - v. Employment Act, 2007;
  - vi. National Security Fund Act, 2013;
  - vii. National Health Insurance Fund Act, 1998 (Now Repealed);
  - viii. The SRC Circular SRC/TS/29(81), dated 10 August 2023;
  - ix. The SRC Circular on the Compendium of Remuneration and Benefits for Public Service, dated December 2022;
  - x. The SRC Circular SRC/TS/MDP/3/1/2(2), dated 11 August 2015;
  - xi. Public Service Commission Human Resource Policies and Procedures Manual of May 2016;
  - xii. Employees' physical files;
  - xiii. Collective Bargaining Agreements (CBA), 2013;
  - xiv. Affordable Housing Act, 2024;

- xv. The County Executive Financial Statements for financial years 2021/2022, 2022/2023 and 2023/2024;
- xvi. The County Executive Budgets financial years 2021/2022, 2022/2023 and 2023/2024;

**b) Data Analytics**

2.16. The payroll and staff register data from the IPPD System was extracted and analyzed. The exceptions from the analysis formed the basis for verification with payroll records maintained by the County Executive.

2.17. The following data sets for the financial years 2021/2022, 2022/2023 and 2023/2024 were analyzed: -

- i. IPPD Staff Registers and Payroll data
- ii. HRIS-Ke Payroll data
- iii. Manual Payroll data
- iv. Payment schedules
- v. Casual payrolls data
- vi. Chief Officers staff list for each department as at 30 June 2024;  
and
- vii. Itemized budgets for staff costs

**c) Interviews**

2.18. The audit team interviewed relevant payroll officers from the County Executive and County Public Service Board (CPSB). This was in order to understand payroll processes and obtain clarification on audit issues. The officers interviewed as are as listed in **Appendix 1**.

**d) Physical Verification of Staff**

2.19. The Audit Team requested all the Chief Officers to provide countersigned lists of staff members in their departments as at 30 June 2024. The lists were compared with the IPPD staff registers maintained by the County Executive.

2.20. The Audit Team, through the County Secretary, requested thirty-five (35) employees to present themselves in person for a physical verification, which was

based on initial exceptions from data analytics. This verification was to confirm the existence of staff, their employment status and the accuracy of the staff personal data maintained in the payroll systems.

### **Report Structure**

2.21. The report is organized as follows:

- i. Executive Summary;
- ii. Introduction and Background;
- iii. Detailed Findings;
- iv. Conclusion;
- v. Recommendations; and
- vi. Appendices.

2.22. The report should be read in its entirety, in order to fully comprehend the approach to the audit, findings, conclusions and the proposed recommendations made.

### 3. DETAILED FINDINGS

- 3.1. The detailed findings are in the ensuing paragraphs and have been categorized into the following six (6) broad areas:
- a. Payroll Budgeting;
  - b. Recruitment Process;
  - c. Employee Data Management;
  - d. Payroll Processing and Payments;
  - e. Compliance with Laws and Regulations; and
  - f. Migration from Integrated Payroll and Personnel Database System to Human Resource Information System-Kenya.

#### A. Payroll Budgeting

- 3.2. The review of payroll budgeting aimed at assessing the reasonableness of payroll forecasts, alignment with the approved budgets and compliance with relevant laws and regulations. The following issues were established: -

##### I. The Compensation of Employees to Revenue Ratio Exceeded the Set Threshold

- 3.3. Regulation 25(1)(a) of Public Finance Management (County Governments) Regulations, 2015 requires the County Executive Committee Member for Finance, with the approval of the County Assembly to set a limit on the county government's expenditure on wages and benefits for its public officers. This is pursuant to Section 107(2) of the Public Finance Management Act, 2012. Further, Regulation 25(1)(b) requires the limit set not to exceed thirty-five (35%) percent of the county government's total revenue.
- 3.4. The Special audit for the in-depth payroll audit established that compensation to employee's ratio was within 35% of the budgeted revenue in the three (3) financial years. However, a comparison of the actual personal emolument expenditure with the actual revenue as reflected in the financial statements, revealed that the County Executive had also exceeded the thirty-five (35%) percent threshold in the three (3) financial years, as detailed in **Table 1**.

