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*Hon George Mungoni*  
*Chairman of the*  
*Public Accounts Committee*

REPUBLIC OF KENYA  
THE NATIONAL TREASURY & ECONOMIC PLANNING

## TREASURY MEMORANDUM

ON

PUBLIC ACCOUNTS COMMITTEE REPORT

FOR THE YEAR 2021/2022

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This Report contains:

Implementation Status on the Public Accounts Committee Recommendations on the Accounts of the National Government of Kenya for the Financial Year 2021/2022, as adopted by the National Assembly on 15<sup>th</sup> April 2025.

## **1. EXECUTIVE SUMMARY**

### **1.0 Introduction**

Section 38 (1) (f) of the Public Finance Management (PFM) Act 2012 requires the Cabinet Secretary to The National Treasury submit to the National Assembly a statement specifying the measures taken by the National Government to implement any recommendation made by the National Assembly with respect to the budget for the previous financial year or years. The National Treasury received the National Assembly's recommendations on the accounts of financial year 2021/2022 and thereafter requested Accounting Officers for Ministries, Departments and Agencies (MDAs) to implement recommendations made and submit actions taken within three months as required by the PFM Act 2012. This report contains general observations and responses received from the Accounting Officers on implementation status of National Assembly's recommendations on the accounts of national government for fiscal year 2021/2022.

### **1.1 General Observations**

#### **1.1.1 Budgetary Control and Performance**

Budget execution involves several aspects of planning, resource mobilization, procurement, accounting and reporting. The National Treasury expectation is that budget targets would be achieved within the financial year as planned. However, expenditure and revenue targets may be affected by unforeseen circumstances which affect budget absorption and funding of activities.

To help alleviate budget under absorption, the government has put in place measures to facilitate timely implementation of programmes and projects while facilitating monitoring and feedback on government programmes and projects within the fiscal year for timely remedial actions. In addition, the Government has also put in place effective cash management through automation of public finance management processes such as revenue collection, procurement planning and payment systems including integrated financial management information systems, internet banking among others to curb budget under-absorption in the national government. The National Treasury has diligently pursued principles of public finance as enshrined in the Constitution under Chapter 12, the Public Finance Management Act, 2012, the Public Procurement and Assets Disposal Act, 2015 and other enabling laws and regulations.

#### **1.1.2 Poor Accounting and Late Submission of Supporting Documentation**

The National Treasury has been guiding Accounting Officers on the prudent use of public resources through a transparent, open and accountable manner. In this regard, The National Treasury has consistently reminded Accounting Officers of their responsibility to ensure expenditure control and management in accordance with Article 225 of the Constitution and the provision section 62 of the Public Audit Act 2015.

In addition, the National Treasury has continued to build capacity of the public finance management professionals on annual basis particularly on financial accounting and reporting at both levels of government as envisaged under the Constitution.

Further, the National Treasury in collaboration with other governance institutions facilitate Ministries, State Departments and Agencies to participate in *FiRe* Awards and recognizes the MDAs with unqualified audit reports. Letters of commendations for good financial reporting and management are issued to Accounting Officers with exemplary performance.

### **1.1.3 Long Outstanding Construction Works/Stalled Projects**

The Public Finance Management Act, 2012 under Section 37 and its attendant Regulations, 2015 have put in place a robust framework for submission of budget estimates. Accounting Officers are urged to ensure compliance with the Public Finance Management Act, 2012 & its Regulations to avoid stalled projects and to revote as a priority all long outstanding construction works. The National Treasury circulars has guided Accounting Officers on management of projects including funding of construction works.

### **1.1.4 Pending Bills**

The Government is committed to give expeditious resolution of the pending bills menace in the national Government. In order to deal with the long-term pending bills, the National Treasury established Pending Bills Verification Committee (PBVC) vide Gazette Notice No. 13355 of 29<sup>th</sup> September, 2023. The mandate of PBVC being to scrutinize and analyze the existing National Government pending bills that have accumulated between June 2005 and June 2022 and make recommendations to the Government on settlement of the verified bills. Previously, the Government has been paying genuine pending bills and has put in place stringent measures for settlement of its obligations in a timely manner.

Pending bills at the close of a financial year should form the first charge in the subsequent year's budgetary provisions to ensure prompt payments of suppliers in accordance with prevailing National Treasury Circulars and guidelines. The National Treasury has issued a circular on the prioritization of payment of pending bills and quarterly reports are prepared and submitted to Parliament.

### **1.1.5 Dual Implementation of Projects between National and County Government**

Regulations 72 of the Public Finance Management (National Government) Regulations, 2015 prescribes the administration of Grants. All grants and donations ought to be appropriated by the National Assembly before disbursements. Schedule 2 in Kenyan finance agreements, usually details the project description, implementation arrangements, outlining funds usage, fiduciary rules, environmental/social systems, and loan repayment terms. It specifies dates, percentages, amounts, and what the funds are used for, ensuring transparency in how development funds are managed.

According to the Public Finance Management (PFM) framework, the Accounting Officer (typically the Principal Secretary) of the line Ministry/State Department remains ultimately responsible for project funds sent to counties, but the County Accounting

## IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

Officer (County Executive Member for Finance) manages receipt and use, with detailed reporting duties falling on both, ensuring financial discipline and oversight for devolved funds.

The National Accounting Officer (Line Ministry/State Dept) has the overall responsibility for managing and reporting on intergovernmental transfers (project funds) to counties and prepares annual reports on these transfers and ensures compliance with PFM laws. Can delegate functions but retains overall accountability. The County Accounting Officer (County Finance (CEC) manages the received funds as conditional grants within county budgets. Ensures alignment with county development plans and prepares work plans. The CEC is responsible for managing the funds and reporting on their utilization at the county level, as per PFM regulations.

Further, the National Treasury provides guidelines, while the Controller of Budget authorizes withdrawals and ensures funds are used as intended. The reporting process of these funds are that the line ministries send funds as conditional grants. Counties use them for specific projects, with work plans aligned to development goals.

Essentially, it's a shared responsibility, but the line ministry's Accounting Officer initiates and oversees the transfer, while the county's Accounting Officer handles implementation and local-level reporting, all under the PFM Act.

### 1.1.6 Accrual vs Cash Basis Accounting

On 7<sup>th</sup> March 2024, the Cabinet approved the transition from a cash basis to an accrual basis of accounting for all National and County Governments and their respective entities. Following the approval by Cabinet, the National Treasury and PSASB prescribed as follows:-

- a) The National and County Governments and their respective entities shall apply IPSAS Accrual based standards with effect from 1<sup>st</sup> July, 2024;
- b) PSASB has provided financial reporting templates to enable effected entities to comply with IPSAS accrual basis of accounting;
- c) The National Treasury and PSASB has issued guidelines on the transition arrangements including accounting and measurement for assets and liabilities and the revised Standard Chart of Accounts (SCOA); and,
- d) The said entities transitioning from cash accrual basis of accounting will have three (3) years to fully comply with all accrual basis of accounting in line with *IPSAS 33: First Time Adoption of IPSAS*. Consequently, financial statements for the period ending 30<sup>th</sup> June, 2027 should be fully compliant with IPSAS Accrual basis of accounting as issued by IPSASB.

### 1.1.7 Non-existence or Weak Internal Audit Functions

Audit Committees are mandatory for all entities, established under the Public Finance Management (PFM) Act, 2012 Section 73(5) and the PFM Regulations, 2015 (Legal Notices 34 & 35 for National & County Govt.), supported by guidelines from the PSASB and the Internal Auditor General. These committees provide independent oversight, supporting management in risk, control, and governance, ensuring compliance, financial reporting quality, and effective internal audits, with specific mandates and composition guided by these regulations and official guidelines for best practices.

The Guidelines in the Gazette Notice No. 2691 of 15<sup>th</sup> April, 2016 on Audit Committees in the National Government are very clear on the appointing authority who is the Cabinet Secretary of the Ministry. Officers (Internal Auditors) from the Department are deployed to MDAs and Sub County Treasuries and work on behalf of the Internal Auditor General. However, their day-to-day operations they report functionally to the Audit Committees and administratively to the respective Accounting Officers where they are deployed.

The Internal Audit Department in the MDAs ought to have a budget line and not rely on the respective Accounting Officers to provide resources for the Department to perform their work which may lead to impairment of their independence. Therefore, the National Treasury proposal to the National Assembly is that the Accounting Officers create a budget line for all audit Departments in the MDAs.

### 1.1.8 Interest and Commitment Fees Charged on Undrawn Loans

Section 49 Public Finance Management (PFM) Act, 2012), outlines the restrictions, and obligations for national government debt, ensuring fiscal discipline and transparency.

Various PFM Regulations like those for County Governments or specific funds detail application, administration, and repayment, though interest rates are fund-specific, not blanket Treasury rules. Budget Circulars issued by the Cabinet Secretary, provide broad guidelines on budget processes, influencing how loan funds are managed and utilized.

Donor project appraisal is regulated by a framework including the PFM Act 2012, Public Investment Management (PIM) Guidelines (2019/2022), and County-specific Donor Coordination Policies, emphasizing alignment with national/county priorities, value for money, and robust monitoring. Key regulations mandate proper recording, systematic appraisal (concept notes, feasibility studies), and integration into national/county planning through bodies like the National Treasury and Planning Departments, ensuring transparency and accountability for donor funds.

Further, finance agreements primarily focus on grant-based funding, meaning interest/fees are minimal or absent for the recipient, but clear clauses detail fund utilization (work plans, budgets), reporting, accountability, and repayment terms for any *loans* or *service charges and commitment fees*. Key requirements involve aligning with Kenya's Public Finance Management (PFM) Act, 2012, the Public Private Partnerships (PPP) Act, 2021, the National Treasury guidelines, and specific donor rules, ensuring transparency, sustainability, and proper use of funds for project goals, not administrative overhead beyond agreed limits.

The National Treasury shall in addition ensure implementing MDAs comply with the

requirement of the National Treasury Circular No. 12/2018 (Checklist of mandatory requirement for seeking external resources funding) and that the government is mitigated against any potential financial risks arising from delay in project implementation.

#### **1.1.9 Non-Compliance with the One-Third Rule of Basic Salary**

The “One Third Rule” Employment Act, 2007 (Section 19(3)) Prohibits deductions exceeding two-thirds of basic pay, safeguarding the employee's minimum take-home pay. Public officers are explicitly barred from over-committing salaries beyond two-thirds, with Human Resource Units responsible for ensuring compliance. While intended as a safeguard, rising statutory deductions have recently pushed many workers below this threshold.

#### **1.2 Statement on Audited Accounts of Revenue for the Period Ending 30<sup>th</sup> June 2022**

Section 75 of the Public Finance Management Act, 2012 provides that Receivers of Revenue are responsible for collecting, accounting and reporting on all such revenue heads assigned to them in accordance with Articles 206 (1) and 209 of the Constitution. Accordingly, the revenue recorded under various National Government revenue statement in FY 2021/2022 Kshs. 2,028,236,839,950 which was an increase of Kshs. 314,593,858,437.00 compared with Kshs. 1,713,642,981,513 realized in the FY 2020/2021. The total audited revenue for the financial year 2021/2022 was Kshs. 2,028,236,839,950. The total revenue of Kshs. 2,028,236,839,950 for the financial year 2021/2022 comprised of Kshs. 1,920,434,085,078 as sharable revenue, Kshs. 46,756,750,697 as receipts from Government Investments & Public Enterprises and Kshs. 61,046,004,175 relating to Development Revenue.

For FY 2021/2022 the Commission on Revenue Allocation (CRA) recommended Kshs. 370 billion for counties as equitable share, continuing the Third Basis Formula, but also converted existing conditional grants (health, roads, water) into baseline funding. The agreed allocation was Kshs. 370 billion as equitable share, with total funding (including grants/loans) reaching about Kshs. 409.88 billion. The Kshs. 370 billion included Kshs. 316.5 billion baseline, Kshs. 17.02 billion as unconditional grants (previously conditional), and Kshs. 36.48 billion transferred from National Government Ministries for concurrent functions like health, agriculture, and water.

The Third Basis for Revenue Sharing was approved by Parliament in September 2020, focusing on population, poverty, land area, and fiscal responsibility. The Division of Revenue Bill (2021) adopted this Kshs. 370 billion figure, with the CRA and Treasury largely in agreement on converting certain grants into the equitable share, as detailed in the CARB 2021 report. While the core formula (Third Basis) remained, the FY 2021/2022 saw significant adjustments by converting conditional grants into the baseline, stabilizing county funding.

### **1.3 Implementation Status on Public Accounts Committee Recommendations for Financial Year 2021/2022**

The Report of Public Accounts Committee on the Government of Kenya Accounts for the financial year 2021/2022 was tabled on the floor of Parliament and adopted on 15<sup>th</sup> April, 2025. The National Assembly report as adopted was thereafter transmitted to the National Treasury vide letter Ref No. NA/DLP/TBO/RES.003/13<sup>TH</sup>/2025 dated 22<sup>nd</sup> July, 2025.

The National Treasury advised the Accounting Officers to commence implementation of the National Assembly recommendations vide letter Ref. No. AG.18/01/Vol. 15/ (82) of 1<sup>st</sup> August, 2025 particularly on paragraphs relating to their votes and thereafter submit a status report on the implementation status to facilitate preparation of the Treasury Memorandum to provide feedback to the National Assembly on the measures taken by Accounting Officers to resolve any outstanding concerns.

The National Treasury has since then received responses from Accounting Officers and Receivers of Revenue. The responses have been consolidated in this Treasury Memorandum pursuant to Section 38 (1) (f) of the Public Finance Management Act, 2012 which highlights the measures and actions taken to resolve any outstanding concerns. Ministries, Departments and Agencies responses were received between the months of September and October 2025. The responses from the Accounting Officers and Receivers of Revenue have been captured in a tabular form highlighting the actions taken by each Accounting Officer or Receiver of Revenue for the fiscal year 2021/2022 as shown on pages 1-145. This Treasury Memorandum is therefore submitted in compliance and pursuant to Section 38 (1) (f) of the Public Finance Management Act, 2012, which is a statement specifying measures taken by the National Government to implement the recommendations made by the National Assembly for the fiscal year 2021/2022.

## TREASURY MEMORANDUM 2020/2021

### IMPLEMENTATION OF THE PUBLIC ACCOUNTS COMMITTEE RECOMMENDATION ON THE GOVERNMENT OF KENYA ACCOUNTS FOR THE FINANCIAL YEAR 2020/2021

#### 1. THE NATIONAL TREASURY – VOTE 1071

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1071	2021/2022	4. Lack Of Fixed Assets Reguister	Within three months upon adoption of this report, the Accounting Officer should avail a fixed asset register to the National assembly.	The National Treasury Headquarters fixed Assets register data is in the Asset's module in IFMIS. Plans are underway to undertake an exercise to clean and upload the rest of Headquarters and field offices assets data.  The current available Assets register is hereby attached.
1071	2021/2022	5. Over Commitment of Salary	Accounting Officer ensure that all staff comply with the one-third of basic salary rule.	The rollout of HRIS-KE system automatically detected all violation of one third rule. In this regard, all non-compliant third parties deductions were stopped and others amended to accommodate the rule.  Further, a letter was written to the State Department for Public Service to configure the system to restrict over deduction.  All financial institutions were informed through emails to adhere.  Repayment period for overpayment recoveries were extended to accommodate the one third rule.
1071	2021/2022	6. Non-Operational Vehicle Scanning Machine	The Committee reprimands the Accounting Officer for wasteful expenditure.	The National Treasury has this FY 2025/2026 provided an allocation of Thirteen million (Kshs.13,000,000) for maintenance works to rehabilitate the scanner equipment. State Department of Public Works has been notified and requested to prepare BOQs for the sake of seeking a suitable service provider.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1071	2021/2022	7. Failure To Impliment the Public Procurement System	Within three months upon adoption of this report, the Accounting Officer should submit to the house a status report on the implementation of E-procurement System.	Roll out of end to end Electronic Government procurement system (e-GP) was effected as from 1 <sup>st</sup> July, 2025.
1071	2021/2022	8. Unauthorised Staff Establishment	PSC ensures compliance with approved staff establishment and the Accounting Officer National Treasury submits a status report of the same within six (6) months of adoption of this report.	The Public Service Commission (PSC) vide letter Ref PSC/ECMS/\$/!(15) dated 19.12.2024 approved organizational structure and staffing establishment for the National Treasury where the PSC considered the issue of over-establishment in some Departments.  In cases where the establishment remained lower than the in-post due to promotions etc., the National Treasury has written an appeal vide letter ref. TNT/HRM/CONF 2/02 'M' dated 12 <sup>th</sup> May 2025.
1071	2021/2022	11. Non-Compliance with Article 260 of the Constitution-Late Exchequer Releases	The Committee recommends that the National Treasury hastens the full operationalization of accrual method of accounting and submits implementation reports every six (6) months of adoption of this report	Accrual method of accounting already implemented in FY 2024/2025.  The National Treasury applies T+2 policy in funding of Exchequers request for year-end releases.
1071	2021/2022	14. Payment Of Commitment Fees On Undrawn Amounts	i) The National Treasury submits to Parliament Debt Management Strategy that includes pre-condition of signing of borrowings, written commitment from implementing agencies of readiness to immediately drawdown and absorb borrowings  ii) Accounting Officers who fail to drawdown loans within three (3) months of government commitment to be reprimanded and held personally liable for any commitment fees and interest accrued	i) (a) The National Treasury issued Circular No. 12 of 2018, outlining a comprehensive checklist of mandatory requirements that must be fulfilled before any implementing agency seeks external borrowing. This measure was introduced to mitigate the risk of incurring commitment fees on undisbursed loan amounts.  i) (b) A key provision of the circular is the requirement for implementing agencies to submit a written commitment prior to the signing of financing agreements. This declaration confirms the agency's readiness to absorb and utilize the

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>borrowed funds effectively. Such a commitment now serves as a mandatory pre-condition for accessing external financing, ensuring that loans are only secured when there is demonstrable capacity for immediate implementation</p> <p>ii) The current legal framework, including the Public Finance Management (PFM) Act, does not explicitly provide for the personal liability of Accounting Officers in such circumstances unless there is evidence of negligence or misconduct. However, the National Treasury has advised the implementing Ministries to implement the project within availability period.</p>
1071	2021/2022	17. Increase Domestic Borrowings In	The National Treasury to ensure prudent local borrowings to shield the public from rising interest rates	<p>i. The National Treasury has actively undertaken liability management as part of its broader strategy to ensure fiscal sustainability and shield the public from rising interest rates. A key component of this approach has been the prioritization of concessional external funding to finance the national budget, thereby reducing reliance on more costly domestic borrowing.</p> <p>ii. Domestic borrowing has been conducted in a transparent and predictable manner, utilizing a mix of instruments such as Treasury bills and bonds. This diversified approach has helped smooth out maturity profiles and manage refinancing risks more effectively.</p> <p>In addition, the Treasury has engaged in active public debt portfolio management, aiming to refinance maturing obligations under favorable market conditions. This has enabled the government to lock in longer-term fixed interest rates, offering greater protection against future interest rate volatility.</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>iii. To reinforce these efforts, the Treasury has maintained close coordination with the Central Bank of Kenya. This collaboration ensures that the government's borrowing program is aligned with broader monetary policy objectives, particularly those focused on controlling inflation and stabilizing interest rates.</p> <p>iv. Moreover, borrowing has been strategically aligned with the Medium-Term Debt Management Strategy (MTDS) and the Annual Borrowing Plan. This alignment has yielded tangible results: - interest rates for the 364-day tenor Treasury bills have dropped from highs of 18% to single-digit levels, while bond yields across short- to long-term tenors have declined by <b>between</b> 500 and 200 basis points.</p> <p>These outcomes reflect the effectiveness of the Treasury's structured and forward-looking approach to debt management.</p>
1071	2021/2022	23. Long Outstanding Arrears of Revenue	The Accounting Officer in liaison with Kenya Revenue Authority integrates IPPD, IFMIS and i-Tax systems for efficient tax administration, within one (1) year of adoption of this report	<p>KRA as per the agreed plan deployed the solution to the production environment In May 2025. The focused session held for integration agreed as follows;</p> <p>i) Adopt the agreed data and payments exchange templates which will be used between agencies- done by KRA</p> <p>ii) Adopt integration design for i-Tax, IFMIS, SHIF/SHA and CBK T-24 systems - done by KRA</p> <p>iii) Adopt User acceptance testing (UAT) and validation reports- done by KRA</p> <p>iv) Adopt of APIs for seamless payroll data exchange with key Government systems- - done by KRA</p> <p>v) Adopt the transition or go live plan- - done by KRA.</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1071	2021/2022	29. Dormant Loans	Accounting Officer hastens the process of write-offs by submitting the proposal to Parliament within six (6) months of adoption of this report	Dormant loans from Sugar sector (State Owned Sugar Companies) were written off after obtaining approval from the Cabinet and Parliament. The loans balances were then removed from the Financial Statements FY 2024/25. For the other dormant Loans, the process is ongoing and request for write off was submitted to Cabinet on 6 <sup>th</sup> June 2025.
1071	2021/2022	35. Unsupported Balance	Accounting Officer expedites and concludes the winding-up process and submits a confirmation of the same within six (6) months of adoption of this report	The National Treasury resubmitted the Financial Statements on cereals and sugar corporation to the office of the Auditor General. Once the audit report is released, the National Treasury will complete the winding up.
1071	2021/2022	40. Multiple Laws Guiding Operations of the Fund.	The Committee recommends that within six (6) months of adoption of this report, the Accounting Officer should conclude the integration process and by submit the report to the National Assembly	The National Treasury wrote to the Attorney General seeking legal opinion on repeal of various pieces of legislation on subscriptions to international organizations. We are waiting on the response.
1071	2021/2022	48. Long Outstanding Bank Reconciliation Items	Accounting Officer ensures full reconciliation within three (3) months of adoption of this report	<p>i. Payments in the cashbook but not in the bank statement fully reconciled and cleared</p> <p>ii. Receipts in the bank statement but not in the cashbook posted in the cashbook and fully reconciled</p> <p>iii. Receipts in Cashbook but not in the Bank Statement were erroneously posted were reversed and cleared from reconciliation</p> <p>iv. Payments in Bank Statement not in cashbook:</p> <ul style="list-style-type: none"> <li>• Cheques of Ksh 818,121 replaced and posted in the cashbook.</li> <li>• Ksh 748,902.80 relating to dishonored. A letter to provide Transaction details was written to CBK. An email has also been written requesting replacement of the dishonored cheques from Equity bank</li> </ul>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<ul style="list-style-type: none"> <li>A loss report of Ksh 14,891,204.65 that relate to fraudulent payments was prepared recommending the amount to be written off.</li> </ul>
1071	2021/2022	67. Budgetary Control and Performance	Accounting Officer ensures that the unit is fully capacitated within three (3) months of adoption of this report	The Directorate in F.Y 2022/2023 and 2023/2024 through approval of Cabinet Secretary, TNT, recruited twenty one (21) staff to enhance its Human resource capacity to be able to implement its planned activities and enhance service delivery to the public.
1071	2021/2022	69. Lack of Internal Audit Services	The Committee reprimands the Accounting Officer	On 5 <sup>th</sup> December 2022, an internal auditor was deployed to the Directorate.
1071	2021/2022	74. Lack of Risk Management Policy And Internal Audits	The Committee reprimands the Accounting Officer	<p>i.A Risk Management Policy was developed in line with the Cabinet Secretary Treasury circular. It was validated by the stake holders and approved by the Accounting Officer.</p> <p>ii.The National Treasury Internal Audit Department has since been auditing the secretariat as per the program Operations Manual (POM)</p>
1071	2021/2022	75. Failure to Fill Vacant Positions	Within three (3) months of adoption of this report, the Accounting Officer ensures that the organizational structure and placements are implemented and submits a report to the Committee	<p>The Accounting Officer submitted the structure to Public Service Commission (PSC) who advised re-submission of the structure as a SAGA.</p> <p>The Secretariat filled the thirteen (13) positions awaiting the change of organizational structure</p>
1071	2021/2022	95. Unsupported Expenditure-Counterpart Funding	The Committee reprimands the Accounting Officer	<p>Payment Vouchers for GOK counterpart funding is now being traced to cash office by Global Fund Unit, collected and filed once posted in the cash book.</p> <p>The expenditure documents have since been submitted to the Auditor and the issue was cleared.</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1071	2021/2022	99. Unsupported Expenditure-Counterpart Funding	The Committee reprimands the Accounting Officer	Payment Vouchers for GOK counterpart funding is now being traced to cash office by Global Fund Unit, collected and filed once posted in the cash book.  The expenditure documents have since been submitted to the Auditor and the issue was cleared.
1071	2021/2022	106. Lack of Internal Audit Services	The Committee reprimands the Accounting Officer	On 5 <sup>th</sup> December 2022, an internal auditor was deployed to the directorate.
1071	2021/2022	109. Budgetary Control and Performance	The Committee reprimands the Accounting Officer for failure to ensure effective project management	i. The implementation of the procurement plan is being monitored and reviewed on monthly basis to avoid delays in the implementation.  ii. Staffing arrangement and program implementation is effectively coordinated; the key staff are in post including the program coordinator and program manager, Finance and Strategy.
1071	2021/2022	133. Omitted and Unsupported Expenditure- Extraneous Allowances	The Committee reprimands the Accounting Officer for failure to keep proper accounting records	The amount was incurred on the Public Debt Management Office (PDMO) activity which was not part of the project activities but was erroneously captured under the project account. A journal entry (JE) to reverse the erroneous expenditure has since been raised and the expenditure appropriately captured.
1071	2021/2022	134. Budgetary Control and Performance	Accounting Officer to henceforth ensure prompt implementation of work plans	This was noted. The introduction of Electronic Government Procurement (e-GP) system will now address issues of delays in the procurement process.

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2. STATE DEPARTMENT FOR PLANNING – VOTE 1072

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1072	2021/2022	155: Pending Bills	The Committee recommends that within three (3) months of adoption of this report, the Accounting Officer writes to Treasury and obtains authority to write off the total sum of Kshs. 2,789,002 from the books of the State Department.	<p>There were recurring Historical pending bills amounting to Kshs.5,397,937 in the FY 2020/2021. The following are the actions taken to write-off the pending bills.</p> <p>Out of the total amount, Kshs.2,608,395 was paid during FY2021/2022 while Kshs.2,789,002 remained as unpaid at the year-end. The Accounting Officer re-appointed a Pending Bills Verification Committee which declared the bills as unpayable because they lacked proper or adequate support documents. The bills were also Vetted by the Internal Auditor who declared them as unpayable.</p> <p>Given that the bills had earlier on been presented to the National Treasury for closure through the gazetted Pending Bills Closing Committee, where SDEP had been advised to take necessary actions, the bills were presented to the external auditor for further verification during FY2022/2023 audit and after a thorough consideration by the external auditor, they were not included as pending bills in the audited FY2022/2023 financial statements.</p>
1072	2021/2022	156: Unresolved Prior Year Matters	<p>The Committee recommends that the Accounting Officer avails a status report of implementation of its recommendations within three (3) months of adoption of this report.FY 2020/2021 recommendations:</p> <p>The Committee reprimands the Accounting Officer and directs that he ensures proper records are availed within reasonable time to the Auditor General pursuant to</p>	<p>The State Department has adopted the use of National Policy on Asset and Liability Management sections which was issued by the Cabinet Secretary, National Treasury and Planning in 2020.</p> <p>Specifically, the State Department adheres to the policy statements on disposal as prescribed by section 4.11.3 of the policy.</p> <p>Further, the disposal process in the year 2023-2024 &amp; year 2024-2025 was conducted in line with the Public Procurement and Asset</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
			Section 62 (1) of the Public Audit Act, 2015. Further, disposal through donations should be streamlined through clear policy.	Disposal Act,2015 and no disposal was done through donation to other public entities.

**3. THE PRESIDENCY – VOTE 1011**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1011	2021/2022	167: Pending Bills	The Accounting Officers to settle outstanding bills within the financial year as first charge	Awaiting for clearance from pending bills verification Committee
1011	2021/2022	168.1 Construction and Equipping of Health Facilities	The Auditor General to Conducts a special Audit on Accounts of the then Nairobi Metropolitan Service (NMS) and submits a report to the Committee within three (3) months of adoption of this report	Special Audit not yet Done
1011	2021/2022	168.3 Construction of Kamitha Road	The contractor's dues be settled as part of the pending bills as first charge	Awaiting for clearance from pending bills verification Committee
1011	2021/2022	168.5 Incomplete rehabilitation of Jevanjee park	The Auditor General to Conducts a special Audit on Accounts of the then Nairobi Metropolitan Service (NMS) and submits a report to the Committee within three (3) months of adoption of this report	Special Audit not yet done

**4. STATE DEPARTMENT FOR INTERIOR AND CITIZEN SERVICES - VOTE 1021**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1021	2021/2022	176. Long outstanding and unreconciled balances	The Committee reprimands the Accounting Officer for failing to proper accounting records, as required by sections 81 & 83 of the PFM Act 2012.	The reconciliation has been done and the respective items have been adjusted in the relevant Cash books accordingly.
1021	2021/2022	177. Unsupported Pending Bills	The Committee recommends that the Accounting Officer prioritizes pending bills as first charge as provided for under Regulation 42 of the Public Finance Management (National Government) Regulations, 2015	As directed by the National Treasury Pending bills form a first charge in the ensuing years' budget. However, settlement of the same remains a challenge whenever there are insufficient funds in the relevant expenditure items

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VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
1021	2021/2022	178. Unresolved prior year matters		The Committee recommends that the Accounting Officer avails a status report on implementation of its recommendations within three (3) months of adoption of this report.	The risk management and control structures have been put in place to address the prior year's audit matters.
1021	2021/2022	179.3 Unpaid Sums for Critical Illness-Group Life Benefit		The Committee recommends that the Accounting Officer liaises with NHIF and ensures settlement of all claims within period specified in contract.	National Police Service has since contacted the claimants to correct telephone numbers provided and shared the correct contact numbers with the insurer for action.
1021	2021/2022	179.4 Under Budgeting for Comprehensive Group Life Cover		The Committee recommends that the Accounting Officer and National Treasury ensures adequate coverage of all officers under the current Social Health Insurance Fund.	The National Police Service keeps pursuing the National Treasury for more funds to finance the budget deficit. The Officers are since covered under Britam
1021	2021/2022	179.5 Unsupported Adjustment of Premiums		The Committee recommends that the National Treasury and the Accounting Officer rationalizes the premiums with the contract under the new Social Health Insurance Fund.	The National Police Service and the National Treasury have since rationalized the premiums and contracted Britam for group life cover and APA for medical cover.
1021	2021/2022	179.6 Unpaid Claims on Last Expense		The Committee recommends that the Accounting Officer liaises with NHIF/SHIF and ensures settlement of all claims within period specified in contract	National Police Service has since contacted the claimants to correct telephone numbers provided and shared the correct contact numbers with the insurer for action.
1021	2021/2022	182.1. Delayed Construction of 100 PAX Hostel Block		The Committee recommends that the Accounting Officer avails a progress report within three (3) months of adoption of this report.	The project is at 69% completion stage and requires a budget of Kshs.107,902,150.44 to complete. In the current financial year 2025/26, Kshs.40 million has been allocated for the project.
1021	2021/2022	182.2 Stalled Construction of Staff Houses		The Committee recommends that the Accounting Officer avails a progress report within three (3) months of adoption of this report.	The project completion delayed resulting to continued extensions. Subsequently, the project was funded in financial year 2023/2024 and is now complete.
1021	2021/2022	182.3 Incomplete Climbing & Rescue Tower		The Committee recommends that the Accounting Officer invokes contractual provisions against the contractor for breach of contract, and avails a progress report within three (3) months of adoption of this report.	The project was funded in financial year 2023/2024 and is now complete and in use.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1021	2021/2022	182.4 Stalled Construction of Deputy County Commissioner Office Block at Tigania Central Meru	The Committee recommends that the Accounting Officer prioritizes its completion and avails a progress report within three (3) months of adoption of this report.	The project was appraised and amount of Kshs 19.22 million is required for its completion. It has been allocated Kshs.10 million in the financial year 2025/2026
1021	2021/2022	182.5 Stalled Construction of Tigania East Sub-county Office Block at Muriri	The Committee recommends that the Accounting Officer scales down the scope to available resources and avails a completion roadmap within three (3) months of adoption of this report.	A project appraisal done indicates that a total of Ksh 14,372,035.00 is required to complete this project. The same has been prioritized for consideration of funding under Supplementary Estimates No.1 of financial year 2025/2026.
1021	2021/2022	182.6 Incomplete Igembe North Sub-County Offices at Laare	The Committee recommends that the Accounting Officer avails a progress report within three (3) months of adoption of this report	Project appraisal conducted in 2025 indicate that Kshs 8 million is required to complete the project. The same has been prioritized for consideration of funding under Supplementary Estimates No.1 of financial year 2025/2026.
1021	2021/2022	182.7 Stalled Construction of Staff Houses (4 Units two-bedroom Each) Kigumo Police Station	The Committee recommends that the Accounting Officer avails a progress report within three (3) months of adoption of this report.	The National Police Service continues pursuing the National Treasury for more funds to complete the project.
1021	2021/2022	182.9 Stalled Construction of Kirinyaga West (Ndia East) Sub-County Police Station and Offices in Baricho	The Committee recommends that the Accounting Officer scales down the project and completes its phase 1.	The National Police Service continues pursuing the National Treasury for more funds to put the project into usable state.
1021	2021/2022	182.10 Stalled Construction of Mwea East Sub-county Police Station and Offices	The Committee recommends that the Accounting Officer avails a progress report within three (3) months of adoption of this report.	The National Police Service continues pursuing the National Treasury for more funds to put the project into usable state.
1021	2021/2022	182.11 Delay in Completion of Construction of Mwea West Sub-county Headquarters Kandongu	The Committee recommends that the Accounting Officer scales down the scope to available resources and avails a completion roadmap within three (3) months of adoption of this report	In financial year 2023/24 the project was funded to the tune of 10 million to complete the remaining works. The project is now complete and in use.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1021	2021/2022	182.13 Proposed Renovation, Construction and Completion of Deputy County Commissioner's Office at Balambala Sub-County in Garissa County	The Committee recommends that the Accounting Officer prioritizes completion of the project.	The project is now complete and in use.
1021	2021/2022	182.14 Construction and Completion of Danyere Assistant County Commissioner's Office at Balambala Sub-County in Garissa County	The Committee recommends that the Accounting Officer avails a progress report on completion and titling within three (3) months of adoption of this report.	The project is now complete and in use.
1021	2021/2022	183. Lack of Ownership Documents for Police Land	The Committee recommends that the Auditor General confirms status in the financial year 2024/25.	National Police Service has since appointed a Titling Committee and continue pursuing the National Treasury for more funds to enable processing of title deeds.
1021	2021/2022	185. Delay in Separation of Electricity Metres	The Committee recommends that the Accounting Officer liaises with KPLC and ensures completion of the project, within three (3) months of adoption of this report.	The separation of meters has since been completed in Nairobi region and National Police Training College, Kiganjo.
1021	2021/2022	186. Lack of Adequate Storage Space for Food and Ration at the National Police Service "B" Campus Embakasi	The Committee recommends that the Accounting Officer prioritizes provision of adequate space in the FY 2024/25.	The National Police Service identified adequate space at National Police Service "B" Campus Embakasi for storage of food and ration.
1021	2021/2022	187. Stations Operating Without AIE Allocations	The Committee recommends that the Accounting Officer National Police Service issues AIEs to the stations, equal to the amount they expend from the mother stations.	National Police Service has since issued AIEs to the stations.
1021	2021/2022	188. Kenya Coast Guard Service-Assets with no Ownership Documents	The Committee recommends that the Accounting Officer obtains certified copies of ownership documents within three (3) months of adoption of this report, and that the Auditor General verifies in subsequent audit.	The Kenya Coast Guard service is at the formative stage and operates on a multi-Agency approach.  A total of 59 boats have been donated by various agencies like National Police Service (NPS), Immigration, Kenya Forest Services (KFS) who still retain the ownership.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1021	2021/2022	189. Long Outstanding Arrears of Revenue	The Committee recommends that the Accounting Officer issues notice of termination of provision of security services to the owing agencies (unless paid), within three (3) months of adoption of this report.	The National Police Service has received partial amounts from Central Bank of Kenya. The process of negotiations with KRA is ongoing. NPS will continue pursuing for the full payments of the revenue arrears
1021	2021/2022	192 Manual collection of Revenue by Civil Registration Service	The Committee recommends that the Accounting Officer fully automates operations at the registration service in liaison with the State Department for ICT, within six (6) months of the adoption of this report.	<p>i. Collection of revenue by CRS has been automated by on boarding all it services on the e-citizen portal. The members of public apply and pay for CRS services through e-citizen platform.</p> <p>ii. The Civil Registration Service (CRS) commenced upgrading and reengineering its Civil Registration and Vital Statistics System beginning May 2025, through the following initiatives;</p> <ul style="list-style-type: none"> <li>• <b>System Infrastructure Upgrade:</b> Transitioning the CRVS system to a new hardware infrastructure and establishing Disaster Recovery Sites to ensure business continuity.</li> <li>• <b>E-Notification Module Development:</b> Introducing a digital reporting tool that enables hospitals and assistant chiefs to report births and deaths electronically. The module has already been piloted in nine hospitals in Nairobi and will be rolled out in phases, beginning with Nairobi before scaling to all counties.</li> <li>• <b>Integration with e-Citizen Platform:</b> Enabling citizens to download and print birth and death certificates directly from the e-Citizen portal</li> </ul>

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5. STATE DEPARTMENT FOR CORRECTIONAL SERVICES – VOTE 1023

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1023	2021/2022	201. Unsupported cash and cash equivalents	The Accounting Officer to ensure proper accounting records are maintained as required by section 81 and 83 of PFM act 2012	The State Department for Correctional Services has ensured that proper accounting records have been maintained as per requirements of the PFM Act 2012 Section 81 and 83.
1023	2021/2022	202. Understated pending bills	Engagement with KRA to resolve the unpaid PAYE and accrued interest	The State Department for Correctional Services is currently engaged with KRA in order to reconcile and resolve the PAYE and accrued interest.  The Accounting Officer wrote a letter to KRA to appeal for a waiver on the accrued interest but the matter has not been finalized.
1023	2021/2022	203. Encroachment of Prison Land	<p>i) The Accounting Officer ensures the inter-ministerial Committee on the Narok Prison land submits its report with an action plan within three (3) months of adoption of this report.</p> <p>ii) The Accounting Officer liaises with the National Land Commission and obtains ownership documents for all gazetted prison land within six (6) months of adoption of this report.</p> <p>iii) The Accounting Officer liaises with the Chief Land Valuer and establishes the value of the total land acreage owned by the Department.</p> <p>iv) The DCI immediately investigates the circumstances under which encroachers have settled on prison land and ensures repossession and prosecution within six (6) months of adoption of this report.</p>	<p><b>i) Report of the inter-ministerial Committee on Narok prison land.</b></p> <p>A Committee was formed, which did their work in line with the Terms of Reference and did a report. Unfortunately, after the Committee secretariat finalized the report, there has been no meeting for the members to adopt it so that the recommendations can be implemented. The Chair of the meeting to be compelled to submit the draft report and to convene a meeting of the stakeholders to adopt the report before submission.</p> <p><b>ii) Ownership documents for all gazetted prison land.</b></p> <p>The office of the Principal Secretary, State Department for Correctional Services, has formed a multi-agency Committee whose mandate is to obtain ownership documents for the parcels. The Committee has so far made progress. To date, the Committee has achieved 5 title deeds and surveyed a total of 8 parcels of land. The Committee plans to</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>carry out survey for titling for additional parcels of land in the current financial year.</p> <p><b>iii) Valuation of the total land acreage owned by the Department.</b></p> <p>The State Department has sought for the services of the Chief Government Valuer to undertake valuation of the land parcels owned by the State Department for correctional services. The Chief Government Valuer has responded to the request giving out the budgetary requirements to be fulfilled to enable success of the work.</p> <p><b>iv) Investigating circumstances under which encroachers have settled on prison land.</b></p> <p>The State Department has involved the Ethics and Anti-Corruption Commission (EACC) to investigate with the intention of suing and recovering the land parcels which have been grabbed by private individuals. There is progress on the same with some matters already in courts (Machakos, Isiolo, Kitale, Kisumu) where the grabbers have been sued by the EACC. The office of the Attorney General is also involved in representing the State Department in cases where the encroachers have sued the Department.</p> <p>The National Land Commission (NLC) is also party to the cases before the various Environment and Land Courts (ELC) across the country. The State Department of Correctional Services has also involved the NLC where the commission is carrying out a review on how the encroachers acquired the land parcels so it can make determination appropriately.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1023	2021/2022	204. Poor Maintenance of Motor vehicles, Plant, Machinery and Equipment in Prisons	The National Treasury henceforth ensures lessors abide by terms of contract	All the lease vehicles in Phase III were surrendered as per the lease agreement. <b>Attached Annex 1</b>  We currently have 122 vehicles under Phase IV lease programme and the lessors have ensured that they fully abide by the terms of contract by ensuring vehicles are serviced and repaired as stipulated.
1023	2021/2022	205. Poor Living Conditions at Various Prisons	The Committee recommends the Accounting Officer makes adequate annual proposals for renovation and maintenance of prison facilities	It is true that the mentioned stations and other stations across the country did not receive the maintenance funds. It is in the public domain that the National Treasury has not funded maintenance kitty in the last four years for residential, non-residential and civil works. This has left the above-mentioned stations at the current state.  Kenya Prisons Service has engaged its partners to mitigate the worst-case scenarios maintenance for civil works, residential and non-residential structures for instance, water works in Nairobi Remand and Allocation, renovation of Kitchen and introduction of Liquefied petroleum gas (LPG) to Langata women prison. However, the resources are also limited, and thus not able to cater for all the required interventions in these stations.  Development budget for Kenya Prisons Service has undergone rationalization in the subsequent years, with the current Financial Year 2024/2025 having zero (0) allocation when funds were rationalized in the Supplementary I. The State Department for Correctional Services, in its submission to the Parliamentary Committee on Justice and Legal Affairs, requested for re-instatement of the full development budget for FY

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>2024/2025. Currently, the allocated development budget is Ksh. 228,000,000 which is inadequate to cater for the improvement of the infrastructure maintenance.</p> <p>In FY 2025/2026, we have requested the National Treasury for allocation of adequate operation and maintenance of at least Ksh. 2,000,000 per station to cater for maintenance of building and infrastructure.</p> <p>On the issue of the staff Housing, the State Department of Housing and Urban Development has agreed to construct 28,000 Housing Units for Kenya Prison Staff Under Affordable Housing Program (AHP) on Institutional Housing. Kenya Prisons Service submitted its requirements and the distribution. <b>Attached Annex 2.</b></p>
1023	2021/2022	206. Stalled Projects	<p>i) The Accounting Officer submits a status report on all the projects within three (3) months of adoption of this report.</p> <p>ii) The Accounting Officer to liaise with State Department for Housing for prisons officers under the affordable housing programme.</p>	<p>It is true that there are stalled projects in the various Prison stations. It is also true that since the year 2018, the Department has earmarked the projects for completion in each of all financial years in question. Over the same period, the Department has suffered a decrease in its development budget coupled with the budgetary cuts.</p> <p>The issue of stalled projects has been captured by the National Treasury and thus earmarked for completion upon receipt of the request made. In its letter addressed to the State Department of Correctional Services, ref. no. TNT/PIM/30 VOL.I(72) dated 29.10.2024, the National Treasury invited the Principal Secretary for a review, verification and rationalization of the stalled projects in the State Department with a possibility of disbursing funds to complete the said projects.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				It is worth noting that the development budget for the Department in the financial year 2023/2024 was rationalized to zero (0) during Supplementary I. The Department has made a request to the National Treasury to reinstate the budget in Supplementary II. The Treasury considered the Department under flood mitigation funding to a tune of Ksh. 70,000,000. <b>Attached Annex 3.</b>
1023	2021/2022	<b>207.</b> Poor Construction of a Perimeter wall at Busia G.K Prison	The Committee reprimands the Accounting Officer and recommends administrative action on the project manager	Completion of Phase II of the project under Supplementary II FY 2025/2026 which will cover inner plaster and omitted items in Phase I of the project (Permacote painting, coping) is to be implemented. The omission was necessitated by the inclusion of ground beam for the whole length of the perimeter wall, because of the swampy nature of the site. <b>Attached Annex 4.</b>
1023	2021/2022	<b>208.</b> Failure to produce Offenders in Courts on time	The Committee recommends that the National Treasury avails adequate vehicles to the Department under the vehicle leasing programme.	Requests for additional vehicles have been duly submitted to the National Treasury. However, despite these requests no allocation has been availed to date. <b>Attached Annex 5</b>

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6. MINISTRY OF DEVOLUTION – VOTE 1032

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1032	2021/2022	209. Unaccounted for District Suspense	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer liaises with the State Department for Asals and regional development and avails the lists of beneficiaries, within three months of adoption of this report.	The Accounting Officer wrote to the State Department for Asals and Regional development to avail list of beneficiaries.
1032	2021/2022	210. Non-payment of Pending bills	The Committee recommends that the matter awaits verification by the said pending bills verification Committee.	PAC recommends that the matter to await the report of pending bills verification Committee.
1032	2021/2022	211. Budgetary Control and Performance	The Committee reprimands the Accounting Officer and recommends submission of a reconciled pending bill report within three (3) months of adoption of this report.	
1032	2021/2022	213. Delay in Completion of the Proposed AFRICITIES Convention Centre	The Committee recommends that the Cabinet Secretary National Treasury avails funds to complete the project within the next two (2) financial years.	The State Department will engage the National Treasury for budgetary allocation.
1032	2021/2022	214. Lack of Audit Committee and Public Finance Management Committee	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer ensures an audit and Public Finance Management Committee is in place within one (1) month of adoption of this report.	The Committee is in place.
1032	2021/2022	215. Lack of Approved information Technology Security Policy	The Committee recommends that the Accounting Officer ensures adoption of the ICT policy within three (3) months of this report.	ICT Department is working to develop ICT policy.
1032	2021/2022	216. Double Payments for Supplies	The Committee recommends that; i. The Accounting Officer ensures full recovery of double payments and surcharge/recoveries be instituted on those liable, subject to article 226(5) of the constitution; ii.	The matter is waiting investigation by EACC.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
			ii. The EACC conducts investigations on the payments and takes necessary action on any impropriety.	
1032	2021/2022	218. Delay in completion of projects	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	
1032	2021/2022	220. Irregular Procurement of Construction of Camel Slaughter House	The Committee recommends that the Auditor General assesses the completion status in the subsequent audit.	The Accounting Officer will implement the recommendations after the assessment of OAG.
1032	2021/2022	221. Irregular Procurement of Dairy cows	The Committee reprimands the Accounting Officer and recommends that; i. The Accounting Officer ensures those liable are surcharged within three (3) months of adoption of this report; The EACC conducts investigations on the procurement and takes necessary action on any impropriety;	The Accounting Officer will implement the recommendations of the EACC.
1032	2021/2022	222. Irregular Procurement of Goods and Services	The Committee reprimands the Accounting Officers and recommends that; i. The Accounting Officer ensures those liable are surcharged within (3) months of adoption of this report; ii. The EACC conducts investigations on the procurement and takes necessary action on any impropriety;	The report will be shared with county government of Kisumu for implementation.
1032	2021/2022	226. Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption report.	

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1032	2021/2022	228 .Lack of Internal Audit Unit and Audit Committee	The Committee recommends that the Accounting Officer avails evidence of constitution of the Committee within three (3) months of adoption of this report.	Office of the Deputy President is in the process of constituting the Committee.
1032	2021/2022	230. Unverified Assets	The Committee reprimands the Accounting Officer for negligence and recommends that those who had the lost equipment under their custody be surcharged the cost of purchase, within three (3) months of adoption of this report by the House.	C.O.G is following the matter to ensure the responsible officers are surcharged.

**7. STATE DEPARTMENT FOR THE DEVELOPMENT OF THE ARID AND SEMI-ARID LANDS (ASALS) – VOTE 1035**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
	2021/2022	235 Unsupported expenditures	The Committee reprimands the Accounting Officer for failing to provide support documents during the audit in breach of Section 9(1)(e) of the Public Audit Act 2015.	The support documents were availed to the auditors for verification and and the issue resolved.
1035	2021/2022	236 Unsupported Accounts Payables	The Accounting Officer is reprimanded for failure to provide information within reasonable time to the Auditor General pursuant to Section 62(1) of the Public Audit Act 2015.	The retention deposits of kshs6,511,798.45 were returned to the National Treasury as required by the PFM act regulation 106 and as per the National Treasury instructions vide circular ref AG.3/Vol.7/(24). The balance of ksh502,207.95 has since been paid to the owners on completion of the works.
1035	2021/2022	237 Pending Accounts Payable	(i) The Committee recommends that the Accounting Officer settles pending bills as first charge as per the provisions of regulation 42 of the Public Finance Management (National Government) Regulations 2015.	The pending bills formed the 1 <sup>st</sup> charge in the subsequent year and were fully settled in the financial year 2022/2023.
1035	2021/2022	238 Unresolved Prior Year Matters	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three months of adoption of this report.	The query was redirected to the State Department for devolution which had custody of the source documents indicating the nature of works and the payment vouchers.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1035	2021/2022	242 Unsupported Compensation of Employees Expenditure	The Committee recommends that the Auditor General establishes current status in subsequent audit.	The relevant support documents on employee expenditure were availed to the auditors for review and the issue resolved.

8. MINISTRY OF FOREIGN AFFAIRS – VOTE 1052

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1052	2021/2022	255. Long Outstanding Reconciling Items	The Committee recommends that the Accounting Officer ensures the outstanding discrepancies are reconciled within three (3) months of adoption of this report by the house.	The Ministry takes note of the Committee's recommendations; Further, the Accounting Officer has instituted measures to ensure that outstanding reconciliation issues are solved in good time to ensure timely and accurate record keeping to mitigate against future reconciliation anomalies.
1052	2021/2022	256. Pending Bills	The Committee recommends that the Accounting Officer settles all valid pending bills promptly.	The Ministry takes note of the Committee's observations and recommendations.  The Accounting Officer constituted and appointed a pending bills verification Committee whose mandate was to assess and verify all pending bills.  The Ministry settled all the pending bills for the year under review in accordance with the verification report.
1052	2021/2022	257. Contingent Liabilities	i. The Committee recommends that the Ministry negotiates with petitioners of those cases that are yet to be determined with a view to amicable resolutions.  Further, the Committee recommends that awards not appealed against should be correctly classified as pending bills/ payables and not contingent liabilities.	The Ministry takes note of the Committee's observations and recommendations.  Following the transition of the accounting system from cash to accrual basis, the Ministry will document all unsettled liabilities under pending bills, including the unsettled contingent liabilities.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

9. STATE DEPARTMENT FOR VOCATIONAL AND TECHNICAL TRAINING – VOTE 1064

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	260: Unsupported Other Revenues	The Committee reprimands the Accounting Officer for use of revenue unappropriated, at source, contrary to Section 74 of the PFM Act.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department will endeavor to have an adequate budget to capture all the projected revenue and properly appropriate all revenue collected before spending.
1064	2021/2022	261: Unsupported Procurement of Equipment under Kenya- China Project	The Committee recommends that Treasury and the Attorney General competently negotiates financing agreements allowing for competitive bidding for all future projects	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.
1064	2021/2022	262: Loss of Cash through use of Duplicate Bank Account Details in the IFMIS System	The Committee recommends that; i) The Accounting Officer takes administrative action on the IFMIS user(s) that made the erroneous entries, within three (3) months of adoption of this report by the House;  ii) The Auditor General confirms through the State Department's statements that the erroneous payments had indeed been received back to the State Department in full and reports in subsequent audit.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer subsequently had the IFMIS mandates of all those involved in the erroneous payments withdrawn.
1064	2021/2022	263: Expenditure on Rent made without valid Lease Agreements	The Committee reprimands the Accounting Officer for failing to provide support documents on time, contrary to section 9 (i) (e) of the Public Audit Act, 2015.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The State Department will in future avail to the office of the Auditor General all support documents in time when called upon to do so as guided by the Public Audit Act, 2015.
1064	2021/2022	264: Long Outstanding Receivables- District Suspense	Committee Recommendation; The Committee recommends that the Accounting Officer ensures full reconciliation within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. Subsequently the Accounting Officer ensured that there was full reconciliation of the outstanding district suspense balances disbursed to the districts.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	266: Lack of Public Finance Management Standing Committee	The Committee reprimands the Accounting Officer for breach of Regulation 18 (1) of the Public Finance Management (National Government) Regulations, 2015	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer has since instituted and appointed members to the PFM standing Committee as per the regulations of the Public Finance Management (National Government) Regulations, 2015
1064	2021/2022	267: Mentorship Program and Construction of New Technical and Vocational Colleges  267.1: Construction of the Kakrao Technical Training Institute (TTI)	i) The State Department funds the remaining balance of Kshs. 7.5 million of the Kakrao TTI within the next financial year;  ii) The State Department avails a policy towards construction of TVETs/ TTIs in liaison with other levels of government, within three (3) months of adoption of this report by the house.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The State Department has endeavored to avail the remaining budget for completion of Kakrao TTI in the FY 2026/2027.  The State Department has since instituted a policy towards the construction of TVETs/ TTIs in liaison with other levels of government.
1064	2021/2022	267.2: Kilifi North Technical Vocational College	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	267.3: Matuga Technical Vocational College	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	267.4 Igembe Central Technical Vocational College	Committee Recommendation The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	267.5: Kisii National Polytechnic  267.5: Kisii National Polytechnic  267.5.1: South Mugirango Technical and Vocation Training College	i)The Committee reprimands the Accounting Officer for payment of certificates beyond works done and  ii) Recommends that the Accounting Officer takes administrative action on the project manager and submits a status report within three (3) months of adoption of this report by the House	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The Accounting Officer has since instituted requisite administrative action on the project manager The State Department has availed the current status report of the same.
1064	2021/2022	267.5.2: Kitutu Chache South Technical and Vocational Training College	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed a current status report of the same.
1064	2021/2022	268: Excess Disbursements to Mentor Institutions	(i)The Committee reprimands the Accounting Officer and recommends that evidence of the refund is availed within three (3) months of adoption of this report by the House.  (ii) The Committee recommends that the Accounting Officer takes administrative action on officers involved in processing the over disbursement within three (3) months of adoption of this report.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer has since instituted requisite administrative action on the officers involved in the processing of the over disbursement The State Department has availed the current status report of the same.
1064	2021/2022	269: Allocation of Capital Grants to Non-Existent Technical and Vocational Centres	The Committee reprimands the Accounting Officer and recommends that available funds be channeled to TVCs/ TTIs in need.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations and will comply with the same.
1064	2021/2022	270: Failure to Enforce One Third Rule on Basic Salary	Committee Recommendation; The Committee recommends that the Accounting Officer ensures incremental compliance to the law.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations and will comply with the same.
1064	2021/2022	271.2: Transactions in System Payments not Processed in Payment Details	The Committee recommends that the Auditor General confirms the details in subsequent audit.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	272: Failure to Update Pending Bills Annexure	The Committee reprimands the Accounting Officer for failure to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will endeavor to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.
1064	2021/2022	273: Unsupported Prior Year Adjustments	Committee Recommendation; The Committee reprimands the Accounting Officer for failure to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will has endeavored to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.
1064	2021/2022	274: Unsupported Domestic Travel and Subsistence	The Committee reprimands the Accounting Officer for failure to promptly avail work plans and imprest register.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will endeavor to promptly avail all documents required of it when requested to do so.
1064	2021/2022	281: Delay in Completion of Training Institutes	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	282: Delay in Supply, Delivery, Installation, Commissioning, Learning and Training Assistive Devices and Equipment	The Committee reprimands the Accounting Officer for failure to provide documentation and recommends that the Accounting Officer avails to the Committee evidence and acknowledgement of receipt by the schools within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed acknowledgement of receipt of the equipment by the beneficiary institutions.
1064	2021/2022	283: Failure to Open and Maintain a Separate Project Bank Account	Committee Recommendation; The Committee recommends that the Accounting Officer henceforth seeks exemption from the Cabinet Secretary National Treasury, as provided for under section 76(1) of PFM Regulations.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer has since sought for an exemption to opening and maintaining a separate project bank account from the Cabinet Secretary, National Treasury as provided for under section 76(1) of PFM Regulations.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	289: Failure to Tag Assets	Committee Recommendation; The Committee reprimands the Accounting Officer and recommends that the Auditor General ascertains compliance in subsequent audit.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.
1064	2021/2022	292: Budgetary Control and Performance	Committee Recommendation; The Committee reprimands the Accounting Officer for failure to effectively implement work plans, and recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The State Department has availed the current status report of the same.
1064	2021/2022	293: Slow Pace of Project Implementation	The Committee reprimands the Accounting Officer for failure to effectively implement work plans, and recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	294: Irregular Procurement and Payment for Consultancy Services	Committee Recommendation The Committee recommends that the EACC conducts investigations to the procurement.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations and abides by it.
1064	2021/2022	295: Failure to Open and Maintain a Separate Project Bank Account	The Committee recommends that the Accounting Officer henceforth seeks exemption from the Cabinet Secretary National Treasury, as provided for under section 76(l) of PFM Regulations.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer has since sought for an exemption to opening and maintaining a separate project bank account from the Cabinet Secretary, National Treasury as provided for under section 76(1) of PFM Regulations.
1064	2021/2022	299: Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	300: Failure to Open and Maintain a Separate Project Bank Account	The Committee recommends that the Accounting Officer henceforth seeks exemption from the Cabinet Secretary National Treasury, as provided for under section 76(l) of PFM Regulations.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations.  The Accounting Officer has since sought for an exemption to opening and maintaining a separate project bank account from the Cabinet Secretary, National Treasury as provided for under section 76(1) of PFM Regulations.
1064	2021/2022	304: Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	305: Failure to Open and Maintain a Separate Project Bank Account	The Committee recommends that the, Accounting Officer henceforth seeks exemption from the Cabinet Secretary National Treasury, as provided for under section 76(l) of PFM Regulations.	The Accounting Officer has since sought for an exemption to opening and maintaining a separate project bank account from the Cabinet Secretary, National Treasury as provided for under section 76(1) of PFM Regulations.
1064	2021/2022	308: Inaccuracies in the Financial Statements 308.1: Statement of Cash Flows	The Committee reprimands the Accounting Officer for failure to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will has endeavored to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.
1064	2021/2022	308.2: Changes in Accounts Receivables	The Committee reprimands the Accounting Officer for failure to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will has endeavored to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.
1064	2021/2022	308.3: Changes in Accounts Payable	The Committee reprimands the Accounting Officer for failure to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations The State Department will endeavor to keep proper accounting records as per section 68 (2)(b) of the PFM Act 2012.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1064	2021/2022	309: Cost Variation to the Construction Project	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	310: Non-Compliance with Ethnicity and Regional Distribution	The Committee recommends that the Accounting Officer ensures compliance with section 7(2) of the National Cohesion and Integration Act, 2008 and re-advertises unresponsive Advertisements.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has endeavored to comply with section 7(2) of the National Cohesion and Integration Act, 2008.  The unresponsive advertisements are in the process of being readvertised.
1064	2021/2022	311 : Failure to Insure Project Assets	The Committee recommends that the Accounting Officer submits a status report on compliance within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	3.14: Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.
1064	2021/2022	319: Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The Accounting Officer has taken note of the Parliamentary Accounts Committee recommendations. The State Department has availed the current status report of the same.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