**Table 1: Actual Employee Cost to Revenue Ratio**

<b>Financial Year</b>	<b>Actual Revenue (Kshs.)</b>	<b>Expenditure of Staff Emoluments (Kshs.)</b>	<b>Revenue/Employee (%) Ratio</b>
<b>2021/2022</b>	9,962,073,711	4,194,508,808	42%
<b>2022/2023</b>	14,729,287,895	4,176,058,819	28%
<b>2023/2024</b>	13,973,380,385	4,899,162,834	35%

\*Source: Audited Financial Statements

- 3.5. The increase in percentage of compensation of employee to total revenue indicates a growing wage bill, which may be unsustainable in the long term. Further, the high allocation to compensation of employee may strain the county's financial resources, limiting funds available for critical development projects and essential service delivery.

**II. Budget Votes in Payrolls Systems not Aligned with those in Approved Budget**

- 3.6. Regulation 22(1)(b) of Public Finance Management (County Governments) Regulations, 2015 requires an Accounting Officer to maintain effective systems of internal control and have measures to ensure their effectiveness.
- 3.7. A Comparison of payroll reports extracted from the IPPD system with approved budget established that the Vote Heads in the IPPD were not aligned with those in the approved budgets as detailed in **Annexure 1**.
- 3.8. One of the primary factors contributing to the misalignment between the departments and the Vote Heads was the failure to update the IPPD system to reflect changes resulting from the restructuring and consolidation of various sectors within the County Executive.
- 3.9. The County Executive migrated the processing of payrolls from the IPPD System to HRIS-Ke in December 2024. This was done before the alignment was done. As a result, at the time of audit, the HRIS-Ke had similar Votes Heads to those in the IPPD System.
- 3.10. As a result of the misalignment between the staffing records in the payroll system and the approved staff establishment, it was not possible to establish whether the County filled positions in accordance with the approved staff establishment.

This may lead to inefficiencies in workforce planning, budget overruns and service delivery.

## **B. Recruitment Process**

- 3.11. The recruitment process was reviewed in order to establish whether the hiring practices were fair and aligned with the County Executive's policies and legal requirements. The following issues were revealed:

### **I. Lack of Annual Recruitment Plans**

- 3.12. Section 59(1)(g) of the County Governments Act, 2012 requires the County Public Service Board of a county to facilitate the development of coherent, integrated human resource planning and budgeting for personnel emoluments in counties. Further, Regulation 119(2) of the Public Finance Management (County Governments) Regulations, 2015 requires the budgetary allocation for personnel costs to be determined on the basis of a detailed costing of a human capital plan of a county government entity as approved by the responsible county department for public service management matters, the County Public Service Board and County Treasury.
- 3.13. The County Executive recruited one hundred and ninety-six (196) officers during the financial year 2021/2022, two hundred and six (206) officers during 2022/2023 financial year, and six hundred and fifty-two (652) officers during 2023/2024 financial year respectively as detailed in **Annexure 2**. However, it was established that the departments which initiated the recruitments did not have annual recruitment plans to guide the recruitments. Further, no evidence was provided to prove that budgetary availability was sought before the recruitments were initiated.
- 3.14. The lack of annual recruitment plans supported by budgetary provisions can result in either overstaffing, understaffing, or hiring staff for roles that do not align with organizational priorities.

### **II. Lack of an Approved Staff Establishment**

- 3.15. Section B 5(2) and Section B 6(3) of the County Public Service Human Resource Manual, 2013 requires each County Government entity to maintain optimum staffing levels derived from an authorized establishment and organization structure.

- 3.16. Further, Regulation 22(1)(b) of Public Finance Management (County Governments) Regulations, 2015 requires an Accounting Officer to maintain effective systems of internal control and have measures to ensure their effectiveness.
- 3.17. The Special Audit established that the Turkana County Executive did not have an approved staff establishment in the years under review that ought to have informed the staffing, competency, and effective service delivery by considering the current staff in post, the optimal staffing levels, and the grading structure for the County Public Service. However, there is a staff establishment approved after the period of audit dated July 2024.
- 3.18. The absence of an approved staff establishment hinders the county's ability to effectively plan and manage its human resources, leading to potential overstaffing or understaffing in critical departments. This situation poses risks such as inefficient service delivery, budgetary overruns due to a rising wage bill, and challenges in workforce planning and succession management.