10. STATE DEPARTMENT FOR UNIVERSITY EDUCATION & RESEARCH – VOTE 1065

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1065	2021/2022	322: Unsupported Other Grants and Transfers	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 8I of the PFI Act 2012 and section 9 (i) (e) of the Public Audit Act, 2015, respectively.	The management acknowledged the PAC recommendation and has taken steps to ensure timely submission of documents to the Auditor.
1065	2021/2022	323: Failure to prepare Bank Reconciliations	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 8I of the PFM Act 2012 and section 9 (i) (e) of the Public Audit Act, 2015, respectively.	The management acknowledged this recommendation and has put in place measures to ensure documents are submitted on time and in the prescribed format.
1065	2021/2022	324: Undisclosed Foreign Travel	The Committee recommends that the Accounting Officer provides for projected unforeseen travels, based on past trends, in future work plans.	Management acknowledged the anomaly and addressed it with budgetary provision to prevent recurrence.
1065	2021/2022	325.1: Expenditure not Disclosed as a Pending Bill	The Committee recommends that the Accounting Officer in liaison with the Accounting Officer State Department for Basic Education budget for and provide for the shared services, per State Department.	The management has noted the issue and a budget provide to cater for this service.
1065	2021/2022	325.2 Expenditure Wrongly Classified	The Committee reprimands the Accounting Officer for breach of the law.	The management has taken note of the PAC recommendation and instituted measures to avoid any breach of the law in future
1065	2021/2022	326: Compensation of Employees	The Committee reprimands the Accounting Officer for failure to keep proper accounting records.	Management noted the Committee's recommendations and implemented measures for proper record keeping.
1065	2021/2022	327.3 Unsupported Transfers to Private Universities	The Committee recommends that the report of PIC-G&E cited above be considered by the House.	The management has taken this recommendation with great concern and is waiting for recommendations of PAC and PIC on the special Audit done at private universities.
<b>REPORT ON LAWFULNESS AND EFFECTIVENESS IN USE OF PUBLIC RESOURCES</b>				
1065	2021/2022	330: Lack of Fixed Asset Register	The Committee reprimands the Accounting Officer.	Management noted the Committee's recommendations and established an asset register in the National Treasury's prescribed format.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>REPORT ON EFFECTIVENESS OF INTERNAL CONTROLS, RISK MANAGEMENT AND GOVERNANCE</b>				
1065	2021/2022	331: Non-Conformity to the Staff Establishment	The Committee recommends that the Accounting Officer liaises with the Public Service Commission and aligns staff in-post to the approved establishment, within three (3) months of adoption of this report.	The management in liaison with scheme administrators and the PSC has put in place measures to correct this anomaly.
<b>DONOR FUNDED PROJECTS</b>				
<b>SUPPORT TO ENHANCEMENT OF QUALITY AND RELEVANCE IN HIGHER EDUCATION, SCIENCE AND TECHNOLOGY PROJECT (ID NO. P-KE-IAD-oo1- LOAN AGREEMENT NO.21001 s0027993)</b>				
1065	2021/2022	333: Inaccuracies in the Financial Statements	The Committee reprimands the Accounting Officer for failure to perform duties bestowed upon the office.	Management noted the Committee's recommendation, reconciled and corrected the error, and resubmitted revised figures to the Auditor.
1065	2021/2022	337: Late Submission of Financial Statements	The Committee reprimands the Accounting Officer for breach of section .17(l) of the Public Audit Act.	Management noted the issue and put measures in place to prevent recurrence.
1065	2021/2022	339: Failure to Open and Maintain a Separate Project Bank Account	The Committee reprimands the Accounting Officer for failing to maintain separate project bank accounts as required by Regulation 76 of the Public Finance Management (National Government) Regulation, 2015.	Management noted the issue and implemented measures to prevent legal breaches when opening project accounts.
<b>ESTABLISHMENT OF KENYA ADVANCED INSTITUTE OF SCIENCE AND TECHNOLOGY PROJECT NO KEN-4</b>				
1065	2021/2022	342: Unsupported and Unaccounted for Expenditure on Fuel and Lubricants for Motor Vehicles	The Committee reprimands the Accounting Officer.	Management noted the issue and installed internal controls to ensure proper fuel and lubricant records.
1065	2021/2022	344: Lack of Fixed Asset Register and Ownership Documents	The Committee reprimands the Accounting Officer.	An asset register has been established in line with the National Treasury's prescribed format.
1065	2021/2022	346: Lack of Internal Audit on the Project	The Committee reprimands the Accounting Officer	The matter was noted and an internal Auditor appointed immediately.
<b>EASTERN AND SOUTHERN AFRICA HIGHER EDUCATION CENTRES OF EXCELLENCE (ACE II) PROJECT (CREDIT NO.5798-KE)</b>				
1065	2021/2022	350: Failure to Open and Maintain a Separate Project Bank Account	The Committee reprimands the Accounting Officer for failing to maintain separate project bank accounts as required by Regulation 76 of the Public Finance Management (National Government) Regulation, 2015.	This has been noted by the management and measures put in place to avoid breach of the law when opening project accounts.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>OTHER DONOR FUNDED PROJECTS IMPLEMENTED BY AGENCIES UNDER THE STATE DEPARTMENT FOR UNIVERSITY EDUCATION</b>				
<b>AFRICA CENTER OF EXCELLENCE IN SUSTAINABLE USE OF INSECTS AS FOOD AND FEEDS PROJECT (IDA CRF, DIT NO.5798-KE) -JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY</b>				
1065	2021/2022	353: Unsupported Adjustments in the Financial Statements	The Committee reprimands the Accounting Officer for failure to perform duties bestowed upon the office.	The issue was noted, the ledger adjusted to match the financial statements, and submitted to the Auditor with supporting documents.
1065	2021/2022	354: Ineligible Expenditure	The Committee reprimands the Accounting Officer.	Management noted the issue and put measures to align expenditure with Disbursement linked results (DLRs) and work plans.
1065	2021/2022	362: Imprests and Advances	The Committee recommends that the Auditor General reviews the documentation and reports in subsequent audit.	Management noted the issue and put measures to ensure imprest issuance and surrender follow regulations.

**11. STATE DEPARTMENT FOR EARLY LEARNING AND BASIC EDUCATION – VOTE 1066**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1066	2021/2022	368. Irregular Disbursements of Free Education Funds  368.2 Disbursements of Free Primary Education Funds to Schools Sharing Registration Numbers (TSC Codes)  368.3 Disbursements of Free Primary Education Funds to Schools Without TSC Codes	The Committee observes that the State Department ought to have had its own unique identifier codes for schools, rather than rely on codes of a semi-autonomous Commission whose mandate was limited to teachers	Unique identifier codes generated for each school in NEMIS
1066	2021/2022	368.4 Disbursements of Free Primary Education Funds to Schools with Unknown TSC Codes	The Committee observes that the State Department ought to have had its own unique identifier codes for schools, rather than rely on codes of a semi-autonomous Commission whose mandate was limited to teachers.	Unique identifier codes generated for each school in NEMIS

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1066	2021/2022	369: Irregularities in Free Day Secondary School Education Subsidies Disbursement  369.2 Bank Account Used to Receive Operations and Tuition Capitation	The Committee recommends that the Auditor General conducts a systems audit report on NEMIS in the subsequent financial year audit	NEMIS has been re-configured and now does not allow different schools to use the same bank account for tuition and operations.
1066	2021/2022	370. Misstatement of Reported Imprest and Advances	The Committee recommends that the Accounting Officer withholds the amount owed by County and Sub-counties of Ksh.1,890,168 in subsequent disbursements.	Funds recovered from the County and sub-counties in the subsequent period
1066	2021/2022	375. Unresolved Prior Year Matters	The Committee recommends that the Accounting Officer avails a status report of implementation of the Committee's recommendations within three (3) months of adoption of this report.	The management provided explanation for the various issues that were raised.
1066	2021/2022	376. Irregularities in the Procurement and Construction of Competency Based Curriculum Classrooms  376.1 Unsupported Procurement Method	The Committee will make substantive recommendations in the special audit report.	The special audit was conducted and the management is waiting for the PAC recommendations when it appears before it.
1066	2021/2022	376.2 Irregular Pricing of Construction of CBC Classrooms	The Committee will make substantive recommendations in the special audit report	The special audit was conducted and the management is waiting for the PAC recommendations when it appears before it.
1066	2021/2022	378. Irregularities in the Implementation of the School Feeding Programme  378.1 Lack of an Inventory Management System	The Committee recommends that the Accounting Officer implements recommendations contained in the Auditor General's performance audit report on national school meals and nutrition programme, within three (3) months of adoption of this report by the house.	The management has developed a school feeding management system for monitoring, distribution, control and reporting on school feeding program.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1066	2021/2022	378.2 Irregular Procurement of School Feeding Supplies	The Committee recommends that the Accounting Officer implements recommendations contained in the Auditor General's performance audit report on national school meals and nutrition programme, within three (3) months of adoption of this report by the house.	
1066	2021/2022	381. Incomplete Asset Register	The Committee reprimands the Accounting Officer	Assets register has been updated
1066	2021/2022	384. Lack of an IT Steering Committee	The Committee reprimands the Accounting Officer and recommends that the steering committee is in place within three (3) months of adoption of this report.	IT Steering Committee has been established
1066	2021/2022	385. Lack of Anti-Fraud Policy	The Committee reprimands the Accounting Officer and recommends that the policy is in place within three (3) months of adoption of this report.	The State Department is in the process of establishing an Anti-Fraud Policy in conjunction with EACC.
1066	2021/2022	387. Unreconciled Special Account Statement	The Committee recommends that the Accounting Officer ensures reconciliation within three (3) months of adoption of this report.	The State Department has requested the National Treasury on clarification of the reconciliation because it is the custodian of the Special accounts.
1066	2021/2022	390. Un-surrendered Project Assets	The Committee recommends that the Accounting Officer ensures complete handover within three (3) months of adoption of this report.	The assets have been handed over to Kenya Primary Education Equity in Learning (KPEEL) program.
1066	2021/2022	398. Undisclosed Bank Account Balance	The Committee reprimands the Accounting Officer for failure to provide information within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015.	The balance of Ksh.17,923,635 was recovered by the project management during the subsequent year's disbursement.
1066	2021/2022	399. Irregularities in the Operation of the Elimu Scholarship Fund	The Committee reprimands the Accounting Officer for failure to provide information within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015.	An approved list of the beneficiaries was subsequently provided to the Committee.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
		400. Undisclosed Bank Account Balance	The Committee reprimands the Accounting Officer for failure to provide information within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015.	The balance of Ksh.17,923,635 was recovered by the project management during the subsequent year's disbursement.
		401. Irregularities in the Operation of the Elimu Scholarship Fund  401.1 Unsupported List of Beneficiaries	The Committee reprimands the Accounting Officer for failure to provide information within reasonable time to the Auditor General pursuant to Section 62 (1) of the Public Audit Act, 2015.	An approved list of the beneficiaries was subsequently provided to the Committee.
		401.4 Unapproved Procurement and Distribution of School Kits	The Committee recommends that the Accounting Officer ensures that school principals adhere to regulations set by the government and any further levies be refunded.	School Principals reprimanded and told to adhere to government regulations
1066	2021/2022	401.5 Students Benefiting from More than One Scholarship Programme	The Committee recommends that the Accounting Officer ensures students have unique identifiers in NEMIS to eliminate possibility of double allocation	NEMIS has been re-engineered to enable efficiency in identification of the beneficiaries of the programme to prevent a student from accessing multiple scholarships.  Additionally, Jomo Kenyatta Foundation (JKF) has been onboarded as an agent to assist in the management and coordination of the scholarship programme.
1066	2021/2022	402. Funding Summary	The Committee reprimands the Accounting Officer for failing to ensure that the records are reconciled and analyzed with necessary supporting documents and submitted to the Auditor General in compliance with provisions of Section 68 (2) of the PFM Act 2012	The error was noted and corrected in the financial statements for the following financial period 2022/2023
1066	2021/2022	404. Prior Year Matters	The Committee recommends that the Accounting Officer avails status report of implementation of its recommendations within three (3) months of adoption of this report	The State Department is preparing the status report on implementation of PAC recommendations for submission to the Committee

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1066	2021/2022	405. Failure to Return Unspent Funds for Re-Voting	The Committee reprimands the Accounting Officer for acting against the provisions of the law	The State Department did not send funds to the two institutions in the 2022/2023 financial year. The institutions submitted Annual work plan for 2022/2023 which was approved and they utilized the unspent funds for 2021/2022.
1066	2021/2022	408. Non-Compliance with the Condition of the Contract -  408.3 Failure to Provide Performance Security for the Contract	The Committee reprimands the Accounting Officer for acting in breach of Section 142 of the Public Procurement and Asset Disposal Act 2015	The oversight was noted and now the State Department ensures that performance security is attached by tenderers.
1066	2021/2022	410. Unreconciled Special Account Statement	Committee recommendation that the Accounting Officer and National Treasury reconciles the account within three (3) months of adoption of this report	The State Department has requested the National Treasury on clarification of the reconciliation because it is the custodian of the Special accounts.
1066	2021/2022	412. Unsupported Contract Period Extension	The Committee reprimands the Accounting Officer.	Paragraph 10.1 of World Bank Regulations, 4 <sup>th</sup> Edition November 2020 States that the Borrower shall seek the Bank's no objection before agreeing to extend a contract. The Bank's No objection to the extension of the contract was sought which it gave before the State Department extended the contract.
1066	2021/2022	413 .Alterations of Procurement Records	The Committee recommends that the Accounting Officer takes administrative action on those involved within three (3) months of adoption of this report.	The omission was noted. The scoresheet was subsequently forwarded to Head Supply Chain Management confirming that it was a true reflection of the final bid report.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

**12. MINISTRY OF HEALTH – VOTE 1081**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1081	2021/2022	424. Misclassification of Expenditure	The Committee reprimands the Accounting Officer for failure to maintain proper accounting records as per section 68 (2Xk) of the PFM Act	Proper classification has been done in the subsequent financial report
1081	2021/2022	425. Unsupported Other Operating Expenses	The Committee reprimands the Accounting Officer for failure to avail supportive documentation to auditors on time as per section 8l (a) (a) of the PFM Act 2012	The Accounting Officer has put measures to ensure that the auditors are adequately supported in the execution of their job.
1081	2021/2022	426. Unsupported Specialized Materials and Services	The Committee reprimands the Accounting Officer for failure to avail supportive documentation to auditors on time as per section 68 (2)(k) of the PFM Act.	Support documents were availed during the subsequent PAC appearance for the year 2022/2023 financial year.
1081	2021/2022	427. Unreleased Deposit Amounts	The Committee recommends that the Accounting Officer submits confirmation of full settlement within one (1) month of adoption of this report.	The deposits relate mostly to 3 <sup>rd</sup> party retentions under equalization fund. The State Department has been paying out the retentions.
1081	2021/2022	428. Unsupported Credit Entry	The Committee reprimands the Accounting Officer for failure to avail supportive documentation to auditors on time as per section 68 (2Xk) of the PFM Act.	The Accounting Officer has put measures to ensure that the auditors are adequately supported in the execution of their job.
1081	2021/2022	431. Unsupported Contingent Liabilities- Court Awards	The Committee recommends that the Auditor General submits an analysis of causes of these awards, in the next audit report, to enable the Committee make conclusive recommendations.	List of court awards was submitted to the PAC during the PAC appearance for 2022/2023 financial year.
1081	2021/2022	432. Undisclosed Assets Disposal	The Committee reprimands the Accounting Officer for failure to avail supportive documentation to auditors on time as per section 68 (2Xk) of the PFM Act.	The Accounting Officer has put measures to ensure that the auditors are adequately supported in the execution of their job.
1081	2021/2022	433. Delayed Construction of Kisii Cancer Centre	The Committee recommends that the Auditor General reviews progress of the project in subsequent audits.	The Accounting Officer is continuously monitoring the implementation of the project
1081	2021/2022	434. Unaccounted for Expenditure on Construction of Pediatric Emergency Centre and Burns	The Committee recommends that the Auditor General reviews progress of the project in subsequent audits.	The Accounting Officer is continuously monitoring the implementation of the project.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1081	2021/2022	438. Unresolved Prior Year Audit Matters	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three (3) months of adoption of this report	The status report submitted in subsequent PAC appearance.
1081	2021/2022	439. Failure to Operationalize Institutions	The Committee reprimands the Cabinet Secretary for failure to submit regulations for full operationalization of the Tobacco Fund and recommends that the Cabinet Secretary submits the Regulations within six (6) months of adoption of this report.	The Tobacco fund is currently under the State Department for Public Health
1081	2021/2022	443. Irregular Use of Low Value Procurement	The Committee reprimands the Accounting Officer and recommends strict compliance to procurement laws henceforth.	The Accounting Officer has ensured strict adherence to procurement procedures
1081	2021/2022	444. Upgrading of Kigumo Sub-county Hospita	The Committee recommends that the Accounting Officer submits a status report on the project within three (3) months of expiry of the fresh contract period.	The status report was submitted during the 2022/2023 PAC appearance.
1081	2021/2022	445. Weaknesses on Compensation of Employees	The Committee recommends that the State Department for Public Service configures the IPPD system to cater for all cadre of employees engaged by government.	
1081	2021/2022	446. Failure to Maintain Fixed Assets Register	The Committee recommends that the Auditor General confirms the completeness of the register in the next audit cycle.	
<b>DONOR FUNDED PROJECTS</b>				
<b>EAST AFRICA'S CENTRE OF EXCELLENCE FOR SKILLS AND TERTIARY EDUCATION IN BIOMEDICAL SCIENCES - PHASE 1 (LOAN NO. 2IOOI50031997) PROJECT</b>				
1081	2021/2022	453. Unutilized Balance	The Committee recommends that the Accounting Officer submits a status report by 31 <sup>st</sup> January 2025.	The status report was submitted during the 2022/2023 PAC appearance
<b>GLOBAL FUND TUBERCULOSIS PROJECT GRANT/ CREDIT NO.KEN.T-TNT-I548</b>				
1081	2021/2022	458. Long Outstanding Imprests and Advances	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer avails a report to the Committee on steps taken to make recoveries, including legal action on the beneficiaries, within three (3) months of adoption of this report.	The Accounting Officer awaits the conclusion of the case which is still under police investigation.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1081	2021/2022	462. Lack of Financing Plan for Payables	The Committee recommends that the Accounting Officer submits a status report on settlement of the payables within three (3) months of adoption of this report	All the supported payables have been paid.
<b>GLOBAL FUND HIV AIDS PROGRAM GRANT NO. KEN-H-TNT GA I547</b>				
1081	2021/2022	473. Unresolved Prior Year Audit Matters	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three (3) months of adoption of this report.	The Accounting Officer submitted the status report in the subsequent PAC appearance.
1081	2021/2022	474. Unliquidated Commitments	The Committee recommends that the principal recipient (National Treasury) settle the matter within three (3) months of adoption of this report.	
<b>COVID.19 HEALTH EMERGENCY RESPONSE PROJECT GRANT/CREDIT NO.6598- KE</b>				
1081	2021/2022	479. Inaccuracy in Cash and Cash Equivalentents	The Committee recommends that the Auditor General confirms amended opening statements in subsequent audit.	
1081	2021/2022	480. Undisclosed Imprests and Advances	The Committee recommends that the Accounting Officer ensures imprests are surrendered within stipulated time.	The Accounting Officer have enforced recovery of any outstanding imprests from the officers salary.
1081	2021/2022	483. Failure to Update Imprest Register	The Committee reprimands the Accounting Officer for failure to maintain an up-to-date imprest register.	
<b>GLOBAL FUND TUBERCULOSIS PROJECT GRANT/CREDIT NO. KEN-T-TNT-2067</b>				
1081	2021/2022	487. Unsupported Pending Bills	The Committee recommends that the Auditor General verifies the documentation in subsequent audit.	
1081	2021/2022	488. Suboptimal Use of GeneXpert Machines	The Committee recommends the Accounting Officer henceforth conducts effective planning before acquisition of equipment.	The Accounting Officer will ensure that research is done before acquisition of equipment
1081	2021/2022	489. Unsupported Selection of Drug Resistance TB Patients	The Committee recommends that the Accounting Officer scales up coverage to all drug resistant patients with the roll out of Social Health Insurance Fund	The Accounting Officer has ensured coverage to all drug resistant patients with SHA

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>GLOBAL FUND HIV AIDS PROGRAM GRANT NO. KEN-H-TNT GA 2065</b>				
1081	2021/2022	491. Unsupported Bank Balance	The Committee reprimands the Accounting Officer for failure to take immediate disciplinary action in line with the human resource policy on the said officer and recommends that the said officer be henceforth barred from accessing public accounts/ funds	The Ministry instituted legal and administrative action to retrieve the funds from the concerned officer and the funds were fully recovered from the officers
1081	2021/2022	493. Failure to Include Pending Payables in the Grant's Budget	The Committee recommends that Treasury as the principal recipient ensures closure within three (3) months of adoption of this report	
1081	2021/2022	494. Lack of an Asset Register	The Committee recommends that the Accounting Officer avails the complete assets register within one (1) month of expiry of the contract.	Asset verification and tagging of has been done awaiting conclusion by the consultant appointed by Global Fund
<b>RESILIENT SUSTAINABLE SYSTEMS FOR HEALTH (RSSH) KEN-T-TNT 2067. SUB RECEIPT</b>				
1081	2021/2022	497. Budgetary Control and Performance	The Committee reprimands the Accounting Officer and recommends that he makes and adheres to work plans, drawn before withdrawal of funds	The Accounting Officer notes the recommendation and promises to adhere to laid down procedures
<b>GLOBAL FUND MALARIA NEW FUNDING MODEL (NFM) KEN-M-TNT1546</b>				
1081	2021/2022	502. Budgetary Control and Performance	The Committee recommends that the Accounting Officer adheres to annual workplans and ensures annual KPIs/ deliverables are not carried over to subsequent years'.	The Accounting Officer notes the recommendation and promises to adhere to laid down procedures
<b>OTHER DONOR FUNDED PROJECTS IMPLEMENTED BY AGENCIES UNDER THE MINISTRY OF HEALTH</b>				
<b>KENYA HEALTH SECTOR PROGRAMME SUPPORT III (DANIDA REF. IO4. KENYA.8IO..IOO - GRANT) _ COUNTY GOVERNMENT OF KISII</b>				
1081	2021/2022	517. Budgetary Control and Performance	The Committee recommends that the Auditor General submits the query to the Senate in the next reporting cycle	
<b>EAST AFRICA PUBLIC HEALTH LABORATORY NETWORKING (EAPHLN) PROJECT CREDIT NO.4732 - KE - KENYA MEDICAL SUPPLIES AUTHORITY</b>				
<b>A CASE STUDY ON INTEGRATED DELIVERY OF SELECTED NONCOMMUNICABLE DISEASES IN KENYA (PHGF GRANT NO. TFOA5636) - MOI TEACHING AND REFERRAL HOSPITAL</b>				
1081	2021/2022	534. Physical Verification of Projects	The Committee recommends that the Auditor General confirms status in the next audit cycle.	

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1081	2021/2022	536. Failure to Report Use of Direct Procurement to Public Procurement and Regulatory Authority	The Committee reprimands the Accounting Officer for failure to adhere to regulation 90 (l)(d) of the Procurement Regulations	The Accounting Officer regrets this and vows to ensure adherence to laid down procedures
1081	2021/2022	537. Failure to Adhere to Executive Order No. 2 of 2018	The Committee reprimands the Accounting Officer for failure to adhere to Executive Order No. 2 of 2018.	The Accounting Officer regrets this and vows to ensure adherence to laid down procedures
<b>GLOBAL FUND HIV/AIDS PROJECT GRANT NUMBER KEN-H-TNT-2065 - NATIONAL AIDS CONTROL COUNCIL</b>				
1081	2021/2022	542. Irregular Tax on Global Funds	The Committee recommends that the Accounting Officer in liaison with the bank obtains tax refunds from the Kenya Revenue Authority, for tax already irregularly remitted	The Accounting Officer has written to Kenya Revenue Authority and are awaiting for feedback,

**13. STATE DEPARTMENT FOR TRANSPORT - 1092**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1092	2021/2022	839: Unsupported Adjustments	The Committee reprimands the Accounting Officer for failure to ensure that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h), and Section 81(4)(a) of the Public Finance Management 2012.	Bank reconciliation is now being done in time. Any variance noted is corrected before the accounts are submitted to Office of Auditor General
1092	2021/2022	840.1: Cash and Cash Equivalent Balance	The Committee reprimands the Accounting Officer for failure to ensure that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h), and Section 81(4)(a) of the Public Finance Management 2012.	Bank reconciliation is now being done in time. Any variance noted is corrected before the accounts are submitted to Office of Auditor General

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1092	2021/2022	841: Expenditure Wrongly Classified as Rentals of Produced Assets	The Committee reprimands the Accounting Officer for failure to re-allocate vote heads, contrary to Section 43 (2) of the Public Finance Management 2012.	Going forward, we have ensured that all necessary budget re-allocations are processed within the stipulated timelines, and that timely reconciliations are conducted to support the preparation of complete and accurate financial statements, in compliance with the relevant provisions of the Public Finance Management Act, 2012.
1092	2021/2022	843: Unsupported Accounts Payable Balance	The Committee reprimands the Accounting Officer for failure to ensure that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided in section 81(4)(a) of the Public Finance Management 2012.	Bank reconciliation is now being done in time. Any variance noted is corrected before the accounts are submitted to Office of Auditor General
1092	2021/2022	850: Non-submission of Donor Funded Projects' Financial Statements	The Committee recommends that the Accounting Officer submits a completion and operationalization report on the project within three (3) months of adoption of this report.	Implementation Completion Reports (ICR) for the two projects have been submitted: i. National Urban Transport Improvement Project ii. Northern Corridor Transport Improvement Project  East Africa Trade and Transport Facilitation Project closed in September, 2015 Appendix 1
1092	2021/2022	851: Delay in Completion of Transport Data Centre	The Committee reprimands the Accounting Officer submits a completion and operationalization report on the project within three (3) months of adoption of this report.	The EATTFP Financing closed prior to completion of the Transport Data Centre, with ongoing contracts of works and consultancy. The progress status being 95%. SDoT consulted Ministry of ICT, to verify of the data centre. SDoT has allocated budget to implement the recommendations comprising of server replacement, renewal of licenses, upgrading for connectivity and any other associated works to complete and operationalize the data centre.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1092	2021/2022	853: Budgetary Control and Performance	The Committee reprimands the Accounting Officer and recommends that he ensures proper project planning and implementation.	The PIT has been reconstituted last as at December 2024 in an attempt to improve the overall performance of the project as at 30 <sup>th</sup> June 2025, the project had improved its performance to 80% budget absorption achieved in a period of six months. It is expected to increase performance to 100% in 2025/2026.
1092	2021/2022	858: Pending Accounts Payables	The Committee recommends that the Accounting Officer treats outstanding dues as first charge as per Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.	
1092	2021/2022	859: Doubtful Achievement of Project Goals		See closure report attached. (Appendix 1) Appendix 2
1092	2021/2022	869: Undisclosed Receipts	The Committee reprimands the Accounting Officer for failure to keep proper accounting records.	The Authority notes that the undisclosed receipt of Kshs. 48,650,000.00 credited by State Department for Interior and Citizen Services relates to Recurrent Grant for the Authority's operations and has no relations with the project.  The amount was reported in the Authority's Main Account Financial Statements for the FY 2021-2022. See Appendix 3- Extract of the Financial Statements, Note and Budget on the same
1092	2021/2022	870: Programme Performance and Sustainability	The Committee recommends that the Accounting Officer ensures that the project is adequately funded.	The National Treasury enhanced remittance of counterpart funding to a tune of Kshs. 82,760,041 (FY 2023-2024 FY 2024-2025 and FY 2025-2026) with the balance of Kshs. 2,760,041 expected in the course of the financial year FY 2025-26.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1092	2021/2022	871: Underutilized Funds	The Committee reprimands the Accounting Officer and recommends that he ensures proper project planning and implementation.	<p>The Authority realized the need for review of the original work-plan of the project to align it with the objectives resulting in the preparation of an addendum which took time to approve.</p> <p>The addendum changed the implementation methodology of the project which was necessary to accelerate implementation of the project objectives.</p> <p>The Authority notes that the addendum was approved in the last month of Quarter 3 of the financial year and the European Union disbursed funds in the same month.</p> <p>Remittance and utilization of funds have now been aligned with the Authority requesting for the final tranche to facilitate closure of the project. See Appendix 2- Request for Final Tranche of Funds. Appendix 4</p>
1092	2021/2022	872: Use of Funds for Unintended Purpose	The Committee reprimands the Accounting Officer for failure to keep proper accounting records.	<p>The Authority observes that this paragraph is related to Paragraph 869 on Undisclosed receipts. The Authority operates a distinct European Union-Usalama Barabarani project bank account and NTSA Operations bank accounts for the GoK recurrent Grants and its various activities.</p> <p>During the period under review, the GoK Recurrent Grant of Kshs. 48,650,000.00 was erroneously credited to the EU-Usalama Barabarani bank accounts instead of the NTSA Operations account.</p> <p>The funds are normal approved exchequer recurrent receipts intended for the day to day operations of the Authority as per approved budget estimates.</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>As a result of the erroneous receipt, the Authority made a settlement of nearly the same amount through the EU-Usalama Barabarani bank account being a liability pertaining to acquisition of number plates to offset the erroneous receipt.</p> <p>To address the gap between the erroneous receipt and settlement in the account, the Authority carried out a reconciliation exercise resulting into a corrective action being taken to update the EU-Usalama Barabarani.</p>
1092	2021/2022	873: Lack of Annual Audit Workplan and Internal Audit Reports	The Committee reprimands the Accounting Officer.	<p>The Internal Audit Workplan for the FY 2021-2022 was approved by the Board and the audit of the project undertaken through the Road Safety, Finance and Corporate Planning and Strategy departments. The Authority notes that in the FY 2021-2022, the EU-Usalama Barabarani project had not taken off since it was at its inception stage and thus had minimal transactions.</p> <p>Subsequently, the project has undergone audit and reports submitted to the Board for information and action. See Appendix 3-Approved Internal Audit Workplan and Extract of Board Minutes &amp; Audit Reports</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

14. STATE DEPARTMENT FOR SHIPPING AND MARITIME – VOTE 1093

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1093	2021/2022	878.2 Imprest to Staff	The Accounting Officer is reprimanded all unjustified imprests be recovered.	The State Department to inform the affected officers through their State Departments to surrender the outstanding amounts as per the recommendations from PAC.
1093	2021/2022	883. Audit Committee	The Accounting Officer is reprimanded for failure to ensure the existence of an Audit Committee.	The Ministry of Blue Economy established Audit Committee on 2 <sup>nd</sup> April 2024. Its members are; <b>(i)</b> Mr. Benard Siero- Chairman <b>(ii)</b> Mr. William Koech; Member, <b>(iii)</b> Mrs Florence Sila; Member and <b>(iv)</b> Mr. Patrick Maina, the Nominee of TNT.
1093	2021/2022	862. Undisclosed and Unaccounted for Domestic Travel Expenses	The Accounting Officer is reprimanded for failure to keep proper accounting records.	The financial statements were revised to account for the domestic expenses in line with the audit recommendation in the FY 2022/3.
1093	2021/2022	863. Cash and Cash Equivalents- Unpresented Cheques.	The Accounting Officer is reprimanded for failure to keep proper accounting records	The anomaly was corrected on 22-9-2022, and the reconciliation presented for Audit review.
1093	2021/2022	864. Budgetary Control and Performance	The Accounting Officer is reprimanded for failure to ensure effective project design.	We undertake to ensure there will be proper and effective design in future projects.
1093	2021/2022	865. Unresolved Prior Year Matters	The Accounting Officer is reprimanded for failure to ensure effective project design.	We undertake to ensure there will be proper and effective design in future projects.
1093	2021/2022	866. Cancellation of Undisclosed / Undrawn Loan Balance	The Accounting Officer is reprimanded for failure to ensure effective project design.	We undertake to ensure there will be proper and effective design in future projects.
1093	2021/2022	867. Failure to Channel Funds as per the Project Financing Structure	The Accounting Officer is reprimanded for failure to ensure effective project design.	We undertake to ensure there will be proper and effective design in future projects.

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15. STATE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT – VOTE 1094

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1094	2021/2022	884. Irregular Charge of Expenditure Under Acquisition Of Assets	The Committee recommends that the Accounting Officer in liaison with national Treasury provides for recurrent funds specific projects, or capitalize them in concurrence with the donors, in subsequent projects.	The Accounting Officer in liaison with The National Treasury has enhance the recurrent budget to enable smooth implementation, monitoring and evaluation of projects
1094	2021/2022	885. Compensation of Employees-Payroll Items Paid Outside IPPD	The Committee recommends that The State Department for Public Service configures the IPPD system to capture all allowances payable to all cadres of staff within three (3) Months of adoption of this report.	The Public Service has rolled out integrated Human Resource Information System(HRIS) with IFMIS system in all MDAs to prevent irregular compensation of employees outside IPPD
1094	2021/2022	889. Uncollected Revenue from Government Houses	<p>i) Accounting Officers that have failed to remit deducted rents are hereby reprimanded and directed to remit the dues within three (3) months of adoption of this report;</p> <p>ii) The National Treasury recovers the amounts outstanding from State Departments and county governments and remit the same to the State Department for housing, in the next budgetary cycle;</p> <p>iii) The State Department and The National Treasury conducts a market survey of these Houses and adjusts the rents payable accordingly;</p> <p>iv) The EACC expedites resolution of cases before courts and</p> <p>v) The State Department prioritizes renovation of these houses.</p>	<p>i) The State Department issued demand notices to owing MDAs requesting them to make payments. Fourteen of these entities made payments totaling to Ksh. 28,624,730</p> <p>ii) The State Department also migrated its rent payment services to the government e-payment gateway to enhance efficiency in collection of arrears.</p> <p>iii) The State Department has continuously carried out rental assessment on newly completed houses as well as upon those deemed to fetch below markets rents. Updated rent books have been shared with respective MDAs for implementation.</p> <p>iv) The State Department has reached out to EACC requesting for fast tracking of the 63 ongoing cases. A multi-agency team to consolidate all these cases has been proposed to EACC.</p> <p>v) The State Department has prepared an annual work plan that prioritizes renovation of houses depending on their condition and available budget.</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1094	2021/2022	893. Non-Compliance With The One Third of Basic Salary Rule	The Committee recommends that the Accounting Officer ensures incremental Compliance by all staff.	The State Department has since directed the affected officers to restructure their deduction to comply with one third of basic salary rule
1094	2021/2022	894. Un-Procedural Extension of Contracts	The Committee observed that the explanation was unsatisfactory as expiry of previous contracts were foreseen The Committee reprimands the Accounting Officer.	The management has taken note on the violation of contract periods and currently strict compliance to the law is being enforced
1094	2021/2022	895. Digitization of Estate Management	The Committee recommends that the Accounting Officer submits a status report on the digitization, within three (3) months of adoption of this report.	An ERP system has been procured and deployed to automate Estate management processes. Data migration and training of users is currently being carried out
<b>DONOR FUNDED PROJECTS</b>				
<b>KENYA INFORMAL SETTLEMENT IMPROVEMENT PROJECT NO. P113542 CREDIT NO.4873KE</b>				
1094	2021/2022	896. Unsupported Expenditure on Purchase of Goods and Services	The Committee observed that the Accounting Officer failed to submit supportive documentation on time The Committee reprimands the Accounting Officer	The management has ensured that all supporting documents for the expenditure incurred are always availed on time to the auditors
<b>NAIROBI METROPOLITAN SERVICES IMPROVEMENT PROJECT (IDA) CREDIT NO.5102-KE)</b>				
1094	2021/2022	904. Delay in Completion of Mitubiri Sanitary Landfill Site Project	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	The Project was completed
<b>KENYA URBAN SUPPORT PROGRAM (IDA CREDIT NO.6134 KE)</b>				
1094	2021/2022	912. Kericho County (Kericho Municipality) 912.1. Delay in Construction of Storm Water Drainage Facilities	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The project was completed on 30th March, 2022 and the inspection and acceptance team inspected the works and were satisfied that the works were 100% complete and in use for its intended purpose.
1094	2021/2022	913. Homa Bay County (Homa Bay Municipality)- Delay in Completion of Road Works	The Committee recommends that the auditor general ascertains current status in subsequent audit.	The road was completed and road furniture installed including all road markings.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1094	2021/2022	915. Migori County (Migori Municipality) 915.1. Awendo Municipality Phase III	The Committee recommends that the auditor general ascertains current status in subsequent audit.	The Projects was completed
1094	2021/2022	915.3. Ombo Modern Market Migori Municipality Phase III	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	916. Nyamira County (Nyamira Municipality) 916.1. Delay in Upgrading of Public Works Offices - CDF Offices - Nyamira Hospital Junction	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	916.2. Delay in Upgrading of (85) Borabu INN - Golan Heights Resort - Juakali - Nyamira Boys - (85) Nyabite Market Road - Phase I	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	917. Baringo County - Delay in Kabarnet Municipality Works	The Committee recommends that the Auditor General ascertains completion status in subsequent audit	The Project was completed and currently in use
1094	2021/2022	918. Kisii County (Kisii Municipality) - Delay in Project Implementation	The Committee recommends that the Auditor General ascertains completion status in subsequent audit	The project was concluded and currently in use
1094	2021/2022	919.3. Delay in Project Implementation	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	920. Uasin Gishu County (Eldoret Municipality) - Delay in Project Implementation	The Committee recommends that the Auditor General ascertains current status in subsequent audit	Currently the project is at 70% complete and the County Government has allocated Kshs. 85,000,000 for 2025/2026 Financial Year and will prioritize completion of the Football pitch,

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				running track and a Perimeter wall a phased approach to operationalize the Stadium while the other components will be completed with the allocation of funds.
1094	2021/2022	921. Kitui County (Kitui Municipality) - Stalled Project - Construction of Kithomboani Modern Market	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	922. Machakos County (Machakos Municipality) - Delay Projects Implementation	The Committee recommends that the Auditor General ascertains completion status in subsequent audit.	The Project was completed and handed over
1094	2021/2022	923. Nyeri County (Nyeri Municipality) - Delay in Operationalization of Nyeri Municipal Bus Terminus	The Committee recommends that the Auditor General ascertains completion status and use in subsequent audit.	The project (market) is complete and currently functional. The structured relocation of PSVs is underway in line with the court ruling.
1094	2021/2022	924.2. Unsatisfactory Implementation of Project - Maralal Municipality	The Committee recommends that the Auditor General ascertains current status in subsequent audit	The project was completed and issued with a compliance and occupation certificate.
1094	2021/2022	925. Turkana County (Lodwar Municipality) 925.1. Unsatisfactory Construction Of Street Parking Lots And Street Lights	The Committee recommends that the Auditor General ascertains current status in subsequent audit,	The Project was completed
1094	2021/2022	925.2. Unsatisfactory Construction of a Fire Station and Street Lights	The Committee recommends that the EACC takes action on those involved in the Variations	EACC to take action

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1094	2021/2022	926. Trans Nzoia County (Kitale Municipality) - Delay in Project Implementation	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The project is currently 96% complete. The remaining works primarily consist of: - <ul style="list-style-type: none"> <li>• Installation of a water tank</li> <li>• Connection to the electricity grid</li> <li>• Completion of the parking area</li> <li>• Application of the final coat of paint</li> </ul> <p>The county government has committed to complete the outstanding elements of the project.</p>
1094	2021/2022	927. Wajir County (Wajir Municipality) - Delay in Project Implementation	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	928. Garissa County (Garissa Municipality) 928.1. Irregular Construction of Road	The Committee recommends that the Accounting Officer ensures that the contractor remedies defects within three (3) months of adoption of this report.	The Project was completed
1094	2021/2022	928.2. Variation of Contract Prices	The Committee reprimands the Accounting Officer.	Administrative action has been taken against officers involved
1094	2021/2022	929. Kilifi County (Kilifi Municipality) - Delay In Completion of Project	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The project was completed on January 26, 2024 and the facility is now fully operational.
1094	2021/2022	930. Tana River County (Tana River Municipality) - Delay in Completion of Project	The Committee recommends that the Auditor General ascertains current status in subsequent audit.	The Project was completed
1094	2021/2022	931. Meru County (Meru Municipality) - Non-Maintenance of a Deposits Cash Book	The Committee reprimands the Accounting Officer for failure to operate separate Deposits cash book and bank account.	A Separate deposit Cash book and Bank account opened and operational

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>SECOND INFORMAL SETTLEMENTS IMPROVEMENT PROJECT NO. P167814 CREDIT NO.6759KE</b>				
1094	2021/2022	933. Acquisition of Non-Financial Assets	The Committee reprimands the Accounting Officer for late submission of documentation	The management has ensured that all supporting documents for the expenditure incurred are always availed on time to the auditors
<b>KISUMU URBAN PROJECT (PROJECT ADVANCE ACCOUNT) CKE1035.01.G - COUNTY GOVERNMENT OF KISUMU</b>				
1094	2021/2022	938.2. Misclassification of Non-Financial Assets as Supplies	The Committee recommends that the Auditor General ascertains the amendments in Subsequent audit	The error was corrected and adjusted in the amended financial statements
1094	2021/2022	939. Cash and Cash Equivalents	The Committee reprimands the Accounting Officer and recommends that the Auditor General ascertains the adjustment in the subsequent audit	The error was corrected and adjusted in the amended financial statements
1094	2021/2022	941. Outstanding Pending Bills	The Committee recommends that the Accounting Officer ensures all lawful pending bills are settled promptly	The State Department has adhered to the recommendation by clearing all the pending bills
1094	2021/2022	942. Acquisition of Non-Financial Assets 942.1. Delayed Execution of Contract	The Committee noted the submission by the Accounting Officer	The matter was resolved
1094	2021/2022	942.2. Failure To Execute Contract on Proposed Completion Of Low Volume Access Roads - (Kemri-Otonglo-Tengere-Rota Road)	The Committee recommends that the Accounting Officer avails a status report on the project within three (3) months of adoption of this report	The project was completed
1094	2021/2022	942.3. Proposed Construction of Perimeter Wall and Installation of Gates at Kenya Wildlife Service (KWS)	The Committee recommends that the Auditor General ascertains the amendments in Subsequent audit	The project was completed
1094	2021/2022	944. Non-Registration of Heavy-Duty Refuse Compactor	The Committee recommends that the Accounting Officer avails to the Committee  Evidence of registration within three (3) months of adoption of this report.	The State Department is following up on the registration of the heavy-duty refuse compactor and a report will be submitted to the auditor for verification.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>KISUMU URBAN PROJECT (CASH EXPENDITURE FUND) - CKE 1035.01.G-COUNTY GOVERNMENT OF KISUMU</b>				
1094	2021/2022	946. Trial Balance	The Committee reprimands the Accounting Officer for failure to keep proper accounting	The management has ensured that proper books of accounts and records are maintained and kept
1094	2021/2022	947. Statement of Financial Assets	The Committee reprimands the Accounting Officer for failure to keep proper accounting, Records and recommends that the Auditor General ascertains the adjustments made in Subsequent audit.	The management has ensured that proper books of accounts and records are maintained and kept
1094	2021/2022	948. Statement of Cash Flow	The Committee reprimands the Accounting Officer for failure to keep proper accounting records and recommends that the Auditor General ascertains the adjustments made in Subsequent audit	The management has ensured that proper books of accounts and records are maintained and kept
1094	2021/2022	949. Unsupported Expenditure	The Committee reprimands the Accounting Officer for failure to keep proper accounting records and recommends that the Auditor General ascertains the adjustments made in Subsequent audit	The management has ensured that proper books of accounts and records are maintained and kept

**16. STATE DEPARTMENT FOR PUBLIC WORKS – VOTE 1095**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1095	2021/2022	962 Irregular Payments under Use of Goods and Services	The Committee reprimands the Accounting Officer's for failure to keep proper accounting records contrary to section 68 (2) (k) of the PFM Act 2012.	The Accounting Officer identified and warned the officers involved. Officers were further trained on proper record keeping and documentation procedures to enhance Internal controls
1095	2021/2022	963. Irregular Payments under acquisition of Assets	i) The Committee noted the submission by the Accounting Officer. The Committee found that the matter was resolved.	The matter was resolved
1095	2021/2022	964. Compensation of Employees - Payments Outside Integrated Payroll and Personnel Database (I P PI) System	The Committee recommends that the State Department for Public Service configures the IPPD system to capture all allowances payable to all cadres of staff within three (3) months of adoption of this report	The State Department will liaise with Public Service To configure the IPPD system to capture all allowances payable to all cadres of staff

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1095	2021/2022	966.1. Payments to Staff not Captured as Outstanding Imprest	The Committee reprimands the Accounting Officer for breach of section 93 (5) of the PFM (National Govt. Regulations	The Accounting Officer identified and warned the officers involved. Officers were further trained on proper record keeping and documentation procedures to enhance Internal controls
1095	2021/2022	967.1. Inaccuracies in Pending Bills	The Committee recommends (that the Accounting Officer settles all pending bills as first charge subject to section 42 ( 1 ) (a) of the PFM (National Govt.) Regulations.	The Accounting Officer settled all Pending bills as first charge in the subsequent years where there was budgetary allocation.
1095	2021/2022	968. Understatement of Pending Bills for Security Services	The Committee recommends that the Auditor General confirms the payment including withholding tax in the subsequent audit.	Referred to Office of The Auditor General
1095	2021/2022	969. Uncollected Rent Income	The Committee recommends that KNEC recognizes the debt and settles as provided for in the lease, or the Accounting Officer to terminate the lease, within three (3) months of adoption of this report.	KNEC settled the outstanding debt
1095	2021/2022	970. Budgetary Control and Performance	The Committee recommends that the Accounting Officer and Director General NCA settle the matter within three (3) months of adoption of this report.	The matter was resolved subsequently. NCA provides A in A collection and captured in State Department financials
1095	2021/2022	971. Pending Bills	The Committee recommends that the Accounting Officer in liaison with National Treasury prioritizes settlement of pending bills as first charge, subject to section 42 (l ) (a) or the l) FM (National Govt. Regulations).	The Accounting Officer surrendered all the bills to the Pending Bills Verification Committee under The National Treasury because the State Department did not have any budget allocation that could settle them
1095	2021/2022	972. Staffing Levels Above Approved Staff Establishment	The Committee recommends that the Accounting Officer in liaison with the Public Service Commission completes the review and compliance of the staff establishment within three (3) months of adoption of this report.	The State Department's Organization Structure and Staff Establishment was reviewed from 818 posts to 2574 posts by Public Service Commission vide letter Ref. No. PSC/EMCS/8/3/ (9) dated 5 <sup>th</sup> June, 2024 (copy attached). Meaning the State Department complied

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1095	2021/2022	973. Delay in Completion of Projects	<p>i) The works hybrid funding model, i.e. 70% from national government and 30% from county government had seen supervision challenges;</p> <p>ii) The contractors identified by the county government were slow in executing works, pointing to possible lack of capacity.</p>	The projects have been handed over to the respective County Governments for the completion of the outstanding works
1095	2021/2022	973.1. Proposed Headquarters for Nyandarua County at Olkalou	<p>The Committee recommends that;</p> <p>i) National Treasury issues the balance of contract sums to the county government as conditional grants in the next financial year;</p> <p>ii) The Accounting Officer ensures recovery of liquidated damages for delays occasioned by the contractors;</p> <p>The Accounting Officer avails a status report within three (3) months of adoption of this report.</p>	<p>i) The National Treasury has been allocating funds in the Conditional Allocation to the Counties</p> <p>ii) The damages could not be recovered as the contractor went to arbitration. A status report was submitted</p>
1095	2021/2022	973.2. Proposed Completion of Voi Pool Housing Project	The Committee recommends that the State Department for Housing takes up the project under the affordable housing programme within three (3) months of adoption of this report.	The State Department for Housing took over site I and is progressing with development there. They are yet to take over site II; the State Department for Public Works has sent reminders on the same.
1095	2021/2022	973.3. Proposed Completion of Migori District I headquarters	The Committee recommends that the State Department for Interior and Coordination of National Government takes up the project within three (3) months of adoption of this report and completes it in the next financial year.	The project was handed over to the State Department for Interior; the staff houses are now occupied.
1095	2021/2022	973.6. Proposed Construction of Isiolo County Headquarters	i) National Treasury issues the balance of contract sums (of the County Government as conditional grants in the next financial year;	i) The liquidated damages could not be levied as the project was still within the contract period. The project was handed over to the County Government for the

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
			ii) The Accounting Officer ensures recovery of liquidated damages for delays occasioned by the contractors; The Accounting Officer avails a status report within three (3) months of adoption of this report.	execution of the outstanding works. The status report was availed.
1095	2021/2022	974: Termination of Contracts and Related Costs  974.2. Construction of Ndau Sea Wall	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	The completion works have been awarded to another Contractor and currently at 33% completion.
1095	2021/2022	975. Projects Behind Schedule	The Committee recommends that: i) National Treasury issues the balance of contract sums to the county government as conditional grants in the next financial year; ii) The Accounting Officer ensures recovery of liquidated damages for delays occasioned by the contractors:  The Accounting Officer avails a status report within three (3) months of adoption of this report.	i The National Treasury has continued to allocate funds through the conditional allocation.  ii The projects have been handed over to the County governments for completion. The status reports have been submitted.
1095	2021/2022	976. Incomplete Motor Vehicle Register	The Committee recommends that the Accounting Officer ensures; that there is a complete motor vehicle register within three (3) months of adoption of (his report.	The Register for motor vehicles is available. However, logbooks for some vehicles are not available having been occasioned by contractors not releasing the logbooks to the State Department. The Accounting Officer has put up a team to follow up on the same.  It should be noted that vehicles without logbooks were bought as project vehicles by Contractors.
1095	2021/2022	977. Incomplete Fixed Asset Register	The Committee recommends that the Accounting Officer ensures that there is a complete fixed assets register within three (3) months of adoption of this report.	The incomplete Asset Register was occasioned by lack of ownership documents for land and buildings. It is imperative to note that these fixed assets were owned by the then Ministry of Public Works, which comprised

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				of the current State Departments of Roads and Public Works. The two State Departments are in the process of crafting a sharing formula and consequently embark on the process of acquiring ownership documents (read certificates of title).
1095	2021/2022	978. Audit Committee and Internal Audit	The Committee reprimands the Accounting Officer for failure to facilitate the internal audit function contrary to Section 179(1) of the Public Finance Management (National Government) Regulations	The Ministerial Audit Committee was constituted and is facilitated as and when a request is made to the Accounting Officer. The Accounting Officer has always facilitated the Internal Audit function and Internal Auditors have been accorded the cooperation and support required whenever the same is sought.