### **C. Employee Data Management**

- 3.19. Review of employee's data management involved assessing the accuracy and completeness of both manually maintained records and data from the IPPD System. The following issues were established: -

#### **I. Integrity of Date of Birth Records in the Payroll System**

- 3.20. Regulation 22(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 requires an accounting officer to be accountable to the County Assembly for maintaining effective systems of internal control and the measures taken to ensure that they are effective. Further, Circular Ref. No: PSC/ADM/ 13(9) dated 19 November, 2020 from Public Service Commission to all authorized officers stipulates that the date of birth as per the Birth Certificate should be considered as a public officer's official date of birth.
- 3.21. The Special audit identified four hundred and fifty-two (452) employees in the IPPD System with inconsistent dates of birth.
- 3.22. Interview with a sample of thirty-four (34) employees and verification of their identification documents established that the dates captured in the IPPD System for nine (9) employees were different from those in employees' Birth Certificates

as detailed in **Annexure 3**. This is contrary to the directive outlined in Circular Ref. No: PSC/ADM/13(9).

3.23. The County Executive migrated the processing of payrolls from the IPPD System to HRIS-Ke in December 2024. This was done before the alignment was done. As a result, at the time of audit, the HRIS-Ke had similar date of birth to those in the IPPD System.

3.24. Inaccurate capture of birthdates leads to the risk of exceeding the legal retirement age or forcing an employee to retire before they are due for retirement. There is also the risk of miscalculation of retirement dates and pension dues of employees, as well as other entitlements that are calculated based on age.

## **II. Integrity of Bank Account Detail in the Payroll Systems**

3.25. Regulation 22(1)(b) of the Public Finance Management (County Governments) Regulations, 2015 requires an accounting officer to be accountable to the County Assembly for maintaining effective systems of internal control and the measures taken to ensure that they are effective.

3.26. The Special Audit identified seven (7) employees bank account numbers shared by fourteen (14) employees in the IPPD System paid a total of Kshs.4,304,937 in the three financial years under review as detailed in **Annexure 4**.

3.27. Employees sharing bank account details presents a critical control failure in payroll management. This deficiency creates a high risk of fraudulent salary disbursements, duplicate payments, and potential misappropriation of the county executive funds, constituting a material financial control weakness.

## **III. Failure of Chief Officers to Account for Human Resources in their Departments**

3.28. Section 148(1) of the Public Finance Management Act, 2012 requires a County Executive Committee Member for Finance to, designate accounting officers to be responsible for managing the finances of the county government entities as is specified in the designation. Further, Sub-section (2) requires the person responsible for the administration of a county government entity to be the accounting officer responsible for managing the finances of that entity except as otherwise stated in other legislation.

- 3.29. The Letter of Engagement addressed to the County Secretary for the audit of payroll, Ref: OAG/SAS/SADS/KDSP-PAYROLL/3/023 dated 11 March 2025 required Chief Officers (COs) to provide list of staff members in their respective departments as at 30 June 2024. This list was to be compared with employees in the Payroll Systems maintained by the County Executive.
- 3.30. A Comparison of the staff lists countersigned by various COs with registers from the IPPD system revealed that seven (7) employees in the IPPD System but not in the CO's list. This raises concerns about their existence of the employees who during the years under review, the seven (7) employees were paid gross pay amounting to Kshs.2,068,113 as detailed in **Annexure 5**.