17. MINISTRY OF ENVIRONMENT & FORESTRY – VOTE 1108

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1108	2021/2022	979. Unsupported Transfers to Other Government Entities	The Committee reprimands the Accounting Officer for failing to provide support documents during audit contrary to the provisions of section 68 (2) (K) of the PFM Act 2012.	Support Documents for audit queries raised are now being provided during audit to avoid unnecessary audit queries.
1108	2021/2022	980. Use of Goods and Services - National Tree Planting Campaign	The Committee reprimands the Accounting Officer for failing to provide support documents during audit contrary to the provisions of section 68 (2) (K) of the PFM Act 2012.	Support Documents for audit queries raised are now being provided during audit.
1108	2021/2022	984. Unresolved Prior Year Issues	The Accounting Officer is directed to ensure all Committee recommendations are effected within the timelines provided and submits a status report within three (3) months of adoption of this report.	Unresolved prior year issues are per attached matrix. <b>Appendix 1</b>
1108	2021/2022	988. Lack of Risk Management Policy	The Committee reprimands the Accounting Officer for failing to maintain a risk management policy contrary to regulation 165 of the PFM National Government Regulation 2015.	The Risk management Policy Framework is in place.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>DONOR FUNDED PROJECTS</b>				
<b>INTEGRATED HEALTH AND ENVIRONMENT OBSERVATORIES AND LEGAL AND INSTITUTIONAL STRENGTHENING FOR SOUND MANAGEMENT OF CHEMICALS IN AFRICA ( NO. AFR/CHEMOBS PROJECT/C/07-2017)</b>				
1108	2021/2022	989. Undisclosed Consultancy Payments	The Committee recommends that the Auditor General reviews 2023/24 financial statements to verify.	The Auditor General reviewed the project which has been closed and a report submitted to PAC.
<b>KENYA GOLD MERCURY FREE ASGM PROJECT CREDIT NO. GEF/UNDP/GOK-00108253</b>				
1108	2021/2022	1001. Unfulfilled Project Objectives	The Committee recommends that the Auditor General reviews the project in the subsequent audit.	<ol style="list-style-type: none"> <li>1. <b>Objective 2:</b> This objective will be met by end of December 2025.</li> <li>2. <b>Objective 3:</b> This objective is expected to be fully completed by end of October 2025.</li> <li>3. <b>Objective 4:</b> The objective will be fully met by mid-December 2025.</li> </ol>
<b>SOUND CHEMICALS MANAGEMENT MAINSTREAMING AND UPOPS REDUCTION IN KENYA PROJECT (GRANT NO. P0099820)</b>				
1108	2021/2022	1003. Variances Between the Statement of Receipts and payments and Statement of comparison of Budget and Actual Amounts	The Committee reprimands the Accounting Officer for failing to adhere to the required reporting formats provided under Regulation 101 of the Public Finance Management (National Government) Regulations, 2015.	The Accounting Officer has ensured adherence to the PFM regulations in the subsequent Financial Statements.
<b>SYSTEM FOR LAND BASED EMISSIONS AND ESTIMATION IN KENYA (SLEEK) PROJECT</b>				
1108	2021/2022	1007 Presentation and inaccuracy of financial statements	The Committee reprimands the Accounting Officer for failing to provide support documents during audit contrary to the provision of section 68 (2) (k) of the PFM Act 2012.	Support documents for audit queries are provided during audit.
1108	2021/2022	1008. Overstatement of Payments	The Committee reprimands the Accounting Officer for failing to provide support documents during audit contrary to the provisions of section 68 (2) (k) of the PFM Act 2012.	Support documents for audit queries are provided during audit.
1108	2021/2022	1010. Undrawn External Assistance	The Committee reprimands the Accounting Officer for failure to perform duties bestowed upon the office.	The project has since been closed.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>LAKE VICTORIA ENVIRONMENTAL MANAGEMENT PROJECT PHASE III (LVEMP) project preparatory advance No.V1570-ke</b>				
1108	2021/2022	1014. Pending Accounts Payable	The Committee recommends that the Accounting Officer settles staff top ups within three (3) months of adoption of this report.	The State Department has not settled the staff top ups due to inadequate budgetary provision.
<b>KENYA ENABLING ACTIVITIES FOR HFC PHASE-DOWN PROJECT (GRANT NO. UNEP/KEN/SEV/81/TAS/01+)</b>				
1108	2021/2022	1036. Failure to Maintain Project Bank Account and Cash Book	The Committee reprimands the Accounting Officer for failing to open the project bank account as provided for in law.	Project accounts are opened once an agreement is signed.
<b>OTHER DONOR FUNDED PROJECTS IMPLEMENTED BY AGENCIES UNDER THE MINISTRY OF ENVIRONMENT AND FORESTRY</b>				
<b>GREEN ZONES DEVELOPMENT SUPPORT PROJECT PHASE II (CREDIT NO.P.KE-AAD-005)-KENYA FOREST SERVICE</b>				
1108	2021/2022	1040. Unresolved Prior Issue	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three (3) months of adoption of this report.	The Payment was done on 09th July 2021.
<b>CAPACITY DEVELOPMENT PROJECT FOR SUSTAINABLE FOREST MANAGEMENT IN KENYA (CADEP GRANT NO 22)-KENYA FOREST SERVICE</b>				
1108	2021/2022	1054. Late Submission of Financial Statements	The Committee reprimands the Accounting Officer for failing to comply with section 68 and 81 of the PFM Act,2012.	Financial Statements are submitted on time.
1108	2021/2022	1055.1 Irregularities in Procurement of Laptops	The Committee reprimands the Accounting Officer for acting in breach of Section 48(3)(a) of the Public Procurement and Asset Disposal Act, 2015.	The State Department has been ensuring Compliance to Public Procurement and Asset Disposal Act 2015 in Procurement of goods and services
1108	2021/2022	1055.2 Irregularities in Procurement of Refurbishment of Buildings	The Committee reprimands the Accounting Officer for acting contrary to Regulations 92(2)(a) and (3) of the Public Procurement and Asset Disposal Regulations, 2020.	The State Department has since been ensuring compliance to Public Procurement and Asset Disposal Regulations 2020 in Procurement.
<b>INTEGRATED PROGRAMME TO BUILD RESILIENCE TO CLIMATE CHANGE AND ADAPTIVE CAPACITY OF VULNERABLE COMMUNITIES IN KENYA - NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY</b>				
1108	2021/2022	1059.Unresolved Prior Year Audit Matters	The Committee recommends that the Accounting avails a status report of implementation of its recommendations within three (3) months of adoption of this report.	Management appeared before the Committee in July 2022 and clarified on the issues raised and were addressed as per the attached PAC Report. <b>Appendix 2</b>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1108	2021/2022	1060. Unsatisfactory Construction of Projects  1060.1 Projects in Laikipia and Kajiado Counties	The Committee recommends that the Auditor General confirms status in subsequent audit.	All the projects in Laikipia and Kajiado counties were completed.  The Office of the Auditor General to confirm status of the project.
1108	2021/2022	1061. Lack of Detailed Breakdown of the Annual Procurement Plan.	The Committee reprimands the Accounting Officer.	The detailed breakdown of annual proc plan was provided and the Accounting Officer has been ensuring a detailed breakdown of procurement plan.
1108	2021/2022	1062.Lack of Approved Budget	The Committee reprimands the Accounting Officer.	The management provided the approved budget for the project and the Board Minutes.
1108	2021/2022	1063. Incomplete Annual Work Plan	The Committee reprimands the Accounting Officer.	The Management provided the detailed Annual Work plan.
<b>GCF PROJECT PREPARATION FACILITY: "DEVOLVED CLIMATE CHANGE GOVERNANCE TO STRENGTHEN RESILIENCE OF COMMUNITIES' IN TARGET COUNTIES' (PROJECT NO; KEN-PPF-010) - NATIONAL ENVIRONMENT MANAGEMENT AUTHORITY</b>				
1108	2020/2021	1069: Failure to Open Project Bank Account.	The Committee reprimands the Accounting Officer.	Project's bank Account was opened after receipt of approval from The National Treasury.

**18. MINISTRY OF WATER, SANITATION AND IRRIGATION 1109**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1080. Unreconciled Transfers to Other Government Entities	The Committee reprimands the Accounting Officer for failing to ensure that reconciliations are done in time and the complete financial statements submitted to the Auditor General in time as provided for in Article 229 (4)(h) of the Constitution, and section 81(4)(a) of the Public Finance Management Act 2012, and recommends that the outstanding reconciliations be done within one (1) month of adoption of this report	The State Department conducted reconciliation with various entities that had differences and have since agreed as per the table below. It is noted that since our Agencies are on accrual accounting, the reporting was dues to time difference reporting. In view of the above: i. Some entities reported disbursement for 2020/2021 that was received in the first week of July 2021 in the current year  ii. Other entities omitted disbursement done on 30 <sup>th</sup> June 2022 and credited on their

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>accounts after 1<sup>st</sup> July 2022</p> <p>iii. While others did not take into account direct payments. We wish to state that the management did not have prior review of the Agencies financial statements but has since ironed out and the same for the 5 entities which were outstanding presented to the auditor for review. Appendix</p>
1109	2021/2022	1082. Lack of Ownership Documents for Construction of Partakilat Water Supply Project	The Committee recommends that the Accounting Officer avails a status report within three (3) months of adoption of this report	<p>On the issue of land ownership, the Ministry had earlier written to the National Land Commission (NLC) seeking guidance on the acquisition of the land on which the dam is being constructed, via letter Ref. No. MWS/PWSP/IFB/001/2020/2021(139) dated 30th October 2023. A reminder was sent on 24th April 2024 (Ref. No. MWS/PWSP/IFB/001/2020/2021(159)). We have recently received guidelines from the NLC vide letter dated 7th April 2025 Ref: NLC/GEN/9/6/2025/(16) (attached).</p> <p>The State Department for Water and Sanitation as guided by the referenced letter from National Land Commission NLC is preparing to actualize the procedures of land acquisition.</p> <p><i>ANNEX 1082 (Submitted documents to NLC and Progress report)</i></p>
1109	2021/2022	1087. Weak Internal Controls in Stores and Inventory Management	The Committee reprimands the Accounting Officer for failing to ensure that strong internal controls and inventory management systems are in place, and recommends that the same is instituted within one (1) month of adoption of this report.	<p>i) The Accounting Officer has appointed Assets and Inventory Management Committee, which had and shall be responsible for Stocktaking exercise on quarterly and annually basis. The Annual Stocktaking Report for last Financial Year is ready.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>ii) On the other hand, the National Treasury is supporting State Departments through the IFMIS module. The module has already been implemented and already in use.</p> <p>iii) As to the late procurement, due to austerity measures, the Department could not do any procurements in the 2nd and 3rd quarter since the budget was insufficient. It was only possible after the loading of the fourth quarter and supplementary budget.</p> <p>ANNEXTURE III (Appointment letters to the procurement Committees)</p>
1109	2021/2022	1094. Budgetary Control and Performance	The Committee recommends that the Accounting Officer takes concrete steps towards completion of the project and submits a status report to the Committee within three (3) months of adoption of this report	<p>To ensure the project meets its objectives, the Government has already negotiated with World Bank for a restructured Finance Agreement with extension of the project up to January 2027 and additional funding to ensure completion of the dam.</p> <p>The initial challenges that slowed the land compensation and resettlement of PAPs have largely been overcome enabling the Project to complete land acquisition for Priority areas and the contractor has already commenced the construction works.</p> <p>ANNEXTURE IV (No. of PAPs outstanding at the time of audit, those that have been settled, to date and those outstanding and progress report to date)</p>
1109	2021/2022	1095. Delayed Construction of Mwache Multipurpose Dam Project	The Committee recommends that the Accounting Officer takes concrete steps towards completion of the project and submits a status report to the Committee within three (3)	Acquisition of Priority areas 1 and 2 has since been finalized and handed over to the Contractor who has mobilized and commenced construction works.

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			months of adoption of this report	<p>To date, the following is the work progress:</p> <ul style="list-style-type: none"> <li>i) Two Contractors camps in both the main Dam and Lower Check Dams have been completed and in use.</li> <li>ii) Access roads have been graded and in use around the construction area</li> <li>iii) Excavation works at the main dam ongoing on both the right and left banks is ongoing. Slope protection being undertaken concurrently</li> <li>iv) Construction of Base camp and Administration building is ongoing</li> <li>v) Assembling of aggregate crushing plant has been completed and test runs are being conducted before full roll-out of aggregate production</li> <li>vi) Explosive magazine has been complete and in use and this will accelerate the rate of excavation works</li> <li>vii) Lower Check Dam diversion channel excavation has been completed and the river diverted to allow for dam foundation excavation before commencement of concrete works</li> <li>viii) Overall work progress stands at 5% and efforts are being put to fast track the implementation.</li> </ul> <p>NLC are currently undertaking acquisition of priority area 3 land which will only be required for the impoundment of the dam and therefore will not affect the progress of the ongoing works. Awards for the affected persons in P3 expected to be issued starting March 2024. ANNEX 1195</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1096. Unresolved Prior Year Matter  1096.1. Unrecovered Funds on Terminated Contract	The Committee reprimands the Accounting Officer for failure to implement its recommendations in the cited report and recommends that the Accounting Officer provides a status update within three (3) months of adoption of this report	<p>The Ministry terminated the contract after the Contractor abandoned the works before completion. The termination process followed the contract provisions and warning letters, and notices were issued leading to termination after non-compliance.</p> <p>A joint inspection for final certification established that the contractor owed the employer a sum of Kshs. 12,749,749.43 being the balance of unrecovered advance payment plus difference in interim payments and actual certified works and a further 15,003,089.30 in applicable penalties due to fundamental breach of contract. The Ministry wrote a demand letter dated 10th August 2020 for payment of the debt in accordance with the terms of the contract. The Contractor has responded through an advocate refuting the demand.</p> <p>The matter has been forwarded to the Ministry's legal counsel for follow-up to ensure the payment is done. (Correspondences and Contract documents attached)</p> <p>The Ministry wrote to Chartered Institute of Arbitrators of Kenya (CI Arb) on 31st October 2023 vide letter Ref MWSI/SDI/PS/76(46) requesting for the appointment of an Adjudicator to guide in the resolution according to Clause 23.1 and 23.2 in the General Conditions of Contract. The institute requested to be furnished with all the contract documents as requested in order to appoint a suitable candidate to guide in the process. (Attached letters from</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>Ministry and CIArb). The institute vide letter Ref. dated November 2023 appointed an adjudicator who has communicated to the parties and the arbitration process is set to commence.</p> <p>Meanwhile, the remaining works have been awarded to local contractors using the balance of unutilised funds in lots to ensure the objective of the project is achieved.</p> <p>The current work progress is approximately 75%. For the first lot of 6No. schools. An additional 3No. has been contracted and work will commence soon. ANNEX 1196</p>
1109	2021/2022	1097. Sustainability of Project's Livelihood Programme	The Committee recommends that the Accounting Officer implements its recommendations in the cited report and provides a status update within three (3) months of adoption of this report	<p>A fiduciary review was conducted jointly by the CRWSCRIP and PIU officials on September 2020 to monitor the progress by the supported groups. A follow-up assessment of expenditures records by the project accountant showed the gaps on the un-accounted funds totalling to Kshs. 3,303,696.</p> <p>The groups were instructed to avail supporting documents for the un-accounted funds before disbursement of any more funds to them. The project worked in collaboration with the Kwale County PIU and another review was undertaken and the missing accounting documents were availed by the beneficiary groups.</p> <p>The funds are fully accounted for and the matter concluded. The documents were availed for audit verification in financial year 2022/23.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				Due to the challenges experienced in the financial management and accountability for the grants, it was decided that no further funding would be disbursed under this sub-component. Annex 1097
1109	2021/2022	1100. Undisclosed Interest on Delayed Payment to Contractor	The Committee directs the Accounting Officer to put in place measures to ensure that interest/penalties on delayed payments are not incurred	<p>The Ministry has improved the processing of the IPCs through the appointment of the Contract Implementation Team (CIT) responsible for reviewing and making recommendations before payments are approved and processed.</p> <p>Other action taken include submission to the National Treasury for a request for additional funding to facilitate the conclusion of the remaining activities of the dam construction. Appendix 1100A- Appointment letter for CIT.</p> <p>Appendix 1100B- PCN to NT on request for funding.</p>
1109	2021/2022	1101. Unresolved Prior Year Audit Matters	The Committee recommends that the Accounting Officer submits a status report on outstanding projects within three (3) months of adoption of this report by the House	<p>The Ministry has endeavored to resolve these issues. Measures taken include:</p> <ul style="list-style-type: none"> <li>i. Submission of a CAB Memo to National Treasury with a proposal on financing of the remaining phases of the Program. The report is due for discussion with AfDB to secure supplementary funding for the Program.</li> <li>ii. An Inter-Agency Technical Committee under Ministry of Water, Sanitation and Irrigation is involved in the control and pollution of Athi River. The team meets monthly to follow up on agreed targets.</li> <li>iii. Establishment of the Nairobi Rivers Commission is part of the government's efforts to reduce the effects of pollution on rivers that feed Athi River.</li> </ul>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				Further, a contract has already been awarded to a firm to clean up the river. Appendix 1101- Letter from Ministry to NT seeking for additional funding.
1109	2021/2022	1103. Pending Bills Annex 2 to the financial statements	The Committee recommends that the Accounting Officer ensures that pending bills are settled as a first charge pursuant to Regulation 42 of the PFM (National Government) Regulations, 2015	The Ministry has prioritized the payment of pending bills using the budgetary allocation provided. It was able to pay Ksh 117,997,317 in the year ended 30th June 2025 and shall settle the outstanding balances in tranches subject to availability of adequate budgetary allocation and exchequer provision.  Appendix 1103- List of Pending Bills paid in 2024/25.
1109	2021/2022	1104. Delayed Completion of Works	The Committee recommends that the Accounting Officer submit a status report of the project within three (3) months of the adoption of this report	i. Filling of the dam embankment has substantially been and the settlement took 7 months and recommendation for the commencement of the concrete face slab by the Dam Safety Panel of Experts.  ii. The progress report prepared by the Supervising Consultant for the period ended 30th April 2025 is provided.  Appendix 1104- Progress report as at 30th April 2025.
1109	2021/2022	1105. Incomplete Corporate Social Responsibility Projects	The Committee recommends that the Accounting Officer submit a status report of the uncompleted projects within three (3) months of the adoption of this report	Drilling works on the sixth (6) borehole was undertaken on 28th July 2025 but the borehole was found to be dry with no water at a depth of 280 meters.  The Ministry is considering re-evaluation of the site with a view of undertaking a comprehensive and detailed geophysical survey to locate potential fracture zones and analyze structural water lineaments before alternative site is selected for drilling.  Areas with higher resistivity contrast and interpreted deep-seated fractures will be prioritized.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				Appendix 1105- -Report from Tanathi Water Works Development Agency (TAWWDA) on the drilling of the borehole.
1109	2021/2022	1110. Long Outstanding Advance	The Committee recommends that it awaits the report of the Auditor General for FY 2022/23.	The Project management notes the recommendation for implementation. The Project management will continue to follow-up with the Ministry for the refund of the project funds and seek the National Treasury guidance of the Project closure agreed protocols accordingly. Attached is an earlier effort seeking refund.
1109	2021/2022	1111. Lack of an Approved Procurement Plan	The Committee reprimands the Accounting Officer for failure to institute an annual work plan.	The Project was extended late in the financial year and only a line budget item was provided for. A detailed procurement plan was not prepared but this recommended is noted and will be fully implemented going forward.
1109	2021/2022	1112. Delay in Project Implementation - Manooni Water Project	The Committee recommends that the Auditor General ascertains status in subsequent audit.	Delay in implementation of Manooni Project was due to litigation process that was underway occasioned by a complaint by one of the bidders. The process took more than one year to be completed (Letter attached from Tanathi Water Works Development Agency and PPOA).  Subsequently the project commenced in June 2021 was at 99 % completion as at June 2022. The Project Status report and the Monitoring reports are attached to provide the project status. ANNEX.1112
1109	2021/2022	1113. Inventory Management Control Weakness	The Committee reprimands the Accounting Officer.	i) The inventory purchased under the Project were stored in a section of the Ministry store.  ii) The accountable documents that were used at that particular time are available at the Ministry's main stores though the project has since been wound up.

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				<p>iii) The Ledger Stores are available at the Ministry's Main Stores and have since been provided to the auditors for review.</p> <p>iv) The Accounting Officer appointed various Committees to undertake procurement and inventory duties. Further to the above, the National Treasury is supporting State Departments to roll out a stores and Inventory Management information System which is a Module in the IFIMIS. The Module has already been rolled out and already in use. ANNEXTURE 1113</p> <p>v) (Appointment letters to the procurement Committees)</p>
1109	2021/2022	1115. Unresolved Prior Year Audit Matters	The Committee recommends that the Auditor General ascertains status in subsequent audit.	
1109	2021/2022	1117. Failure to Remit Statutory Dues	The Committee reprimands the Accounting Officer for failure to ensure statutory deductions are remitted.	We wish to state that the Human Resource Department is following the guidelines and is currently deducting the statutory dues. This was effected from the subsequent financial year. ANNEX.1117 (Copy of payment vouchers)
1109	2021/2022	1128. Project Performance and Timelines	The Committee recommends that the Accounting Officer settles the pending bills as first charge.	<p>The Agency made budgetary requests to the parent ministry to clear the pending payments and upon clearing of pending payment to the Contractor, formal closure will be executed.</p> <p>Any asset that whose right to use has not been transferred to the county governments will be effected at the time of official closure. ANNEX 1128 (program appraisal report and completion report)</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	<b>1135.</b> Delayed Project Completion and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	The Agency has reported that all the assets which were acquired through the project have since been tagged properly and are available for verification. <i>ANNEX 1135 - Status Report.</i>
1109	2021/2022	<b>1145.</b> Failure to Open and Operate a Separate Project Bank Account	The Committee reprimands the Accounting Officer for breach of Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015.	AWWDA has since gotten approval from NT to open a separate bank account for the Kenya Towns Sustainable Water Supply and Sanitation Program GOK counterpart funds. The NT approval to open bank account and current Bank Statements are attached. <i>ANNEX 145 (3) - The NT approval to open the Project Bank Account</i> <i>ANNEX 145 (4)- Bank Statements are attached.</i>
1109	2021/2022	<b>1146.</b> Stalled Projects  <b>1146.1</b>  Changamwe Re-pooling Sewer Network	The Committee recommends that the Accounting Officer submits a status report of the arbitral proceedings within three (3) months of the adoption of this report.	Due to the contractor's non-performance AWWDA initiated the process of contract termination and recalling of guarantees. The contractor on his part, obtained a court injunction restraining AWWDA from evicting them from site and stopping the process of guarantee recall until the case is heard and determined. As it stands, all the site is still under the contractor's possession until he hands over the works to AWWDA.  We also reiterate that the contractor had not constructed the manhole covers and therefore the works have not been vandalized. Unblocking of the manholes is also within the contractor's scope of works after completion of the works at no further cost to the contract.  That notwithstanding, we confirm the value for money for the expenditure to date being payment against value of certified works except for the guaranteed advance payment.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>The Project is currently under arbitration. <i>ANNEX 1146.1</i></p> <p>(5)- Letter to contractor on non-performance</p> <p>(6)- Guarantee recall letters</p> <p>(7) – Ruling</p> <p>(8)- Summary of court proceedings</p>
1109	2021/2022	<p><b>1147.</b> Delayed Project Implementation</p> <p>1147.1 Slow Implementation of Machakos Water Supply Project</p>	<p>The Committee recommends that the Accounting Officer submits a status report of the project within three (3) months of the adoption of this report.</p>	<p>We therefore confirm that the issue of non-confirmation of value for money does not arise because the payments are against certified works and the contract is progressing well as per programme of works and it is still within the implementation period.</p> <p>The valuation for the affected parcels has been completed awaiting budget for compensation to allow for access for dam construction works.</p> <p>The overall progress of the project is currently at 66% with the major pending works being the dam construction. <i>ANNEX 147.1 (12)- Extension of time for Machakos Water Supply Project</i></p>
1109	2021/2022	<p>1147.2 Slow Implementation of Machakos Sewerage Project</p>	<p>The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.</p>	<p>The current overall progress is 72.53%, the contract completion date is 14th July 2024. The contractor has been handed over all the sites under the contract. We confirm that the works will be completed within the extended time period as per the contractor's revised programme of works.</p> <p>Consequently, the issue of inability to confirm value for money on the expenditure related to this project does not arise because payments are made against value of works executed except for advance payment which is guaranteed and in the process of being recovered. <i>ANNEX 147.2 (13)- Extension of time for Machakos Sewerage Project</i></p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1147.3 Slow Implementation of Kitui Matuu Last Mile Project	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	<p>We wish to confirm that the works are at 36% implementation and that all sites have been handed over to the contractor. It is true that the contractor has been having cash flow challenges leading to inadequate mobilization of materials and equipment for the works.</p> <p>We further confirm that both the implementing and the beneficiary agencies have jointly held several management meetings with the contractor to resolve the challenges highlighted in a bid to push for timely completion of the remaining works.</p> <p>The Kshs.102,144,319 incurred within the financial year is the value of measured work executed hence the issue of inability to confirm value for money on the expenditure related to this project does not arise.</p> <p>The contract is currently under termination having been given a No Objection by AfDB to terminate. ANNEX 147.3  <i>(14)- Employers letter to contractor for non-performance</i>  <i>(15)- No Objection from AfDB to terminate the contract.</i></p>
1109	2021/2022	1150. Acquisition of Land - Lack of Ownership Documents	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	The Ministry wishes to state that the amount of Kshs. 76,755,500 relates to Land Acquired by TWWDA for implementation of Marsabit Water & Sewerage Infrastructure and Parcels of land amounting to Kshs. 13,011,998 relate to land acquired for implementation of Chogoria and Chuka Water & Sanitation Infrastructure. Six land parcels valued at Kshs.42,685,300 have title deeds and the title deeds are hereby provided. ANNEX 1150

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1109	2021/2022	1151. Unresolved Prior Year Matter	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	<p>The Ministry wishes to state that the amount of Kshs. 76,755,500 relates to thirteen (13) parcels of Land Acquired by TWWDA for implementation of Marsabit &amp; Mandera Sewerage Infrastructure and Kshs. 13,011,998 relate to twenty (20) parcels of land acquired for implementation of Chogoria and Chuka Water &amp; Sanitation Infrastructure.</p> <p>At the time of Committee recommendation only six (6) title deeds had been acquired. The Agency has since acquired four (4) more title deeds and therefore, currently the Agency has ten (10) title deeds out of thirty-three (33). The details of the four (4) additional title deeds are shown in table 1 below:</p>
1109	2021/2022	1157. Unsupported Bank Balance	The Committee reprimands the Accounting Officer for failing to adhere to the terms of the contract.	<p>The amount of Kshs. 7,325,775 relates to part payment of eight (8) parcels of land for implementation of Chogoria and Chuka Water and Sewerage Infrastructure.</p> <p>At the time of the Committee recommendation the parcels of land were under succession proceedings. The current status is as shown in the table 3 below:</p>
1109	2021/2022	1161. Delayed Projects Implementati on	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	<p>1) <i>Keroka</i> The KRA notice was lifted in May, 2022 and contractor remobilized to site and works commenced to completion. The advance guarantee has since been fully recovered. The project's final inspection was carried out on 15th and 16th February 2024.</p> <p>2) <i>Kabarnet last mile connectivity</i> The contingent sum of the contract was set aside at 10% of the grand total of the contract.</p>

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				<p>This is as specified in contract and was to cater for contractor's camp, personnel, house, equipment and project utilities such as security, water and electricity to be maintained on a monthly basis for entire project duration.</p> <p>3) <i>Acquisition of land.</i> The Agency paid full price for parcels that were fully transferred to the Agency or title deeds surrendered with proper transfer documents. However, only 85% was released in respect to the parcels whose ownership was pending successful transfer to the Agency and retained 15% of negotiated prices amounting to Ksh 61,784,802.</p> <p>4) <i>Kipkaren dam treatment works and associated pipeline water project</i> The advance payment guarantee of Ksh 118,572,444 was extended to 26th December 2022 during which performance was not achieved. Copy attached.</p> <p>The parties to this contract mutually agreed to terminate due to non-performance by the contractor.</p> <p>The bank granted a 'No Objection' to the notice for termination with conditions towards final and recovery of the full advance payment made to the contractor. Copy documentation attached.</p> <p>The contractor is currently demobilising from site and mobilising all materials at his custody to site for purposes of preparation for final inspection and settlement. The project remains at 62% complete.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>5) <i>Bomet-Mulot water and Sanitation</i>                      The advance payment guarantee of Ksh 356,652,161 is not a measure for certified works but a pre-condition towards commencement of works as per the General Conditions clause 14.2, 14.3 and 14.7.1 of Contract and the percentage is as supported in the specific/particular conditions of the contract as specified.</p> <p>This advance is payable upon provision of a valid bank guarantee and is recoverable upon achieving 20% of certified works to be fully recovered upon attaining 80% certified works.</p> <p>Works are on-going and is at 36%.</p> <p>6) <i>Oyugis water supply and sanitation</i>                      The variation was catered for within the contingent sums and was due to unforeseen additional quantities of works arising from designs at execution stage and is within the scope of works under the contract. This was done in accordance to the conditions of contract. The project was completed and handed over in. Report of handover attached.</p> <p>7) <i>Chepareria sewerage project</i>                      The two projects, Kapenguria-Makutano and Chepareria by the same contractor were planned to be executed concurrently according to contract documents.</p>