#### **IV. Use of Manual Payroll**

- 3.31. Regulation 22(1)(b) of the Public Finance Management (County Government) Regulations require an accounting officer is to be accountable to the County Assembly for maintaining effective systems of internal control and measures taken to ensure that they are effective.
- 3.32. The Special Audit established that during the period under review, the County Executive had two thousand five hundred and fifty-eight (2558) community health volunteers as at June 2024 whose stipends totaled to Kshs.53,718,000 was being processed through payrolls maintained in Excel as detailed in **Annexure 6**.
- 3.33. The use of manual payroll systems for salary processing is vulnerable to manipulation and fraud, potentially resulting to unauthorized payments.

#### **D. Payroll Processing and Payments**

- 3.34. Assessment was carried out on controls in payroll processing and payments to determine whether employee salaries and deductions were accurately calculated, authorized, and comply with the applicable laws. The following issues were established:

##### **I. Charging of Employee Costs to the Wrong Budget Vote**

- 3.35. Regulation 22(1)(b) of Public Finance Management (County Governments) Regulations, 2015 requires an Accounting Officer to maintain effective systems of internal control and have measures to ensure their effectiveness.

- 3.36. The audit established that there were misalignments between departmental Vote Heads in the IPPD System and those in the IFMIS Ledger Account as the Vote Heads in IPPD were not updated to align with those in IFMIS. As a result, a comparison of the gross salary processed through the IPPD System, casual payroll and manual payrolls to salary ledgers from the Integrated Financial Management Information System (IFMIS), revealed that posting of salary in IFMIS was not done as per departmental Budget Vote Heads, as Detailed in **Annexure 7**.
- 3.37. These misalignments led to inconsistencies between budget allocations and actual expenditures by departments, therefore, increasing the risk of misuse of funds and inaccurate financial reporting.

## **II. Irregular Promotions and Appointments**

- 3.38. Section 65(1) of the County Governments Act, 2012 sets out factors the County Public Service Board should consider in selecting candidates for appointment. Further, Section 65(2) specifies merit as one of the overriding factors in determining whether appointment, promotion or re-designation are undertaken in a fair and transparent manner.
- 3.39. An analysis of the payroll data and verification of records maintained by the County Executive established that fourteen (14) employees who changed job groups irregularly during the three (3) financial years under audit without meeting the requirements set in respective schemes of service as detailed in **Annexure 8**.
- 3.40. The irregularities in job group progressions may result in unforeseen payroll expenditures, disrupting planned financial allocations.

## **III. Payment of Arrears**

- 3.41. Article 201 of the Constitution of Kenya, 2010 on principles of public finance require accountability in financial matters, responsible financial management and use of public money in a prudent and responsible way. Section 149(1) of the Public Finance Management Act, 2012 imposes on an accounting officer of a county government entity the responsibility of ensuring that the resources of the entity for which the officer is designated are used in a way that is lawful and authorized, and effective, efficient, economical and transparent. Further,

Regulation 120(3) of the Public Finance Management (County Governments) Regulations 2015 requires the accounting officer to certify the correctness of the payroll at least once every month.

3.42. During the three (3) years under review, the County Executive paid arrears amounting to Kshs.466,203,580. Further examination of records and verification of the arrears established that twelve (12) employees were paid Kshs.8,138,104 as arrears multiple times during the three financial years as detailed in **Annexure 9**. However, the payments did not have supporting documentation such as requests, approvals, and calculations justifying the amounts paid.

3.1. The Special Audit identified instances where employees received multiple arrears payments due to breakdowns in payroll verification processes. These irregular payments represent both wasteful expenditure and potential fraud exposure.

#### **IV. Inadequate Recovery of Outstanding Salary Overpayments**

3.2. Section 149(1) of the Public Finance Management Act, 2012 imposes on an accounting officer of a county government entity the responsibility of ensuring that the resources of the entity for which the officer is designated are used in a way that is (a) lawful and authorized, and (b) effective, efficient, economical and transparent.

3.3. The Special Audit established that as at 30 June 2024, eight (8) employees had outstanding overpayment balances totaling to Kshs.816,287. However, the monthly deductions were prematurely halted without justification, resulting in irrecoverable financial losses due to non-compliance with payroll accountability procedures as detailed in **Annexure 10**.

#### **E. Compliance with Laws and Regulations**

3.4. An assessment of the County Executive's adherence to laws on statutory deductions and labor laws was conducted, and the following issues were established: -

##### **I. Non-Compliance with One Third Basic Salary Rule**

3.5. Section 19 (3) of Employment Act, 2007 require the total amount of all deductions that may be made by an employer from the wages of his employee at any one time not to exceed two-thirds of such wages.

- 3.6. An analysis of the staff payroll for the years under audit established that thirty-two employees (32) were paid net salaries that were less than one-third of their basic salaries contrary to Section 19(3) of the Employment Act, 2007, as detailed in **Table 2**, and **Annexure 11**.

**Table 2: Non-Compliance with One Third Basic Salary Rule**

Financial Year	Month	Total Number of Employees
2021/2022	As at 30 June 2022	16
2022/2023	As at 30 June 2023	20
2023/2024	As at 30 June 2024	4

\*Source: IPPD Payroll System

- 3.7. Employees earning less than one-third of their basic salary due to excessive deductions, may be unable to meet personal financial obligations and adversely affect their productivity, decision-making, and ability to effectively safeguard county interests.

## II. Non-Compliance with Requirement on Ethnic Diversity

- 3.8. Section 7(1) of National Cohesion and Integration Act, 2008, states that all public establishments shall seek to represent the diversity of the people of Kenya in the employment of staff. Section 7(2) states that no public establishment shall have more than one third of its staff from the same ethnic community.
- 3.9. Section 65(1)(e) of the County Governments Act, 2012 require the County Public Service Board to consider, in selecting candidates for appointment, the need to ensure that at least thirty percent of the vacant posts at entry level are filled by candidates who are not from the dominant ethnic community in the county.
- 3.10. Analysis of employees in the IPPD system as at 30 June 2024 established that 84% of the staff were from one dominant ethnic community contrary to the requirements of Section 7(2) of the National Cohesion and Integration Act, 2008 as detailed in **Annexure 12**.
- 3.11. Further, 99% of employees recruited at the entry level were from one dominant ethnic community contrary to Section 65(1)(e) of the County Governments Act, 2012, that requires the County to ensure that at least thirty percent of the vacant

posts at entry level are filled by candidates who are not from the dominant ethnic community in the county vacant posts at entry level.

- 3.12. The non-compliance to ethnic diversity is a violation of legal requirements and may lead to litigation proceedings.

### **III. Non-Compliance to Remittance of Statutory Deductions**

- 3.13. Rule 10(1) of Income Tax (P.A.Y.E) Rules requires that before the tenth day following the end of every month or before any other day which may be notified to him by the Commissioner, an employer shall pay all amounts of tax which the employer has deducted during such month.
- 3.14. Section 15(4) of the National Health Insurance Fund (NHIF) Act, 1998 (now repealed) required contributions to NHIF be made by ninth day of the month following that of deduction.
- 3.15. Section 20(1) of the National Social Security Fund Act requires employers to make payments deducted from employees' earnings together with employer amounts to NSSF. Under section 20(1A), an employer is required to pay the contribution under subsection (1) on the ninth day of each month or on such later date as the Board may, in consultation with the Cabinet Secretary, prescribe.
- 3.16. A comparison of statutory deductions for employees in the IPPD payroll system with bank statements revealed cases of delay in remittance of statutory deductions ranging from one (1) to twenty-two (22) days, totaling to Kshs.61,002,850 were not remitted on time to the fund as indicated in **Annexure 13**.
- 3.17. The County Executive did not comply with tax and labour laws as evidenced by delayed statutory remittances, non-compliance with requirement on ethnic diversity. These increases the risk of penalties, litigation, and reputational damage, thereby undermining stakeholders' confidence.

### **F. Migration from Integrated Payroll and Personnel Database System to Human Resource Information System-Kenya (HRIS-Ke)**

- 3.18. The migration of salary processing from IPPD system to HRIS-Ke was reviewed to establish the completeness, accuracy, and integrity of the data transferred:

### I. Overpayment and Underpayment of Salary and Allowances

- 3.19. Section 149(2)(a) of the Public Finance Management Act, 2012 requires the accounting officer of a county government to ensure that all expenditure made by the entity complies with requirements on lawful, authorized, and transparent use of resources of the entity.
- 3.20. The County Executive adopted the Human Resource Information System (HRIS-Ke) with effect from December, 2024. Comparison between payroll data from the IPPD System and the HRIS-Ke for the month of November, 2024 and December 2024 respectively established instances of overpayment and underpayments of salaries and allowances as illustrated in **Table 3**.