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				<p>The project vehicles for Kapenguria was provided for at Ksh 14 Million and Chepararia was 3 vehicles for Ksh 22 Million. The Chepararia project was completed and final inspection carried out in July 2023. Attached is report. One of the vehicles was bought in February 2024.</p> <p>Execution of works for Kapenguria commenced and are on-going and all its vehicles were procured in February 2024. This project is at 45%.</p> <p>8) <i>Malaba water supply</i> There was a delay in getting approvals by Kenya Railways and this was resolved and the project is complete and copy of inspection snag list and minutes of handover/taking over of the project. The project was commissioned by the Head of State on 21st January 2024.</p>
1109	2021/2022	1162. Delay in Programme Funding	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	The overall programme current status is at 88% with donor fund of Ksh 11,341,603,964 and GoK counterpart of Ksh 750,285,605. <i>ANNEX 1162</i>
1109	2021/2022	1171. Budgetary Control and Performance	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	<p>The implementation of Kisii Water supply Project was in two phases;</p> <ul style="list-style-type: none"> <li>• Phase I -Development Phase: This phase was to conduct a feasibility study, design studies, and Environmental Impact Assessment. This was done in 2016 and completed in 2019.</li> <li>• Phase II-Implementation phase: This was to commence after confirmation of funding. The ING bank of Netherlands expressed interest to the National Treasury in February 2019,</li> </ul>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>to finance the implementation. The National Treasury is yet to mobilize the funding for implementation.</p> <p>The Agency could not start work plans for the project which the funding is yet to be mobilized. Work plans will be availed once the Implementing Agent is notified of the finance Agreements for funding of the project. <i>ANNEX 1171 (The feasibility study, preliminary design report, request to the ministry for financing of bunyunyu dam and response from the financier.)</i></p>
1109	2021/2022	1172. Absence of Project Cash book and Bank Account	The Committee recommends that the Accounting Officer evidences opening of the account to the Committee within three (3) months of adoption of this report.	The Agency made request to open project bank account in line with section 28 of the Public Finance Management Act, 2012 and is yet to receive approval. <i>ANNEX 1172 (Letter requesting opening of bank account.)</i>
1109	2021/2022	1173. Delay in Project Implementation	The Committee recommends that the Accounting Officer submit a status report within three (3) months of the adoption of this report.	<p>A new Financier, ING BANK of Netherlands had been identified by the BAM International. The Financier through the letter dated 5th February 2019 expressed interest to finance the Project up-to a cost of Euros 90,000,000. The expression of interest was addressed to the National Treasury for consideration.</p> <p>It is understood that the next steps for mobilization of funding for the project were disrupted by the Impact of COVID -19 pandemic. The National Treasury is therefore responsible to mobilize funding for the next stage of implementation. <i>ANNEX 1171 (Request to the ministry for financing of Bunyunyu dam and response from the financier.)</i></p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1175. Failure to Open Bank Account and Maintain a Separate Cash Book	The Committee reprimands the Accounting Officer for breach of the terms of the contract.	The Agency uses the development bank account for the GOK Counterpart payment of the project. The management has acted on the Auditors recommendation and the Board has approved for opening of GOK development account for the project.
1109	2021/2022	1176. Inaccuracies in the Financial Statements and Notes to the Financial Statements	The Committee reprimands the Accounting Officer for breach of the terms of the contract.	The Agency uses the development bank account for the GOK Counterpart payment of the project. The management has acted on the Auditors recommendation and the Board has approved for opening of GOK development account for the project.
1109	2021/2022	1180. Expansion of Water Supply Systems in Kericho	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of the report.	The 10 Acre piece of land where the New Kimugu Water Treatment Plant is being constructed was acquired by the County Government of Kericho through the National Land Commission. Payments have been made and the County Government of Kericho is in the process of transferring the land ownership from Unilever to the County Government of Kericho. <i>ANNEX 1180. (Copies of land acquisition)</i>
1109	2021/2022	1184. Unsupported Cash and Cash Equivalents	The Committee reprimands the Accounting Officer for breach of the terms of the contract.	The project donor component was paid directly by the financier through KfW Bank and the GOK Counterpart was paid for in the Development Bank account for the Agency  The Agency appreciated the Auditors recommendation and following the approval of the Board we are in the process of opening specific projects development bank accounts. <i>ANNEX 1184 (Opening of new bank)</i>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1187. Sustainability of the Project with certainty.	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	<p>The Agency has prepared and submitted a Project Concept Note to the Ministry of Water, Sanitation and Irrigation to negotiate funding (loan) for implementation of the designed works.</p> <p>As a result, the Project Sustainability is still secure since the funding for implementation is yet to be secured but is currently being discussed between the National Treasury and the German Development Cooperation through KFW.</p> <p>The extension of the disbursement window was requested by the Agency only for purposes of settling the outstanding consultancy services which were yet to be paid. However, all the tasks had been executed by the consultant. The National Treasury accepted the extension of the disbursement window for the project and factored additional budget for the program in the subsequent financial year.</p>
1109	2021/2022	1188. Lack of Evidence for Project Implementation	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report. 1189. Failure to Prepare Itemized Budget for the Project	The project initial objectives which were conducting feasibility study, needs assessment and establishment of waste water Management information systems have been achieved and the reports are available for review.
1109	2021/2022	1193. Failure to Open a Project Bank Account	The Committee reprimands the Accounting Officer for breach of Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015.	<p>The National Treasury approved for Athi Water Works Development Agency (AWWDA) to open a development bank account for the management of GOK counterpart funds to avoid opening a multiplicity of bank accounts to handle GOK counterpart and also projects which are fully GoK financed.</p> <p>The Project is 100% complete hence no need to open a separate Account for GOK counterpart funds.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1200. Delay in Completion of Ngethu - Gigiri Treated Water Pipeline	The Committee recommends that the Accounting Officer submit a status report within three (3) months of the adoption of this report.	The 55km long water transmission pipeline is currently at 96% complete; 53.5 km has been laid and 1.5 km is outstanding. The pipeline project is funded by AFD under credit CKE 1074. The pipeline works are expected to be completed in April 2024.  Quarterly Progress reports on the project implementation were also shared with all key stakeholders including the parent Ministry, National Treasury and the lender. (See attached quarterly reports).  The Project Management also holds monthly meeting with the lender where progress on all works components is discussed.
1109	2021/2022	1207. Unremitted Disbursements	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer provides evidence of receipt within three (3) months of the adoption of this report.	The funds were utilised by the ministry on behalf of the water company on implementation and monitoring of the projects
1109	2021/2022	1213. Shortfall in Achievement of Targets	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	The project is self-sustaining as the customers connected are billed and pay their bills.
1109	2021/2022	1218. Slow Progress of Works	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	The progress of works for construction of Kahawa West, Githurai 44 & 45, construction of Mwiki and Clayworks reticulation sewers and Construction of East and West of Nairobi Reticulation sewers is currently at 73%, 91% and 49% against a time lapse of 89%, 94% and 68% respectively.  The contracts for construction of construction of Kahawa West, Githurai 44 & 45 and construction of Mwiki and Clayworks reticulation sewers have since been extended to 11/7/2024 and 23/8/2024 in order ensure smooth completion of all the project

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>components (see Appendix 1- No Objection for contract extensions from AfDB) while the contract for Construction of East and West of Nairobi Reticulation sewers is still valid up to 29111 July 2023.</p> <p>In order to avert further delays in the implementation of this contract, the management has been holding weekly project management meetings with the contractor in addition to the monthly site meetings.</p> <p>We are in agreement that the three contracts have experienced delays occasioned by different reasons specific to each contract ranging from difficulties to site access by contractors, cashflow challenges by contractors and budgetary challenges especially for GoK counterpart.</p> <p>Although the three contracts under the project are behind schedule, we confirm that the project will deliver the envisaged project benefits to the residents of targeted areas without further delays. We have also ensured that contract extensions are done without cost to the Agency.</p> <p>To ensure that the project objectives are met, the management in liaison with the financier have extended the program implementation period to 31st December 2024 to take care of the time lost at the start</p> <p>This was done to ensure that the various contracts under the program have been extended in order to ensure attainment of the project objectives. <i>ANNEX 1218 (18)- Approval for project extension to 31st December 2024</i></p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1219. Labelling and Tagging of Project Assets in NARSIP II	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer ensures that the assets are properly labelled as provided under Regulation 166(4) (a) and (b) of the Public Procurement and Asset Disposal Regulation, 2020	Asset labelling is done at the final stages of project implementation before handover to the water service provider. The works under this project are yet to attain substantial completion hence the reason for the current status. The water company undertakes serialized labelling for ease of maintenance.  However, as part of the requirement of the contracts, all manhole covers are inscribed with the initials of the Water Services Provider in the area of jurisdiction for ease of identification.
1109	2021/2022	1225. Failure to Maintain Separate Bank Account	The Committee reprimands the Accounting Officer for failing to adhere to Regulation 76(1) of the Public Finance Management Regulations (National Government), 2015	The Authority has since opened a new bank account for the project. Please note that the Authority does not receive counterpart funds but they are directly paid to the contractors by the Donors.
1109	2021/2022	1226. Delay in Project Implementation	The Committee recommends that the Accounting Officer submits a status report within three (3) months of the adoption of this report.	New Main Canal and Associated Civil Works from Korakora to Nanighi is currently at 55% complete with the following milestone achieved. The major challenge affecting project progress is delay in payment of certified payment certificates as result of delay in release of exchequer funds for the GOK component. The contract is projected to be substantially completed by 30th April 2024.1227. There were no material issues relating to effectiveness of internal controls, risk management and governance.
1109	2021/2022	1234. Failure to Maintain a Separate Bank Account for the Project	The Committee reprimands the Accounting Officer for failing to adhere to Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015	The Authority has since opened a new bank account for the project. Please note that the Authority does not receive counterpart funds but they are directly paid to the contractors by the Donors.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1109	2021/2022	1237. Unsupported Bank Balance	The Committee reprimands the Accounting Officer for failing to adhere to Regulation 76(1) of the Public Finance Management (National Government) Regulations, 2015.	The Authority has been maintaining one cash book and bank account for all its GoK development grants. This has been due to the many projects that are managed by the Authority making it difficult to open a bank account for each of them. However, the Authority has since opened a new bank account for the project. Please note that the Authority does not receive counterpart funds but they are directly paid to the contractors by the Donors.
1109	2021/2022	1238. Pending Accounts Payable	The Committee recommends that the Accounting Officer should ensure that pending bills are settled as a first charge pursuant to Regulation 42 of the PFM (National Government) Regulations, 2015	The figure of Kshs.538,349.00 which refers to pending bill at the closure of the financial year as indicated under Note 12. The contract is time based and this amount relates to Payment certificate No.3 which was prepared on 25th May 2022 and recommended for payment on 27/05/22 and was in the process of approval for payment by the year end.

19. MINISTRY OF LANDS AND PHYSICAL PLANNING – VOTE 1112

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1112	2021/2022	1252 - Irregular Reallocation of Expenditure	The Committee reprimanded the Accounting Officers	(i) The Finance Unit has been directed to continuously monitor commitments. (ii) Seek Treasury authority for re-allocation at all times (iii) AIEs holders directed to ensure all requisitions are directed to Finance Office.
1112	2021/2022	1253 – Lack of Ownership Documents	The Committee recommended that the Accounting Officers maintains and avails for Audit Verification an updated Fixed Assets Register and concludes titling of all titles under the name of the State Department within six (6) months of adoption of this report by the house	(i) Asset Committee was appointed by the Principal Secretary (PS) and trained by the National Treasury. (ii) Asset Register exists and is being updated as assets re validated. Process of titling of Land under State Department is ongoing.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1112	2021/2022	1254 - Delayed Payment of Legal Claims	The Committee recommended that the Accounting Officers reviews all court awards and initiates disciplinary action against all officers who were involved in illegal or irregular acts that led to litigation within (6) six months of adoption of this report by the house.	The State Department is in the process of reviewing all cases with a view to single out acts of commission or omission that can be attributed to a specific officer or officers thus exposing government to liability. In due course, where disciplinary action is possible, it will be initiated immediate
1112	2021/2022	– Budgetary Control Performance	(i)The Ministry, Treasury and KRA integrates the Land Transactions System between KRA and the ministry for end-to-end control and accountability within one year of adoption of this report by the house.  (ii)National Treasury breaks down the vote head “others revenue” into various revenue of sub -heads with sub-codes.	The State Department for Lands and Physical Planning has onboarded their services on the Ardhi Sasa and E-citizen platform.
1112	2021/2022	1259 – Lack of Land Valuation Index	The Committee recommended that the M1inistry submits to the National Assembly land value indices for all forty - seven (47) counties within one year of adoption of this report by the house.	100 Valuers recruited in 2024. Exercise on going in piecemeal due to resource constraints. So far 30 counties are complete.
1112	2021/2022	1252 - Irregular Reallocation of Expenditure	The Committee reprimanded the Accounting Officers	(i) The Finance Unit has been directed to continuously monitor commitments.  (ii)Seek Treasury authority for re – allocation at all times,  (iii) AIEs holders directed to ensure all requisitions are directed to Finance Office.

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**20. STATE DEPARTMENT FOR ICT AND THE DIGITAL ECONOMY – VOTE 1122**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>HORN OF AFRICA GATEWAY DEVELOPMENT PROJECT -IDA CREDIT NO.6768 KE- INFORMATION AND COMMUNICATION TECHNOLOGY AUTHORITY</b>				
1132	2021-2022	1274. Outstanding Imprest	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer recovers interest as per the prevailing CBK rate, from the defaulting officers for the time they held Imprest outside the law, as per regulation 93 (6) of the Public Finance Management (National Government), Regulations 2015, within three (3) months of adoption of this report.	The recovery process has already been initiated.

**21. STATE DEPARTMENT FOR BROADCASTING AND TELECOMMUNICATIONS – VOTE 1123**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1123	2021/2022	1278. Non-payment of Pending Bills	Committee recommends that the State Department settles verified bills owed between itself and other government agencies within the prevailing financial year	<p>Pending bills for the Financial Year 2021/2022 and the prior Financial Years were submitted to the Pending bills verification Committee vide letter Ref. No. MICDE/BT/ADM/G/2/2 of 31<sup>st</sup>, January 2024 for authentication. The pending bills verification Committee is yet to release its report. Annex 1278</p> <p>The State Department undertakes to:</p> <ul style="list-style-type: none"> <li>i. Ensure that pending bills form first charge before new commitments.</li> <li>ii. No advertisement without LPOs/LSOs from respective MDAs.</li> <li>iii. GAA working with ICT Authority to digitize its advertising processes for efficiency</li> <li>iv. Reduction in the credit period for MDAs from 60 days to 30 days for payment of advertisement revenue.</li> </ul>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
	2021/2022	1279. Unresolved Prior Year Matters	The Committee recommends that the Accounting Officer avails a status report on implementation of the Committee's recommendations within three months of adoption of this report	-The State Department submitted an implementation matrix on the recommendation of the Committee vide letter Ref no. MICDE/BT/ACC/PAC/12/08 VOL.2 20 <sup>th</sup> September 2024. (Annex 1279)
1123	2021/2022	1280. Budgetary Control and Performance	The Committee recommends that the government re-looks at the centralization policy, and consider shifting its advertisements to other media, including the digital space, to cut on unnecessary costs.	The Government is gradually moving to the digital advertising space and is awaiting development of a Public Sector Advertising Policy that will align with the procurement requirements for publication in two newspapers of nation-wide circulation.
1123	2021/2022	1281. Incomplete Fixed Assets Register	<p>i) The Committee reprimands the Accounting Officer for failing to keep an updated fixed assets register contrary to Regulation 143 of the Public Finance Management (National Government) Regulations, 2015.</p> <p>ii) The Accounting Officer to prepare a complete fixed assets register and submits to the Committee within three (3) months of adoption of this report.</p>	-The updated Fixed Asset register was forwarded to the National Assembly Committee vide letter Ref.No.MICDE/BT/ACCTS/PAC/12 /08 VOL.I dated 13 <sup>th</sup> September 2024.( Annex 1281)
1123	2021/2022	1284. Salaries Paid Outside Integrated Personnel and Payroll Database (IPPD) System	The Committee recommends that the State Department for Public Service configures the IPPD system to capture all payable employee costs/ allowances, including miscellaneous expenses within three (3) months of adoption of this report.	The Ministry of Public Service has operationalized a new integrated payroll management system - Human Resource Information System [HRIS] effective 1 <sup>st</sup> December, 2024 which has replaced IPPD. The new system has since eliminated the inconsistencies and accommodates all allowances payable to officers.

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**22. STATE DEPARTMENT FOR SPORTS – VOTE 1132**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1132	2021/2022	1286: Unsupported Repairs and Maintenance Expenditure	The Committee reprimands the Accounting Officer and recommends that he takes administrative action on the specific officers who were responsible for custody of the documentation, with one (1) month of adoption of this report by the House	Administrative action has been taken against the responsible officers through issuance of warning letters. The Department has also strengthened internal controls, introduced a centralized documentation system, and assigned accountability officers to ensure proper custody of records.
1132	2021/2022	1287: Unsupported fuel, oil and Lubricants Expenditure	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer enforces control measures and record keeping henceforth.	The Accounting Officer has enforced new fuel management procedures including fuel card monitoring, trip authorization, and strict reconciliation of fuel usage reports. Training on documentation and accountability has also been conducted.
1132	2021/2022	1288: Unresolved Prior Year Matters	The Committee recommends that the State Department ensures implementation contained in the said report, within the given timelines, and avails a status report within three months.	The State Department is implementing the content of the prior year's recommendations. A status report will be availed in three-month time.
1132	2021/2022	1289: Construction of Wanguru Stadium in Kirinyaga.	The Committee will make substantive recommendations in its report on the special audit report of the Auditor General on construction of stadia across the country.	The State Department is waiting the PAC recommendations on the special audit for action.
1132	2021/2022	1290: Construction of Kirigiti Stadium in Kiambu County.	The Committee will make substantive recommendation in its report on the special audit report of the Auditor General on construction of stadia across the country.	The State Department is waiting the PAC recommendations on the special audit for action.
1132	2021/2022	1291: Posta Sports Ground.	The Committee recommends that in light of the overlapping scope of the two (initial Posta grounds projects and Talanta stadium), the Auditor General conducts a comprehensive audit once construction is complete.	The State Department is waiting the comprehensive audit report outcome for action.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1132	2021/2022	1292: Unauthorized Use of Fuel Cards	The Committee recommends that due process be completed within three (3) months of adoption of this report and all lost monies recovered.	Investigations have been concluded, disciplinary action initiated, and recovery measures instituted against the culpable officers. The Department has strengthened fuel card controls and reports all usage to management on a monthly basis.

**23. STATE DEPARTMENT FOR CULTURE AND HERITAGE – VOTE 1134**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1134	2021/2022	1293. Inaccuracy in the Statement of Cashflow	The Committee reprimanded the Accounting Officer for failing to prepare & keep proper accounting records as required by Sections 81 & 83 of the PFM Acts Act 2012.	Proper accounting records kept. No similar audit query has been raised in subsequent audits.
1134	2021/2022	1294. Long Outstanding Third-Party Deposits and Retention	i)The Committee recommends that the Accounting Officer always ensures timely remittance of retention funds.	Timely transfer of retention funds has been done other than for the ongoing projects (Annex I)
1134	2021/2022	1295. Pending Accounts Payable	The Committee recommends that the Attorney General accords his opinion to the State Department within three (3) months of adoption of this report, and the Accounting Officer concludes on the matter concludes.	Opinion of the Attorney General has been granted on the matter (Annex II)
1134	2021/2022	1296. Incomplete Fixed Asset Register	The Committee recommends that the Accounting Officer has in place a fixed asset register within three (3) months of adoption of this report by the House.	Fixed assets register has been put in place (Annex III)
1134	2021/2022	1298. Unsolved Prior Years Matters	The Committee recommends that the Auditor General confirms status in subsequent audit.	All unutilized Sports Fund has been returned. (Annex IV)

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24. STATE DEPARTMENT FOR ENERGY – VOTE 1152

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
1152	2021/2022	1303. Non-Compliance with approved establishment	Non-compliance with approved establishment	The Committee recommended that the Accounting Officer liaises with the Public Service Commission and aligns its staffing to approved establishment within three months of adoption of this report	<p>The matter is still pending. Current status on filling technical staff;</p> <p>i) PSC has appointed eight (8) posts in Job Group 'P' and above and the recruitment on other posts is in progress.</p> <p>ii) The State Department for Energy advertised 20 posts internally and recruitment is in progress.</p> <p>The Public Service Commission vide letter declined the request on review of Staff Establishment for support staff cadre and directed that we liaise with relevant scheme administrators to facilitate redeployment of suitable officers appropriately</p> <p>Consequently, the Accounting Officer has conveyed the decision of the Commission for redeployment of excess staff to the scheme administrators.</p>
<b>KENYA OFF-GRID SOLAR ACCESS PROJECT FOR UNDERSERVED COUNTIES (IDA CR. NO. 6135-KE) (KOSAP SNV NETHERLANDS DEVELOPMENT ORGANIZATION)</b>					
1152	2021/2022	1319 Budgetary Control and Performance	Budgetary and Performance	The Committee reprimanded the Accounting Officer for failure to ensure effective project management, and recommended that the Accounting Officer submits a status report within 3 months of adoption of this report.	The matter is still pending. The management has since restructured the financing agreement to ensure that the funds are fully absorbed.
1152	2021/2022	1320 Non-Compliance with the terms for Subsidiary Agreements	Non-compliance with the terms for Subsidiary Agreements	The Committee reprimanded the Accounting Officer for failure to ensure effective project management, and recommended that the Accounting Officer submits a status report within 3 months of adoption of this report.	The matter is still pending. The management did a no cost extension with SNV Netherlands till December 2025 to ensure the goals of the project are achieved
1152	2021/2022	1323 Delay in Implementation of the Project	Delay in Implementation of the Project	The Committee reprimanded the Accounting Officer for failure to ensure effective project management, and recommended that the Accounting Officer submits a status report within 3 months of adoption of this report.	The matter is still pending. The management has restructured the loan to ensure utilization of the loan amounts.

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25. STATE DEPARTMENT FOR LIVESTOCK DEVELOPMENT – VOTE 1162

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1162	2021/2022	1441. Unsupported Prior Year Adjustments	The Committee recommends that the Auditor General confirms that the adjustments were done in the subsequent audit.	The Auditor General has since Confirmed that the adjustments were done in the accounting books as required in the subsequent audit.
1162	2021/2022	1442. Unsupported Accounts Payables - Retentions	The Committee recommends that the Accounting Officer pro-actively settles the outstanding dues and/or remits to Treasury if they exceed five years.	The State Department for Livestock Development has since settled all the outstanding pending bills for the Financial year 2021/2022 amounting to Ksh. 32,106,769.40. Annex 1442 Attached
1162	2021/2022	1443. Unaccounted for Long Outstanding Imprests	i. The Committee reprimands the Accounting Officer for acting in breach of Regulation 93(8) of the PFM (National Government) Regulations, 2015 on imprest management;  ii. The Committee recommends that the Accounting Officer liaises with the DCI and ensures prosecution and recovery of outstanding amounts from Mr. Paul Mukundi.	The outstanding imprest from Mr. Paul Nyuiri Mukundi Ksh. 2,103,100 has since been fully recovered from his Pension benefits vide RTGS Ref. No. FT25112843ZX dated 22 <sup>nd</sup> April, 2025.
1162	2021/2022	1445. Delay in Payment of Court Awards	The Committee recommends that the Accounting Officer and National Treasury prioritizes settling of the outstanding award since it was no longer contingent, i.e. not appealed.	The court awards comprised two cases amounting to Ksh. 4,025,953,160 as follows;  a) Halal Meat Products Limited Ksh. 4 Billion The State Department for Livestock Development submitted request to the National Treasury for budgetary support to facilitate settlement of the court award.  However due to huge financial resources required to settle the court award and tight fiscal framework, the court award has not been settled to date. The issue was then

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>escalated to the chief of Staff and Head of public service for deliberation and direction</p> <p>Annex 1445 (a)</p> <p>i) Letter to the National Treasury</p> <p>ii) Letter from the National Treasury</p> <p>iii) Letter to Chief of Staff and the Head of Public Service.</p> <p>b) Associated Architect– Ksh. 25,953, 160.</p> <p>The State Department for Livestock Development has since settled this Court award fully vide TRFS Ref. No. FT23347S032N dated 13<sup>th</sup> December, 2023 paid to State Law office. Annex 1445 (B)</p> <p>iv) Electronic Funds Transfer Slip attached</p>
1162	2021/2022	1446. Irregular engagement of temporary employees	The Committee reprimands the Accounting Officer and urges that	However, The State Department had sought authority to employ
1162	2021/2022	1447. Failure to provide adequate Eldoret Butterfat Station	The Committee recommends that the Accounting Officer prioritizes the service with adequate resources during allocation of resources.	<p>Compared to the year under review, the State Department for Livestock development has since been increasing budgetary allocations to butterfat stations to finance their operations. This is despite persistent budget cuts due to austerity measures across ministries. In the financial years 2022/2023 and 2023/2024, butterfat stations received budgetary allocations amounting to Ksh. 15 Million and 37.7 Million respectively compared to Ksh. 10.8 Million in the financial year under review.</p> <p>Annex 1447 (a) 2022/2023 Budget Annex 1447 (b) 2023/2024 Budget</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1162	2021/2022	1448.1 Fixed Assets Registers not Updated	The Committee recommends that the Accounting Officer fast-tracks the process, including tagging of assets, and submits a complete assets register within three (3) months of adoption of this report.	Updating of Fixed Assets registers is a continuous process. The registers have since been updated and ready for review.  Annex 1448.1 Non-Biological Assets Register attached
1162	2021/2022	1448.2 Incomplete Biological Asset Register.	The Committee reprimands the Accounting Officer for failure to keep updated registers, and availing them to auditors for verification during audit.	The Biological Assets Register has since been completed and readily available for review.  Annex 1448.2 - Biological Assets Register Attached.
1162	2021/2022	1448.3 Failure to Maintain Works in Progress Register	The Committee reprimands the Accounting Officer for failure to keep updated works-in progress registers, and availing them to auditors for verification during audit.	The work-in-Progress registers for the State Department for livestock Development have since been updated and available for review. The State Department also undertakes to continually update the same regularly and readily avail them for audit review. Annex 1448.3 Attached
<b>DONOR FUNDED PROJECTS</b>				
1162	2021/2022	1451. Unpaid Insurance Claim fo Project Vehicles.	The Committee recommends that; i) The Accounting Officer ensures that the claim is settled within one (1) month of adoption of this report, failure to which the Attorney General commences legal action; and  ii) The insurer and its directors be then blacklisted from providing service to government entities forthwith.	AMACO Insurance Company has failed to make good on the settlement of the insurance claims despite several demand requests. The case has since been forwarded to Hon. Attorney General to take up the matter and initiate legal proceedings against the Insurance company.  Annex 1451 (a), (b) (c) and (d) Attached
1162	2021/2022	1461. Irregular Reallocation of Expenditure	The Committee recommends that the Accounting Officer in liaison with National Treasury correctly classifies all expenditure, even for donor projects, in subsequent financial years.	The confusion caused by misclassification of expenditures has since been rectified in the subsequent financial years with the help of the National Treasury. This includes Donor funded projects.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1162	2021/2022	1462. Unsupported Pending Accounts Payables.	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of the PFM Act 2012 and section 9 (i) (e) of the Public Audit Act,2015, respectively.	The State Department for Livestock Development undertakes to provide all the required support documentation on time and in the prescribed format in all future Audit engagements without unnecessary delay.