**Table 3: Overpayment and Underpayment of Allowances**

Allowance	Total Amount Underpaid		Total Amount Overpaid		Annexures
	Number of Employees	Amount (Kshs.)	Number of Employees	Amount (Kshs.)	
Basic Salary	17	558,050	434	19,828,439	Annexure 14
Housing Allowance	16	146,604	289	3,826,585	Annexure 15
Commuter Allowance	25	219,645	275	2,879,397	Annexure 16
Extraneous Health Allowance	383	3,062,935	14	302,500	Annexure 17
Total		3,987,234		26,836,921	

\*Source: HRIS-KE data

#### 4. CONCLUSION

- 4.1. The Special Audit of payrolls for the Turkana County Executive uncovered several audit issues in payroll and human resource management, which may negatively affect its financial sustainability, compliance, and operational efficiency. In view of the findings, the Special Audit concludes as follows:
- 4.2. The non-compliance with requirements on limiting the Employee Cost within thirty-five (35%) of Revenue indicates weaknesses in internal budgeting process and inadequate oversight role by the County Assembly. Therefore, the County's financial resources are strained, limiting the funds available for critical development projects and essential service delivery.
- 4.3. The lack of annual recruitment plan resulted in unharmonized recruitment, employee disparities, and inadequate use of resources. This significantly hinders the County's Executive ability to plan, budget, and deploy personnel effectively across departments, leading to staffing gaps or surpluses.
- 4.4. Appointments were made without following the recruitment process. Further, there was violation of recruitment policies and procedures, which allowed irregular employment, undermining transparency and increasing legal exposure for the county.
- 4.5. The failure by the County Executive to update the IPPD system with approved designations in the approved staff establishment undermines budgetary control and increases the risk of unauthorized or irregular salary payments. This weakness compromises the integrity of payroll processing, weakens accountability, and may result in discrepancies between approved staffing structures and actual payroll expenditures.
- 4.6. The audit identified that the data maintained by the payroll system used by the County Executive had integrity issues. This was evidenced by inaccurate employees' dates of birth. This indicates weak payroll controls, including lack of data validation controls.
- 4.7. The authenticity of some of the employees could not be established. This was evidenced by the failure by employees to appear for physical verification. These cast doubt on the authenticity of payroll records and raise the risk of irregular or

fraudulent payments, including paying salaries to staff who do not offer services to the County Executive.

- 4.8. The County Executive did not comply with tax and labour laws as evidenced by delayed statutory remittances and non-compliance with the requirement on ethnic diversity and with the one-third basic salary rule. These increases the risk of penalties, litigation, and reputational damage, thereby undermining stakeholders' confidence.
- 4.9. The identified audit issues had persisted over time, suggesting a failure of risk identification mechanisms and an underperforming internal audit function that may not have identified and prevented the control breaches in a timely manner.

## **5. RECOMMENDATIONS**

- 5.1. In view of the findings and conclusion of the Special Audit, the following is recommended for implementation by the Turkana County Executive;
- 5.2. To ensure compliance with the fiscal responsibility principle on capping expenditure on wages to thirty-five (35) percent of the County Executive's total revenue, the County Executive should establish mechanisms to ensure compliance with the PFM Act in the execution of its oversight responsibilities.
- 5.3. The County Executive should strengthen budget monitoring and align compensation expenditure with revenue trends to maintain compliance with the 35% threshold. Regularly reviewing the wage bills against actual revenues to help promote sustainability and adherence to the set limits. Further, the County Executive Committee Members for Finance, with oversight from the County Assemblies and the Controller of Budget, should strictly enforce Regulation 25(1)(b) of the PFM (County Governments) Regulations, 2015, to ensure that the wage bill does not exceed 35% of total county revenue.
- 5.4. Develop and approve annual recruitment plans aligned to goals and objectives in their strategic plans and budget ceilings. This ensures structured and strengthens transparency and accountability in human resource management.
- 5.5. All staff appointments, promotions, redesignations and casual engagements must fully comply with the provisions of the Employment Act, the County Governments Act, and relevant Public Service Commission (PSC) regulations and guidelines.
- 5.6. The recruitment process must follow established procedures including advertisement, shortlisting, and confirmation of budget allocation. County Public Service Boards should enforce compliance and nullify appointments that contravene policy to maintain integrity and public trust in the hiring process and to enhance the attainment of optimal staffing levels, management of the County Executive should align the payroll system with the approved staff establishment and ensure consistency between authorized positions and personnel data. Additionally, the staff establishment module in the HRIS-Ke should be fully implemented and configured to enforce recruitment strictly within the approved establishment limits.

- 5.7. To ensure the integrity of data maintained in the payroll systems, the management should ensure that the validation controls are implemented in the HRIS-Ke. Further, the HRIS-Ke should be integrated with Key government systems such as the National Identity, National Social Security Fund (NSSF), and Social Health Authority (SHA).
- 5.8. To enforce compliance with set labor laws and statutory deductions, the management of the County Executive should implement monitoring and reporting mechanisms to promptly detect and address compliance issues, alongside staff training on compliance obligations.
- 5.9. To avoid redundancy, and promote fiscal discipline in line with the Public Finance Management Act, 2012, the County Executive should rationalize its engagement of advisory staff to align with the ceilings and staffing guidelines issued by the Salaries and Remuneration Commission (SRC). The County Public Service Boards (CPSBs) should ensure adherence to SRC advisories.

## 6. APPENDICES

### Appendix 1: List of Staff Interviewed

No.	Designation	Department
1.	Chief Officer -Public Service and Administration	Public Service and Administration
2.	Chief Executive Officer	County Public Service Board of Turkana
2.	Director Human Resource	Public Service and Administration
4.	Payroll Manager	Finance and Accounting
5.	Payroll Officers	Finance and Accounting

### Appendix 2: List of Annexures

The **Annexures** referenced in the report, as listed below, will be provided in soft copies.

NO.	Name	Description
1.	<b>Annexure 1</b>	Budget Votes in Payrolls Systems not Aligned with those in Approved Budget
2.	<b>Annexure 2</b>	Lack of Annual Recruitment Plan
3.	<b>Annexure 3</b>	Integrity of Date of Birth Records in the Payroll System
4.	<b>Annexure 4</b>	Employees Sharing Bank Accounts
5.	<b>Annexure 5</b>	Employees in IPPD not in CO lists
6.	<b>Annexure 6</b>	Use of Manual Payrolls
7.	<b>Annexure 7</b>	Charging of Employee Costs to the Wrong Budget Vote
8.	<b>Annexure 8</b>	Irregular Change in Job Group
9.	<b>Annexure 9</b>	Payment of Arrears
10.	<b>Annexure 10</b>	Overpayment Recoveries Balances Not Fully Done Through Payroll
11.	<b>Annexure 11</b>	Non-Compliance with One Third Basic Salary Rule
12.	<b>Annexure 12</b>	Non-Compliance with Requirements in Ethnic Diversity
13.	<b>Annexure 13</b>	Late Remittance of Statutory Deductions
14.	<b>Annexure 14</b>	Underpayment and Overpayment of Basic Salary

15.	<b>Annexure 15</b>	Underpayment and Overpayment of House Allowance
16.	<b>Annexure 16</b>	Underpayment and Overpayment of Commuter Allowance
17.	<b>Annexure 17</b>	Underpayment and Overpayment of Extraneous Health Allowance

## CONTACTS

3rd Floor, Anniversary Towers, University Way, Nairobi

**Phone:** +254 020 3214000 | **Email:** [oag@oagkenya.go.ke](mailto:oag@oagkenya.go.ke) | **Website:** <https://www.oagkenya.go.ke/>



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