**26. STATE DEPARTMENT FOR FISHERIES, AQUACULTURE AND THE BLUE ECONOMY – VOTE 1166**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1166	2021/2022	1465. Variances Between Financial Statements and Supporting Schedules	The Committee reprimands the Accounting Officer and recommends that administrative action be taken on negligent officers, and submits evidence of this within three (3) months of adoption of this report.	Accounts reconciled and reviewed by audit in the Financial Year 2023/2024
1166	2021/2022	1466. Misclassification of Expenditure	The Committee reprimands the Accounting Officer and recommends that administrative action be taken on negligent officers, and submits evidence of this within three (3) months of adoption of this report	The State Department submitted Annual Budget to The National Treasury for consideration to avoid future occurrence.
1166	2021/2022	1468. Inaccuracy of Expenditure on Purchase of Certified Seeds, Breeding Stock and Live Animals	The Committee reprimands the Accounting Officer for failure to keep proper accounting records contrary to section 68 (2)(b) of the PFM Act 2012, recommends that administrative action be taken on negligent officers, and submits evidence of this within three (3) months of adoption of this report.	Noted
1166	2021/2022	1469. Unsupported Payments Outside Integrated Personnel and Payroll Database (IPPD)	The Committee recommends that the Accounting Officer recovers in full irregularly paid sums within three (3) months of adoption of this report.	Recovery from officers in the State Department has been done for September pay roll and letters have been sent to various Accounting Officers instructing them to recover from the officers outside our State Department.
1166	2021/2022	1470. Unsupported Expenditure	The Committee reprimands the Accounting Officer for late submission of documentation and recommends that the Auditor General reviews the documentation in subsequent audit	The audit report was reviewed in the subsequent years

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1166	2021/2022	1471. Unsupported Prior Year Adjustments	The Committee recommends that the Auditor General confirms the adjustments in subsequent financial year audited financial statements.	Noted
1166	2021/2022	1472. Unsupported Pending Bills	The Committee recommends that the Accounting Officer takes administrative and disciplinary action on officers who processed payments with incomplete documentation and overstated amounts, and submits a report to the Committee within three (3) months of adoption of this report.	The document forwarded to Pending Bills Verification Committee awaiting report
1166	2021/2022	1474. Irregular Expenditure on Initiation and Construction of Ultra-Modern Tuna Fish Hub at Liwatoni Complex	The Committee recommends that the EACC expeditiously conducts investigations into the entire project.	Noted
1166	2021/2022	1475. Stocking of Unspecified Dams, Ponds and Aquaponics Units with Fingerlings	The Committee recommends that the EACC expeditiously conducts investigations into the matter and that the Accounting Officer surcharges and initiates disciplinary action on those involved, and avails evidence of the same within three (3) months of adoption of this report.	Noted
1166	2021/2022	1476. Irregular Stocking of Fingerlings in Kisumu Region	The Committee recommends that the EACC expeditiously conducts investigations into the matter and that the Accounting Officer surcharges and initiates disciplinary action on those involved, and avails evidence of the same within three (3) months of adoption of this report.	Noted
1166	2021/2022	1477. Irregular Procurement for Supply and Delivery of Fingerlings	The Committee recommends that the EACC expeditiously conducts investigations into the matter and that the Accounting Officer surcharges and initiates disciplinary action on those involved, and avails evidence of the same within three (3) months of adoption of this report	Noted

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1166	2021/2022	1478. Unsupported Over-Expenditure	The Committee recommends that the Auditor General confirms the refund of Kshs.1,110,299 in subsequent financial year audit.	Reviewed in FY 2022/23
1166	2021/2022	1479. Failure to Account for All the Fishermen Trained Under a Presidential Directive	The Committee reprimands the Accounting Officer for failure to justify the training, and recommends that the Auditor General examines the seaman's books in subsequent financial year audit.	The report was reviewed by audit in FY 2022/23
1166	2021/2022	1480.3. Renovations and Rehabilitation Works at Fish Quality Control Laboratory Kisumu	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	Status report submitted for review
1166	2021/2022	1480.4. Renovations and Rehabilitation Works at the Gazi Fish Landing Site, Kwale County	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	Status report submitted for review
1166	2021/2022	1480.5. Renovations and Rehabilitation Works at Ngomeni Fish Landing Site, Kilifi County	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	Status report submitted for review
1166	2021/2022	1480.6. Rehabilitation at the Kichwa Cha Kati Fish Landing Site, Kilifi County	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	Status report submitted for review
1166	2021/2022	1480.7. Proposed Construction of National Mariculture Resource Centre at Shimoni, Kwale	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	The documents were submitted for audit review in 2022/2023
1166	2021/2022	1481. Irregularities in Procurement of Supplies	The Committee reprimands the Accounting Officer for late submission of auditable documents contrary to section 62 (1)(c) of the Public Audit Act.	The documents were submitted for audit review in 2022/2023
1166	2021/2022	1483. Unsupported Contract Termination at Liwatoni Complex	The Committee recommends that the EACC expeditiously conducts investigations into the entire project as recommended in paragraph 1473 above.	Noted

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1166	2021/2022	1485. Lack of Assets Ownership Documents	The Committee recommends that the Accounting Officer avails a complete fixed asset register within three (3) months of adoption of this report by the House.	Status report submitted for review
1166	2021/2022	1488. Lack of a Tenancy Agreement	The Committee; i. Severely reprimands the Accounting Officer for failure to act on its recommendations and recommends that the Accounting Officer makes good the loss, within three (3) months of adoption of this report;  ii. The Accounting Officer obtains current market valuation and adjusts the rent in a new tenancy agreement, within one (1) month of adoption of this report.	Valuation on market rate report submitted
1166	2021/2022	1489.1. Under-Collection of Revenue in Kenya Fishing Industry Corporation (KFIC)	The Committee reprimands the Accounting Officer for abrogation of duty and negligence, and recommends that the Accounting Officer audits all payments made in the financial year and invoices and recovers the conversion rate differences to the debtors, and submits a status report to the Committee within three (3) months of adoption of this report.	The matter is before the Court awaiting decision of the court
1166	2021/2022	1489.2. Delay in collection of Revenue	The Committee recommends that the Accounting Officer submits status of the court proceedings within three (3) months of adoption of this report	Status report submitted

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**27. STATE DEPARTMENT FOR CROP DEVELOPMENT AND AGRICULTURAL RESEARCH –  
VOTE 1169**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>STATE DEPARTMENT FOR AGRICULTURAL</b>				
1169	2021/2022	1502..Pending Bills	The Committee recommends that the Accounting Officer ensures that the NCPB clears the pending bills attributable to interest.	<ul style="list-style-type: none"> <li>i. The KCB loan for fertilizer subsidy for 2017/2018 was fully cleared on 8th March, 2024. <b>Annex 1502 (a)</b></li> <li>ii. A total of Kshs 750 million has been paid towards Export Trading Company pending bill. The balance will be paid in the current financial year 2025/2026 Annex <b>Annex 1502 (b)</b></li> </ul>
1169	2021/2022	1503.1. Delayed Erection and Completion of Administration Offices/Hostels Block	The Committee recommends that the Accounting Officer avails a status report on the project within three (3) months of adoption of this report.	<ul style="list-style-type: none"> <li>i. The project has made significant progress and is 98% complete. The expected date of completion is 29th September, 2025.</li> <li>ii. The project will be commissioned by H.E. The President on 30th September, 2025.</li> <li>iii. The school administration is optimistic that these works will be completed on time and is therefore pursuing registration of the campus by TVETA as an Agricultural Technical, Vocational Education and Training Institution licensed to offer Diploma and certificate in Agriculture related courses.</li> <li>iv. The school envisions to admit the first cohort of regular students this financial year, 2025/2026.</li> </ul>
1169	2021/2022	1503.2. Stalled Construction of Laare Miraa Markerting Shed	The Committee recommends that the Accounting Officer avails a status report on the project within three (3) months of adoption of this report.	<ul style="list-style-type: none"> <li>i. The contractor resumed works on 11th March, 2024. The new completion date was at 30th January, 2025. As at 1st September, 2025, the works were 80% complete with a total of kshs. 21,671,169.70 already paid to the contractor. The outstanding balance is kshs. 7,470,522.92.</li> </ul>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				ii. The works stalled due to lack of budgetary allocation since the beginning of 2024/2025 financial year.
1169	2021/2022	1504. Failure to Maintain a Fixed Assets Register	The Committee recommends that the Accounting Officer avails a complete register within three (3) months of adoption of this report.	Attached is the updated Fixed Assets Register ( <b>Annex 1504</b> )
<b>KENYA CEREAL ENHANCEMENT PROGRAMME - CLIMATE RESILIENT AGRICULTURAL LIVELIHOOD WINDOW</b>				
1169	2021/2022	1506. Non-Compliance with the One-Third of Basic Salary Rule	The Committee recommends that the Accounting Officer ensures incremental compliance.	Incremental compliance was adopted and One-Third of basic salary rule attained. Currently there is full compliance.
<b>MULTI-NATIONAL DROUGHT RESILIENCE AND SUSTAINABLE LIVELIHOODS PROGRAMME IN THE HORN OF AFRICA</b>				
1169	2021/2022	1511. Unapproved Reallocation of Expenditure	The Committee reprimands the Accounting Officer for breach of section 43(2) of the PFM Act 2012.	The Accounting Officer has ensured that subsequent project accounts for the years of 2022/23, 2023/24 and the current 2024/25 FYs have complied with Section 43 (2) of the PFM Act 2012.
1169	2021/2022	1512. Stalled Projects	The Committee recommends that the Accounting Officer avails a status report of the outstanding projects, within three (3) months of adoption of this report.	<p><b>a) Sale Yard in Samburu County – Lol Kunyani Livestock</b> Original Contract terminated and has since been re-advertised under the BREFONS Project. Works currently ongoing at 80% completion.</p> <p><b>b) Kurungu Livestock Market Yard in Samburu County</b> The contract was terminated at 70% after the contractor deserted site. The paid measured works was Ksh 7,482,192 or 63% of the Contract sum. The DRSLP Project officially ended on 30<sup>th</sup> December 2023. The stalled project has been taken up by the BREFONS project for completion.</p> <p>The Project has since re-advertised for the completion of the remaining works for the Kurungu Livestock sale yard and re-awarded to a new contractor. The project was been handed over to the contractor to commence construction works in March 2025 and currently is 65% completed.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
					<p><b>(Annex 1512 (a) – BREFONS advert for the Various Works)</b></p> <p><b>(Annex 1512 (b) - Notice of Contract termination for Kurungu Livestock Sale Yard)</b></p> <p><b>(Annex 1512 (c) - Signed Contract for the re-advertisement for construction of Kurungu Livestock Sale Yard in Samburu County)</b></p> <p><b>(Annex 1512 (d) – Current photos of the Kurungu Livestock Sale yard)</b></p> <p><b>c) Drilling and Equipping of Kalikwon Shallow Well in West Pokot County</b>                      The contract was terminated at 70% completion, re-advertised and re-awarded to a new contractor in June 2022 for a sum Ksh 6, 504, 677.37. The new contract is 100% completed, handed over and the community benefiting from the Shallow well.</p> <p><b>d)Drilling and Equipping of Chilo Shallow Well in West Pokot County</b>                      The contract was terminated at 60% completion, re-advertised and re-awarded to a new contractor in June 2022 for a sum Ksh 9,874,588.47. The new contract is 100% completed, handed over and the community benefiting from the Shallow well.</p> <p><b>e)Drilling and Equipping of Kasirma Borehole in Baringo County</b>                      The contract was terminated at 40% completion, re-advertised and re-awarded to a new contractor in June 2022 for a sum Ksh 8,437,809.72. The new contract is 100% completed, handed over and the community benefiting from the Borehole.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>e) <b>Drilling and Equipping of Chepel Borehole in West Pokot County</b></p> <p>The contract was terminated at 40% completion and re-advertised and re-awarded to a new contractor in June 2022 for a sum Ksh 7,447,079.03. The new contract is 100% completed, handed over and the community benefiting from the Borehole.</p>
1169	2021/2022	1513. Unsupported Procurement of Contracts	The Committee reprimands the Accounting Officer for late submission of documentation.	The omission was noted and is regretted. We commit to ensure that this doesn't recur.
<b>SMALL-SCALE IRRIGATION AND VALUE ADDITION PROJECT</b>				
1169	2021/2022	1519. Stalled and delayed completion of projects	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report.	<p>i. Most of the projects did not achieve the intended objective due to poor water quality.</p> <p>ii. A summary of status report for each of the 17 project is provided in the annex.</p> <p><b>(Annex 1519)</b></p>
1169	2021/2022	1520. Abandoned Projects	The Committee recommends that the Ministry responsible for water adopts latest technology in mapping out boreholes to reduce failure rates.	This is noted. The State Department will in future ensure that modern technology is used by the responsible State Department to help attain desired outcome.
1169	2021/2022	1521. Stalled Construction of Kabason Irrigation Scheme in Bomet County	The Committee reprimands the Accounting Officer for failure to recover advanced payments made to the contractor as first charge from his certificates, and recommends that a completion report be availed within three (3) months of adoption of this report.	<p>All advanced payments to the contractor have been fully recovered and the project is complete.</p> <p>Completion certificate is hereby attached <b>(Annex 1521)</b></p>
1169	2021/2022	1522. Omitted Works in Makanyanga Irrigation Scheme Access Roads Project	The Committee and recommends that that Accounting Officer takes administrative action on the engineer responsible within one (1) month of adoption of this report, including reporting to the relevant professional body.	The Accounting Officer forwarded the issue to HRMAC. HRMAC in its decision gave a warning to the officer <b>(Annex 1522a)</b>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>NATIONAL AGRICULTURAL AND RURAL INCLUSIVE GROWTH PROJECT</b>				
1169	2021/2022	1539. Rehabilitation and Upgrading of Wajir Livestock Institute	The Committee reprimands the Accounting Officer for breach of section 87 (1) of the PPAD Act 2015.	In future we shall ensure that projects are initiated/implemented after private lands have been transferred to public institutions in full compliance with section 87 (1) of the PPAD Act 2015.
1169	2021/2022	1540. Irregular Signatories to the Operation Bank Account in Lamu County	The Committee recommends that the Auditor General reports the matter to the Senate in the subsequent audit cycle.	Parliament to notify the Office of the Auditor General to report the matter to Senate in the subsequent audit cycle.
1169	2021/2022	1541. Construction of Inaya Irrigation System on Private Land	The Committee reprimands the Accounting Officer for committing public funds to a project on private property, before acquisition, and recommends that a title in favour of government be availed within three (3) months of adoption of this report.	The transfer of the private land to County Government of Kakamega was discussed and approved in the 1st Executive Committee meeting held on 23rd January, 2024 as confirmed by a letter from the County Secretary Ref.No.OG/CGK/ECM/2/3/Vol.VI(6) dated 25th January, 2024. <b>(Annex 1541)</b>  The County Government is currently in the process of obtaining the title deed.
<b>ENABLE YOUTH KENYA PROGRAM</b>				
1169	2021/2022	1548. Slow Absorption of Project Funds	The Committee recommends that the Accounting Officer avails a status report within three (3) months of adoption of this report.	i. The program absorption has since increased from 26% to 34% as 30th June 2025. ii. The program has received a no objection extension for another two years ending on 30th June, 2027. Additionally the main challenge which was Risky Guarantee Fund has been given a No Objection to be restructured which will enable the utilization the funds by the end of the project period. iii.
1169	2021/2022	1549.2. Delayed Implementation of Projects - Ramogi Institute for Advanced Technology - Kisumu	The Committee recommends that the Accounting Officer avails a status report within three (3) months of adoption of this report.	The project is still awaiting No Objection report from the donor. Procurement process of the contracts for the drainage will commence immediately the approval is received.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1169	2021/2022	1549.3. Delayed Implementation of Projects - -Regional Pastoralist Center - Narok	The Committee recommends that the Accounting Officer avails a status report within three (3) months of adoption of this report.	<p>i. The contractor who was renovating and rehabilitating the incubation centre for regional pastoral centre in Narok requested for termination, which the program accepted. <b>(Annex 1549.3a)</b></p> <p>ii. The program has written to the donor for the no objection and is waiting for a response. <b>(Annex 1549.3b)</b></p>
1169	2021/2022	1550. Delays in Delivery of Goods by Suppliers	The Committee recommends that the Accounting Officer avails a status report within three (3) months of adoption of this report.	<p>The pig and beef have been fully supplied and are currently in use.</p> <p>The contractors were unable to supply the mushroom and vegetable equipments as they were not readily available in the market. We have initiated the processes of re-tendering for the mushroom and vegetable equipments and are currently awaiting a no objection from the bank.</p>
<b>MULTI-NATIONAL RURAL LIVELIHOODS' ADAPTATION TO CLIMATE CHANGE IN THE HORN OF AFRICA</b>				
1169	2021/2022	1561. Variances Between Financial Statements and IFMIS Ledger	The Committee reprimands the Accounting Officer for failure to keep proper accounting records.	The omission was noted and is regretted. We commit to ensure that this doesn't recur by ensuring activities done by both the Department and projects are undertaken within the stipulated timelines.
<b>SUPPORTING AGRICULTURAL INPUT AND OUTPUT MARKETING POLICY AND REGULATORY REFORMS TO IMPROVE THE ENABLING BUSINESS ENVIRONMENT FOR AGRICULTURE IN KENYA</b>				
1169	2021/2022	1573. Lack of Internal Audit Review	The Committee recommends that the Accounting Officer henceforth ensures compliance with Section 73(3)(b) of the Public Finance Management Act, 2012.	<p>i. The Ministerial Audit Committee has been constituted and additionally, The Internal Auditor General has posted additional internal audit personnel to reinforce the Department and help ensure timely reviews of key activities as per the work plan.</p> <p>ii. Going forward, resources will be availed to support the Internal Audit Functions for compliances.</p>

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**28. STATE DEPARTMENT FOR COOPERATIVES – VOTE 1173**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1173	2021/2022	1579. Misstatement Of Expenditure On Rentals Of Produced Assets.	Committee Reprimands the Accounting Officer for failure to keep proper accounting records.	The expenditure which was erroneously posted to rentals have since been reversed and posted to the right account through voucher no. 4065-1412
1173	2021/2022	1581. Irregular Award Of Tender for Proposed Modernization of Luanda Farmer's Cooperative Union Ginnery	Committee Reprimands the Accounting Officer for mismanagement of Contract.	All subsequent Project Implementation Committees are well briefed on their mandates.
1173	2021/2022	1582. Irregular Procurement for Consultancy Services To Modernize Coffee Factories.	Committee Reprimands the Accounting Officer for not adhering strictly to procurement laws.	Strict adherence to procurement laws is being observed in all procurement undertakings.

**29. STATE DEPARTMENT FOR TRADE AND ENTERPRISE DEVELOPMENT – VOTE 1174**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1174	2021/2022	1585. Government Assets  1585.1 Loss Of Motor Vehicles	The Committee directs that the Accounting Officer liaises with the DCI on the matter and submit a report within three (3) months of adoption of this report.	Following the adoption of the above report by the Public Accounts Committee on 14 <sup>th</sup> March, 2025, the Accounting Officer has undertaken the following;  i) The Principal Secretary has made reminders through letters Ref:MEAACT/13/GK A589T/(13) and Ref:MEAACT/13/GK H604/(14) dated 6 <sup>th</sup> December, 2024 to the Inspector General on the two vehicles.  ii) The Principal Secretary held a meeting with the Inspector General of Police on 16 <sup>th</sup> July, 2025 to discuss the matter and bring it to a speedy conclusion and he has promised to take it up. We continue to follow up for a speedy resolution.
1174	2021/2022	1582.2	The Committee recommended that the Accounting Officer liaises	(i)The Cabinet Secretary through a letter Ref.MITI/SDT/1/42(40)

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
		Lack Of Ownership Documents for Parcel of Land in South C Nairobi	with the Nairobi City County and National Land Commission to secure a title document, and submits a report to the Committee within three (3) months of adoption of this report.	<p>dated 26<sup>th</sup> November, 2024 submitted an authenticated Plan L.R.NO.209/10474 converted to NAIROBI/BLOCK 146/149 to the Secretary/CEO, National Land Commission.</p> <p>ii) Through a letter Ref.CF 7821/24 dated 30<sup>th</sup> April, 2025, the National Land Commission wrote to the Cabinet Secretary Ministry of Investment, Trade and Industry informing him of the consideration of his request whereby they made a resolution to reserve the Land to the State Department for Trade and forwarded the reservation notice for gazette.</p> <p>The reservation order for parcel L.R. No.209/10474 – Nairobi for Weights and Measures Complex has now been Gazetted in Gazette Notice No.8895 on 9<sup>th</sup> June, 2025.</p>

**30. STATE DEPARTMENT FOR INDUSTRY– VOTE 1175**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1175	2021/2022	1591.Pending Bills	The Committee recommended that eligible pending bills be settled as first charge in the prevailing financial year.	The Accounting Officer has always prioritized payment of pending bills in successive financial years.
1175	2021/2022	1593.Failure to Provide Internal Audit Reports	The Committee reprimanded the Accounting Officer and recommended that the Accounting Officer constitutes the audit Committee immediately.	The Ministerial Audit Committee was constituted on 21 <sup>st</sup> June, 2024 for a period of three years.
1175	2021/2022	1595.Budgetary Control and Performance	The Committee recommended that the Accounting Officer submits a status report on the project within three (3) months of adoption of this report.	The Accounting Officer submitted The Project Status report when he appeared before the PAC on 8 <sup>th</sup> July 2025 on audit matters for the financial year 2022/2023.

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31. STATE DEPARTMENT FOR LABOUR AND SKILLS DEVELOPMENT – VOTE 1184

VOTE	FINANCIAL YEAR	PARAGRAPH NO AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1184	2021/2022	1607. Unsupported Balances	The Committee reprimands the Accounting Officer for acting contrary to the provisions of Section 68(2Xk) of the PFM Act 2012.	The schedules had since been provided for audit in the audit for FY 2022/2023
1184	2021/2022	1609. Unresolved Prior Year Matters	The recommends that the Accounting Officer status report on implementation of the Committee's recommendations within three months of adoption of this report.	The unresolved prior year matters for the financial 2020/2021 were addressed in the financial statements of 2021/2022 and reviewed by the auditors.
1184	2021/2022	1610. Stalled Construction of the National Employment Promotion Centre	The Committee recommends that the Accounting Officer considers pursuing remedial measures on the contractor for non-performance and fundamental breach of the contract, and submit a status report within three (3) months of adoption of this report.	The ministry has received KShs 150 million in the financial year 2025/2026 for construction of the institute and is in the process of advertising for a new contract.
1184	2021/2022	1611. Stalled Construction of the Research Institute Office Complex for the Directorate of Occupational Safety and Health Sciences	The Committee recommends that the Accounting Officer submits a status report within three (3) months of adoption of this report by the House.	The project is ongoing and the contractor is on site. The completion status as at June 2025 is 95%
1184	2021/2022	1613. Lack of a Functional Audit Committee	The Committee reprimands the Accounting Officer for failing to establish a functional audit Committee contrary to the provisions of Section 73 (5) of the Public Finance Act,2012.	The audit Committee has been constituted and is functional
1184	2021/2022	1614. incomplete Fixed Assets Register	The Committee recommends that a complete fixed assets register be availed for audit review in the subsequent financial year.	The State Department has revised the fixed assets register, is complete and has been availed to the auditors.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>DONOR FUNDED PROJECT : KENYA YOUTH EMPLOYMENT OPPORTUNITIES PROJECT- CREDIT NO. 58120-KE</b>				
1184	2021/2022	1615. Unsupported Cash and Cash Equivalents	The Committee reprimands the Accounting Officer.	The bank reconciliation supporting the cash balances of KShs 27,251,447 was provided for audit in the subsequent audit of FY 2022/2023
1184	2021/2022	1616. Inaccuracies in the Statement of Cash Flows	The Committee reprimands the Accounting Officer.	The inaccuracies in the statement of cash flow was corrected in the subsequent financial statement of FY 2022/2023
1184	2021/2022	1617. Inaccuracies in the Statement of Comparison of the Budget and Actual Amounts	The Committee noted that the error on the financial statements had since been corrected.  The Committee reprimands the Accounting Officer for failure to keep proper accounting records	The error was as a result of typos which was corrected in the FY 2022/2023 financial statements.

**32. STATE DEPARTMENT FOR SOCIAL PROTECTION – VOTE 1185**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1185	2021/2022	1633:Undeserving Programme Beneficiaries	The Committee recommends that the Auditor General conducts a special Audit on Beneficiaries of the sums advanced through the programme from inception to ascertain whether there was loss of funds, and reports to the national assembly within (6)months of the adoption of this report.	Payroll Cleansing has been on going with support from other government agencies like the Civil Registration Service and the Pensions Department. In 2024 and 2025 we exited 62000 and 100000 beneficiaries respectively who were deceased. We also exited 7000 who were earning some pensions from government in 2024.  We have reviewed the eligibility criteria of the programme to ensure only the most vulnerable are enrolled.  We have also moved payment to the E-citizen Safaricom Mpesa which has improved the identification of the beneficiaries  We are in the process of conducting a country wide recertification of all the cash transfer beneficiaries to establish

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				their current economic and social status with view of exiting those who are ineligible and replacing them with the most vulnerable.
1185	2021/2022	1637: Anomalies in the Summary of the Fixed Asset Register	The Committee noted that all the parcels of land have been identified and titling process is on-going	A Committee has been established and fully operationalized to oversee and accelerate the titling process. To further strengthen this effort, a liaison Lands Officer was appointed to coordinate with the relevant authorities and address any challenges related to the titling of the State Department's parcels of land. The Department has also continued to engage and collaborate closely with the Ministry of Land and other Government agencies to facilitate the acquisition of land ownership documents.
1185	2021/2022	1628: Discrepancy between Payroll and Financial Statements	The Committee recommends that the State Department for Public Service configures the IPPD system to capture all payable employee costs/allowances	<p>The current payroll, HRIS-Ke systems support the processing of all employees benefits with the exception of gratuity allowances for the contract based employees and certain payments due upon an employee's exit. These include: Promotion awarded post-retirement, Salaries and allowances payable after demise of an employee and payment resulting from conclusion of disciplinary cases.</p> <p>Such payments are only processed after the affected employee has been permanently exited or deleted from the system.</p>

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**33. STATE DEPARTMENT FOR PETROLEUM & MINING – VOTE 1194**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1194	2021/2022	1655. Misclassification of Expenditure	The Committee reprimands the Accounting Officer for failure to lawfully re-allocate vote heads, as provided for under section 43 (2) of the Public Finance Management 2012.	-
1194	2021/2022	1659. Delayed implementation of the Mwananchi Liquefied Petroleum Gas Enhancement Project	The Committee recommends that the Accounting Officer submits a status report on the roll-out of the new project within three (3) months of adoption of this report.	Mwananchi Liquefied Petroleum Gas enhancement project was formally allocated to National Oil Corporation of Kenya (NOCK) to Implement.  The State Department has released all gas cylinders designated for this project to NOCK to ensure smooth Roll out of Mwananchi Liquefied Petroleum Gas enhancement project.
1194	2021/2022	1660. Irregular Payment of Special Duty Allowance	The Committee recommends that the Accounting Officer regularizes its structure with the PSC within three (3) months of adoption of this report.	The accounting officer has since regularized the new organisation structure, and Public Service Commission (PSC) is in the process of filling in the vacant posts as per approved Staff Establishment
1194	2021/2022	1661. Delayed Completion of Office Partitioning Works	The Committee recommends that the state department leverages on its long-term tenancy to re-negotiate terms of the lease to recover lost time, within three (3) months of adoption of this report.	The State Department has since taken possession of the lease following completion and partitioning works.
1194	2021/2022	1662. Non-Compliance with the Data Protection Act,2019	The Committee reprimands the Accounting Officer for failure to comply with the Data Protection Act 2019.	-
1194	2021/2022	1663. Failure to Establish a Public Finance Management Committee	The Committee reprimands the Accounting Officer for failure to establish a PFM Committee.	-

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1194	2021/2022	1665. Lack of a National Petroleum Policy and Plan	The Committee recommends that the Accounting Officer ensures completion of the strategic plan and policy and submits the same to the Committee within three (3) months of adoption of this report.	Ministry of Energy and Petroleum Strategic Plan for the Period 2023 - 2027 developed and launched on 19.05.2025, and uploaded in the Website.  The National Petroleum Policy was fully developed and submitted to Cabinet for approval in November 2025
1194	2021/2022	1666.1. East Africa Portland Cement Company	The Committee recommends that the Accounting Officer ensures all sums due are recovered in total within an acceptable payment plan, and avails a status report within three (3) months of adoption of this report.	The State Department has taken measures to ensure that the arrears due are recovered from the company. During the financial years 2024/2025, the State Department received Kshs. 5.5 million from the company as part payment of the arrears.
1194	2021/2022	1666.2. Savanna Cement Company	The Committee recommends that the Accounting Officer and the Receiver of Revenue immediately takes legal measures to ensure full recovery.	The committee recommended that the Accounting Officer and the Receiver of Revenue takes legal measures to ensure full recovery. The management has since written to the Receiver Manager demanding full payment of the arrears.
1194	2021/2022	1666.3. Tata Chemicals Magadi Limited	The Committee recommends that the Accounting Officer ensures all sums due are recovered in total within an acceptable payment plan, and avails a status report within three (3) months of adoption of this report.	The State Department has since recovered all the arrears due. As at the end of last F/Y 2024/2025, Kshs.472 million was received from the company being full settlement of the long outstanding arrears.
1194	2021/2022	1666.4. African Diatomite Factories Limited	The Committee recommends that the Accounting Officer ensures all sums due are recovered in total with an acceptable payment plan.	The company has paid all the outstanding arrears. By the end of F/Y 2024/2025 the balance of arrears of Kshs.11million was received.
1194	2021/2022	1666.5. Carbacid (CO2) Limited	The Committee recommends that the Accounting Officer ensures all sums due are recovered in total within an acceptable payment plan, and avails a status report within three (3) months of adoption of this report.	The company made payments totaling to Kshs.126 million during the financial year 2024/2025. The long outstanding arrears due to the company are now fully settled.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1194	2021/2022	1672. Failure to Enforce Surrender Mineral Rights	The Committee recommends that the Cabinet Secretary implements recommendations of the Mineral Rights Board within three (3) months of adoption of this report	The Mineral rights board recommendations were fully implemented.
1194	2021/2022	1673. Dealing in Minerals Without Valid Licenses	The Committee recommends that the Accounting Officer expedites the licensing and provides confirmation of the same within three (3) months of adoption of this report.	-
1194	2021/2022	1674. Lack of Revenue Sharing Framework	The Committee recommends that the Cabinet Secretary submits the Regulations to the National Assembly within three (3) months of adoption of this report.	The Mining (Mineral Royalty Sharing) Regulations, 2025 have been approved by the Office of the Attorney General vide a letter dated 27th August 2025. The Regulations are pending execution by the Cabinet Secretary before gazettelement. Upon gazettelement, the Regulations will be submitted to the National Assembly for accession
1194	2021/2022	1677. Irregular Issuance of Mineral Exploration Rights	The Committee recommends that the Ethics and Anti-Corruption Commission i) investigates the then Cabinet Secretary for irregular issuance of License.	<ul style="list-style-type: none"> <li>The matter is in the purview of EACC.</li> </ul>
1194	2021/2022	1678. Expired Prospecting License	<p>i. The Accounting Officer in liaison with the mining police unit intensifies patrols and enforcement across the country;</p> <p>ii. Persons already deported from the country for illegal criminal acts be red-listed and not allowed back into the country;</p> <p>iii. Foreigners found to be engaging in illegal mining activities be prosecuted subject to section 202 of the Mining Act 2016, before deportation.</p>	The mining police Unit have intensified the patrols and the enforcement across the country to curb the illegal mining practices. As a result, eighteen (18) foreigners operating illegally in Migori county were arrested and deported.
1194	2021/2022	1680. Lack of an Updated Cadaster Records	The Committee recommends that the Accounting Officer avails the cadaster register within three (3) months of adoption of this report.	The Cadaster has been updated.

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**34. STATE DEPARTMENT FOR TOURISM – VOTE 1202**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1202	2021/2022	1689.2 Statements of assets and liabilities	The Committee noted that the Accounting Officer belatedly availed requisite documents and explanations. The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time as required by section 81 of the PFM Act 2012 and section 9(i) (e) of the public Audit Act, 2015, respectively.	The Committee has pronounced itself on the matter by reprimanding the Accounting Officer on the issues that were raised.
1202	2021/2022	1689.3 Statements of Cash Flows.	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time as required by section 81 of the PFM Act 2012 and section 9(i) (e) of the public Audit Act, 2015, respectively.	Requisite documents were availed and explanation provided by Accounting Officer. The Committee pronounced itself by reprimanding the Accounting Officer on the matter.
1202	2021/2022	1689.4 Difference between the Financial Statement and Trial Balance.	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time as required by section 81 of the PFM Act 2012 and section 9(i) (e) of the public Audit Act, 2015, respectively.	Requisite documents were availed and explanation provided by Accounting Officer. The Committee pronounced itself by reprimanding the Accounting Officer on the matter.
1202	2021/2022	1690 Inaccuracies in the presentation of Financial Statements.	The Committee observed that the errors had since been corrected. The Committee reprimands the Accounting Officer for failing to keep proper accounting records, required by section 81&83 of the PFM act 2012.	The errors were corrected and the Committee pronounced itself on the matter by reprimanding the Accounting Officer on keeping proper accounting records and observing section 81& 83 of PFM Act.
1202	2021/2022	1692. Unsupported payment of Deposits.	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time as required by section 81 of the PFM Act 2012 and section 9(i) (e) of the public Audit Act, 2015, respectively.	Requisite documents were availed and explanation provided by Accounting Officer. The Committee pronounced itself by reprimanding the Accounting Officer for failing to provide support documents and observing section 81 of the PFM Act 2012 and section 9 (i) (e) of the public Audit Act 2015.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1202	2021/2022	1693. Use of Goods and Services- Design and Procurement of Government Calendars.	(i). Reprimands the Accounting Officer for acting contrary to section 51(2) (a) and (b) of the public procurement and Asset Disposal Act. 2015. (ii) The Committee Recommends that the then Accounting Officer be surcharged a total of Ksh.1,666,583.60 That was paid as agency fee.	(i) The Committee pronounced itself by reprimanding the Accounting Officer on the issue. (ii) The State Department has taken necessary steps by informing the then Accounting Officer of the PAC resolutions and need to pay the Agency fee which we are fast tracking.
1202	2021/2022	1694. Undisclosed Revenue in the Financial Statements.	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time as required by section 81 of the PFM Act 2012 and section 9(i) (e) of the Public Audit Act, 2015, respectively.	Support documents were provided and the Committee pronounced itself by reprimanding the Accounting Officer on the matter.

35. STATE DEPARTMENT FOR WILDLIFE – VOTE 1203

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1203	2021/2022	1778. Outstanding Pending Accounts Payables	<b>Committee Recommendations;</b> The Committee recommends that the National Treasury prioritizes provision of compensation of claims, as first charge.	As per Attached Report
1203	2021/2022	1701. Lack of ICT Policy and Risk Management Policy	<b>Committee Recommendations;</b> The Committee recommends that the Accounting Officer avails a status report on operationalization of both policies, within three (3) months of adoption of this report.	The State Department developed ICT Policy and was approved by the Accounting Officer in 2024. The Department is in the process of implementing the ICT Policy.
<b>DONOR FUNDED PROJECT COMBATING POACHING AND ILLEGAL WILDLIFE TRAFFICKING IN KENYA THROUGH INTEGRATED APPROACH (IWT. KENYA) PROJECT</b>				
1203	2021-2022	1703. Budgetary Control and Performance	The Committee recommends that the Accounting Officer avails a status report on achievement of the project's key performance indicators, within three (3) months of adoption of this report.	<b>1. Implementation Status</b> The project has prepared and submitted a comprehensive report detailing the progress and achievement of the IWT-Kenya Project's Key Performance Indicators (KPIs). Despite the underfunding and under-expenditure noted during the review period, the Project has recorded significant achievements across all major components.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p><b>2. Summary of Progress and Achievements</b>                      Implementation Progress: Over 98% of planned activities have been implemented successfully across the project components. This is evidenced by the State Department's Performance contracting for the period which the project has been under implementation.</p> <p><b>3. Explanation of Underfunding and Under-Expenditure</b>                      The underfunding of KES. 40,663,707 and corresponding under-expenditure of KES. 42,429,186 resulted from:</p> <ul style="list-style-type: none"> <li>i. Delays in donor disbursements through the UNDP financing mechanism; and</li> <li>ii. Cash flow ceilings from the National Treasury during the financial year, which constrained timely implementation of certain activities.</li> <li>iii. All funds disbursed were prudently utilized in accordance with approved work plans, procurement procedures, and financial regulations.</li> </ul> <p><b>4. Corrective Measures Undertaken</b></p> <ul style="list-style-type: none"> <li>i. Strengthened coordination with UNDP and the National Treasury to ensure timely fund flow and release schedules.</li> <li>ii. Enhanced cash flow forecasting and quarterly expenditure tracking to align spending with project timelines.</li> <li>iii. Adjusted implementation sequencing to prioritize high-impact activities, ensuring efficient absorption of resources.</li> </ul>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>iv. The Project remains on course for full completion within the revised implementation period, ending 31st December 2025.</p> <p><b>5. Conclusion</b> The State Department confirms that the Auditor General's recommendation has been addressed. A detailed performance report covering all Key Performance Indicators, financial absorption analysis, and mitigation strategies has been submitted to the relevant oversight offices.</p> <p>The Project continues to deliver tangible outcomes in combating poaching and illegal wildlife trafficking in Kenya through an integrated and collaborative approach.</p>
1203	2021/2022	1705. Gender Imbalance	The Committee recommends that the Accounting Officer submits status of recruitment of the next vacant position as soon as it is done.	<p><b>Project Manager/Coordinator</b> This post attracted 7 candidates whereby 2 females were shortlisted against 5 males. All the 7 candidates were interviewed and the candidate who emerged the best based on merit and qualifications was male. The 2 female candidates who were interviewed did not attain the set mean score.</p> <p><b>Project Finance Officer</b> This post attracted 7 candidates whereby 3 females were shortlisted against 4 males. Six candidates were interviewed and one male did not show up for the interview. The candidate who emerged the best based on merit and qualifications was male. The 3 females who were interviewed did not reach the set mean score.</p> <p><b>Project Monitoring and Evaluation Officer</b> This post attracted 7 candidates whereby 3 females were shortlisted against 4 males. All candidates were interviewed.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>Neither candidate emerged the best nor attained the set mean score.</p> <p>This post was Re-advertised and attracted 9 candidates; 2 Females against 7 males. Only 5 candidates were interviewed since 3 male and 1 female candidate did not turn up for the interview. The candidate that emerged the best based on merit and qualification was male.</p> <p><b>Project Landscape coordinator</b> This post attracted 13 candidates whereby 4 females were shortlisted against 9 males. Only eleven candidates were interviewed since one male and one female candidate did not turn up for the interview. The candidate that emerged the best based on merit and qualifications was male.</p> <p><b>Status of Subsequent Recruitment Project Manager/Coordinator</b> This post attracted 9 candidates whereby 3 females were shortlisted against 6 males. All the candidates but one male candidate was not interviewed for not presenting his original certificates as was required were interviewed. The candidate that emerged the best based on merit and qualifications was <b>female</b>.</p> <p><b>Project Landscape coordinator</b> This post attracted 10 candidates and 3 females were shortlisted against 7 males. 9 candidates were interviewed apart from one female who didn't present her original certificates for the interview. The candidate that emerged the best based on merit and qualifications was male.</p> <p><b>Status of Next Recruitment</b> The Ministry of Tourism and Wildlife, State Department for Wildlife advertised for the following Nine (9) vacancies to be filled competitively for the Project</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>Management Unit on “<i>Advancing Human-Wildlife Conflict Management Effectiveness in Kenya through an Integrated Approach</i>”.</p> <p>The project will be funded by the Global Environmental Fund (GEF) and Global Wildlife Programme (GWP) and implemented by the State Department for Wildlife as the lead Executing Agency.</p> <p><b>Advertised posts</b>                      Technical Lead—1 post                      Finance and Grants Officer—1 post                      Environmental and Social Safe guards Office—1 post                      Communications, Monitoring and Evaluation Officer—1 post                      Landscape Officer—3 posts                      Office Assistant—1 post</p> <p>The process of selection and placement is on-going and it is hoped that the prevailing recruitment parameters will favour more female candidates as per the third gender rule.</p>

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36. STATE DEPARTMENT FOR GENDER – VOTE 1212

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1212	2021/2021	1709. Unresolved Prior Year	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three (3) months of adoption of this report.	<p>i. In the financial year 2020/21 para 1585 of fixed asset register, the Department was to submit the same to the National Treasury and National Assembly which was done.</p> <p>ii. FY 2021/22, the Department was to submit to the National assembly the underlisted which has been done as directed by this Committee vide letter ref. MGCAH/SDGAA/FIN.3/VOL.II(16) dated 20<sup>th</sup> September,2024.</p> <ul style="list-style-type: none"> <li>• Financial agreement Kenya Finland Project (Par 1707)</li> <li>• Pending bills exchequer requests and respective payment dates (Para 1908)</li> <li>• Letters to the AG on follow up of recovery of irregular payments made in FY 2018/2019 (Para 1910)</li> </ul> <p>lii. Appointment of ICT Policy Steering Committee - draft ICT Policy (Para1712). <i>The issues was a discussed in the National Assembly PAC FY 2022/23 and was resolved.</i></p>
1212	2021/2021	1710 Failure to implement PAC Recommendation	The outstanding dues be recovered within three (3) months of adoption of the report, failure to which the Accounting Officer be fully surcharged	All outstanding dues from officers within the State Department have been recovered. However, for officers in other State Departments and those that have left the service have not been recovered and reminder letters to their Accounting Officers and the AG have been done.The matter was discussed at the National Assembly's PAC during the examination of Auditor General report financial year 2022/23. Waiting for the adoption of the report.
1212	2021/2021	1712. Lack of ICT Policy	The Accounting Officer ensures that the office has en IT Security Policy end avails a status report within three (3) months of adoption of this report.	The Department has developed a draft ICT policy and is the process of finalizing. This also include the development of Business continuity Plan/disaster Recovery Plan.

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**37. STATE DEPARTMENT FOR PUBLIC SERVICE – VOTE 1213**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1213	2021/22	1714. Unsupported Accounts Payables- Deposits	The Committee recommends that the Accounting Officer liaises with that of the State Department for Planning and settles the matter within three (3) months of adoption of this report	A letter to the PS Planning Ref: MPSG&AA/SDPS/ACCTS/4/Vol.II(235) dated 20/09/2023 and Treasury Circular Ref: AG.3/88 Vol.7/(24) dated 15/02/2023 on retention moneys and unclaimed deposits surrender to National Treasury resolved this matter.
1213	2021/22	1716. Long Outstanding Pending Accounts Payables	The Committee recommends that the Accounting Officer prioritizes settlement of eligible pending bills as first charge as provided for under Regulation 42 of the Public Finance Management (National Government) Regulations, 2015.	Historical Pending bills of Kshs.114M are before PBVC awaiting recommendation. As of the closure of the FY 2024/25 a total of 1.359Bn had been settled out of 1.53Bn that was outstanding. Current Trade payables is Kshs. 206,921,453.50.

**38. STATE DEPARTMENT FOR YOUTH AFFAIRS & CREATIVE ECONOMY – VOTE 1214**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1214	2021/2022	1721. Budgetary Control and Performance	The Committee recommends that Treasury releases appropriated amounts in time to ensure attainment of programme objectives	The State Department exchequer request for the financial year 2024/25 were forwarded to the National Treasury in time and the exchequer was received and all the planned programmes were implemented.
1214	2021/2022	1722. Late Exchequer Releases	The Committee recommends that the Accounting Officer makes timely exchequer request as guided by well-forecasted work-plans	The State Department is currently making timely exchequer request as per the approved expenditure, work-plans and cash-flow projections.
1214	2021/2022	1723. Pending Bills	The Committee recommends that the Accounting Officer keeps proper documentation of all transactions to avoid future cases of unsupported pending bills.	The State Department submitted the historical pending bills to the pending bills Committee on 02/02/2024, REF:MOYACES/SDYACE/BUD/B/VOL.III (15) and we are awaiting the recommendation of the Committee for implementation.
1214	2021/2022	1724. Unresolved prior year matters	The Committee recommends that the Accounting Officer avails status of implementation of its recommendation within three (3) months of adoption of this report.	The State Department submitted the status of implementation of the recommendation of the report of the Public Accounts Committee on the report of Auditor General for financial year 2020/2021 to the National Treasury, Auditor General and PAC on 29/04/2024 REF: MYACE &S/SDY/ACCTS/(16).

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
	2021/2022	1726. Failure to provide Motor Vehicle Work Tickets	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of PFM Act 2012 and section 9(i) (e) of the Public Audit Act, 2015 respectively.	The State Department has streamlined the transport section. All the original work tickets are properly filed and kept.
	2021/2022	1729.1 Poor Workmanship	The Committee recommended that the Accounting Officer ensures that defects are remedied within six (6) months of adoption of this report by the House.	The State Department has prioritized to make good the defects for the Karachuonyo and Narok West Youth Empowerment Centres (YECs) in the Financial Year 2025/ 2026  In this regard we have requested the National Treasury for Reallocation of the Development Budget for the financial Year 2025/2026 to facilitate the repairs and renovation of the affected YECs.
	2021/2022	1729.2 Irregular Renting of Kithimani Youth Empowerments Centre	The Committee Reprimanded the Accounting Officer, and directs that the IEBC immediately vacates premises, and the Accounting office avails a status report on youth activities being carried out at the Centre, within three (3) months of adoption of this report.	The IEBC moved their Yatta Constituency Offices out of the Yatta Youth Empowerment Centre located at Kithimani on 27 <sup>th</sup> December 2024.
	2021/2022	1729.3 Delayed Installation of LAN and CCTV in Youth Empowerment Centers	The Committee recommends that the Accounting Officer ensures connection and supply of utilities to all the centers, and provision of adequate equipment within the financial year, and the Auditor General to confirm status in subsequent Audit.	The State Department is implementing this recommendation based on the annual approved budget by the National Assembly.
	2021/2022	1730. Incomplete Fixed asset Register.	The Committee recommended that the Accounting Officer seeks guidance from the National Treasury on valuing of old (and all other) assets, within three (3) months of adoption of this report.	The State Department is implementing guidelines issued by the National Treasury on transition to accrual reporting and this matter is therefore being addressed.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
	2021/2022	1733. Unsupported Expenditure	The Committee recommended that the Accounting Officer implements all recommendations contained in the performance Audit report of the Auditor General, and submits a status report to the Committee within three (3) months of adoption of this report.	The recommendations on performance audit were implemented and the status report given to National Treasury, The OAG and National Assembly.
	2021/2022	1735. Unresolved prior year issues.	The Committee recommends that the Accounting Officer avails status of implementation of its recommendation within three (3) months of adoption of this report.	The State Department submitted the status of implementation of the recommendation of the report of the Public Accounts Committee on the report of Auditor General for financial year 2020/2021 to the National Treasury, Auditor General and PAC on 29/04/2024 REF:MYACE &S/SDY/ACCTS/(16).
	2021/2022	1736. Incomplete Fixed Asset Register	The Committee recommends that the Accounting Officer seeks guidance from the National Treasury on valuing of old (and all other) asset, within three (3) months of adoption of this report.	The State Department is implementing guidelines issued by the National Treasury on transition to accrual reporting and this matter is therefore being addressed.
	2021/2022	1737. Non-compliance with project Work plan Implementation	The Committee recommends that the Accounting Officer implements all recommendations contained in the performance Audit report of the Auditor General, and submit a status report to the Committee within three (3) months of adoption of this report.	The recommendation on performance audit were implemented and the status report given to National Treasury, The OAG and National Assembly.
	2021/2022	1745. Unsupported Expenditure	1. The Committee recommends that the State Department avails to Cabinet a concept paper that merges all programs with the same desired youth empowerment outcomes for a coordinated approach within six (6) months of adoption of this report. 2. The Committee further reprimand the Accounting Officer for failure to keep proper accounting records.	1. The State Department is implementing three (3) donor funded projects with different thematic areas, Under these circumstances it may be challenging to merge the programmes 2.The State Department has taken appropriate measures to ensure that proper records are maintained

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**39. STATE DEPARTMENT FOR REGIONAL AND NORTHERN CORRIDOR DEVELOPMENT –  
VOTE 1222**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1222	2021/2022	235: Unsupported expenditures	The Committee reprimands the Accounting Officer for failing to provide support documents during the audit in breach of Section 9(1)(e) of the Public Audit Act 2015.	The support documents were provided to the auditors for verification and the issue resolved.
1222	2021/2022	236: Unsupported Accounts Payables	The Accounting Officer is reprimanded for failure to provide information within reasonable time to the Auditor General pursuant to Section 62(1) of the Public Audit Act 2015.	The retention deposits of Kshs. 6,511,798.45 were returned to the National Treasury as required by the PFM Act Regulation 106 and as per the National Treasury instructions vide circular ref AG.3/Vol.7/(24). The balance of Kshs. 502,207.95 has since been paid to the owners on completion of the works.
1222	2021/2022	237: Pending Accounts Payable	The Committee recommends that the Accounting Officer settles pending bills as first charge as per the provisions of Regulation 42 of the Public Finance Management (National Government) Regulations 2015.	The pending bills formed the first charge in the Financial Year 2022/2023 and were fully settled.
1222	2021/2022	238: Unresolved Prior Year Matters	The Committee recommends that the Accounting Officer submits a status report on implementation of its recommendations within three months of adoption of this report.	The query was redirected to the State Department for Devolution which had custody of the source documents indicating the nature of works and the payment vouchers.
1222	2021/2022	242: Unsupported Compensation of Employees Expenditure	The Committee recommends that the Auditor General establishes current status in subsequent audit.	The recommendation was directed to the Office of the Auditor General.
1222	2021/2022	243: Budgetary Control and Performance	The Committee recommends that the Auditor General monitors project progress in subsequent audit.	The recommendation was directed to the Office of the Auditor General.
1222	2021/2022	244: Lack of Monitoring and Evaluation of the Community Groups	The Committee recommends that the Auditor General reviews status in the subsequent Financial Year audit.	The recommendation was directed to the Office of the Auditor General.

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40. STATE LAW OFFICE AND DEPARTMENT OF JUSTICE – VOTE 1252

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1252	2021/2022	1773.1. Unsupported 3% Commission on Payroll Deductions	The Committee recommends that the Accounting Officer recognizes the movement of the funds in the financial statements and obtains Treasury acknowledgement going forward.	The Accounting Officer wrote to the National Treasury vide letter Ref: AG/ACCTS/19/Vol.III / (116) dated 15 <sup>th</sup> June 2024 seeking acknowledgement receipt of the funds. The National Treasury vide letter Ref: MOF/CA/293/ (90) dated 12 <sup>th</sup> June 2024 acknowledged receipt of the funds and provided original official receipts of the same.
1252	2021/2022	1773.2. Non-Compliance with One Third of Basic Salary Rule	The Committee recommends that the Accounting Officer ensure all staff incrementally comply.	The Office wrote a letter requesting the affected officers to re-adjust their financial commitments
1252	2021/2022	1774. Lack of an Approved Enterprise Risk Management Process and Information Technology Strategic Committee	The Committee recommends that the Accounting Officer ensures full mplementation and operationalization of the risk management process and strategic Committee within three (3) months of adoption of this report.	A draft Enterprise Risk Management Process has already been developed. Completion and full operationalization are expected before the end of the year.  A new ICT Strategic Committee has been established
1252	2021/2022	1775. Asset Management	The Committee recommends that the Accounting Officer obtains all relevant valuations, ownership documents and avails a complete asset register within three (3) months of adoption of' this report.	A complete updated asset register is available.
1252	2021/2022	1776. Discrepancies between Revenue Statements and Integrated Financial Management Information System (IFMIS) Amounts	The Committee recommends that the Accounting Officer liaises with the National Treasury and reconciles the variances within three (3) months of adoption of this report.	The Office liaised with the National Treasury and reconciled the balances in the Revenue Statements and IFMIS trial balance. The same has since been updated in the revenue statements of the FY 2024/2025.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1252	2021/2022	1777. Balance Due for Disbursement	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer makes concrete steps towards actualizing the Committee's recommendation and avails evidence of the same within three (3) months of adoption of this report	The matter was discussed in the Public Accounts Committee reports of the FY 2016/2017 and 2017/2018 and was marked as resolved in the sitting of 27 <sup>th</sup> November 2019.The  Accounting Officer further wrote to the National Treasury vide letters ref No: AG/ACCTS/41 Vol.III/9 dated 13 <sup>th</sup> March 2023 and a reminder vide letter ref AG /ACCTS/13/ Vol.II/ (115) dated 5 <sup>th</sup> June 2024 to authorize the reversal of the amount from the State Law Office books of accounts. So far, no responses has been received on the matter from the State Law Office.
1252	2021/2022	1778. Failure to Prepare and Submit Marriage Fees Periodical Reports by the Deputy County Commissioners (DCCS) and Assistant County Commissioners (ACCS) Offices	The Committee recommends that the Accounting Officer obtains all pending/ unsubmitted quarterly and consolidated reports from all the gazetted Deputy County Commissioners (DCCS) and Assistant County Commissioners, within three (3) months of adoption of this report.	At the time of audit, 30 Deputy County offices had not submitted marriage fees periodic reports. The Accounting Officer liaised with the listed stations that had no complied and now confirms that 21 more county offices availed their returns. The other offices have not submitted returns, as they were not operational at the time of audit.
1252	2021/2022	1784. Failure to Prepare and Submit Monthly Bank Reconciliations	The Committee reprimands the Accounting Officer for failure to submit monthly reconciliations contrary to Regulation 90(1) of the Public Finance Management (National Government) Regulations, 2015.	In the following years, monthly reconciliations were submitted, resulting in the project receiving an unqualified opinion
1252	2021/2022	1785. Failure to Maintain a Project Asset Register	The Committee recommends that the Accounting Officer avail a complete asset register within three (3) months of adoption of this report.	The project now has an updated asset register.
1252	2021/2022	1786. Lack of Internal Audit Review	The Committee reprimands the Accounting Officer for failure to utilize the Department's internal audit function.	The internal audit was conducted in the final year of the project.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1252	2021/2022	1787. Delayed Project Implementation	The Committee reprimands the Accounting Officer for failure to ensure effective project management and recommends that the Accounting Officer actively seeks extension of the project and attains its objectives, and submits a status report within three (3) months of adoption of this report.	The Accounting Officer applied for an extension of the project seeking an 18 month extension for the period lost during implementation (copy attached).Unfortunately, the application for extension was not granted as indicated in the attached letter.
1252	2021/2022	1789. Failure to Open County Offices	The Committee recommends that the Accounting Officer prioritize physical presence in major regions in the country.	The Service has engaged the National Treasury for resources to have physical presence in the 58 Huduma Centers in the Country.
1252	2021/2022	1790. Failure to Submit Compliance Reports to State Corporations Advisory Committee (SCAC)	The Committee reprimands the Accounting Officer.	The Service has complied in submitting the reports to SCAC in time.
1252	2021/2022	1791. Non-Compliance with Laws and Guidelines by the Board	The Committee recommends that the appointing authority henceforth ensures prompt board members appointments	The Service Board is fully constituted.
1252	2021/2022	1792. Non-Compliance with the Current Approved Staff Establishment	The Committee recommends that the Accounting Officer liaise with National Treasury to facilitate incremental recruitment of key personnel.	The Service is engaging the National Treasury on the incremental recruitment of key personnel to have full-approved staff establishment.
1252	2021/2022	1793. Unsupported Transfer of Collected Revenue	The Committee recommends that the National Treasury aligns the regulations with the current practice.	The National Treasury to review the regulations with the current practice.
1252	2021/2022	1797. Irregular Operation of Bank Accounts	The Committee reprimands the Accounting Officer for non-adherence to the law and recommends that the Accounting Officer presents the proposed amendments to Parliament within three (3) months of adoption of this report.	The amendments are awaiting public participation.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1252	2021/2022	1799. Cash and Cash Equivalents	The Committee reprimands the Accounting Officer for failure to keep proper accounting records.	<p>There were bank deposits not yet recorded in the cash book as at the time of Audit. This was occasioned by lack of information on details of deceased persons and their beneficiaries from the institutions depositing funds in the Public Trustee account.</p> <p>The Office wrote letters to the institutions that deposit funds in the account requesting them to provide the details of the deceased persons and contact address of the beneficiaries. Upon receipt of the required information, receipts were issued and posted in the cash book.</p> <p>The Office has intensified efforts to clear the outstanding items by writing to institutions which deposit funds in Public Trustee accounts to ensure that they forward the name of the deceased and details of next of kin.</p>
1252	2021/2022	1800. Deposits	The Committee reiterates its recommendation in the previous financial year that the Accounting Officer obtains the already approved balance of Kshs. 3 054,549.00 and pursues the balance with the receiver manager.	<p>Imperial Bank (in liquidation) vide their letter dated 7th July 2021 confirmed that they had transferred a sum of Kshs. 4,072,732.10 to KCB Bank Ltd as at 20th June 2020. The amount was however not forwarded to the Public Trustee.</p> <p>Out of a sum of Kshs. 4,072,732, KCB has deposited Kshs. 1,018,183 to the Public Trustee Bank Account in two tranches.</p> <p>On 8th May 2023, KCB wrote to the Office and explained that the 3rd tranche payable to depositor's equivalent to 25% has been held in abeyance due to shortfall of assets available for onboarding from Imperial Bank Ltd in receivership to match the outstanding liabilities.</p> <p>On 4th June 2025 the office held a meeting with officers from KCB to follow up on the balance. KCB indicated that they were in the process of recovering loans and were confident that they would</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>pay the deposits in full.</p> <p>The Office continues to engage KCB Bank and KDIC to recover the outstanding balance of Kshs. 3,054,549.00 forwarded to KCB and the entire outstanding amount in the sum of Kshs. 69,963,634.00.</p>
1252	2021/2022	1801. Investment	The Committee recommends that the Cabinet Secretary National Treasury considers the request to write off the amounts within three (3) months of adoption of this report.	<p>KDIC vide its letter dated 8th April, 2019, indicated that the amounts held by Central Finance Ltd and Allied Credit Ltd in the sum of Kshs, 29,693,938 were not recoverable as the two institutions had been wound up.</p> <p>A formal request was made to the Cabinet Secretary, National Treasury on requesting for authority for write off of the unrecoverable deposits to facilitate adjustment of our Financial Statements.</p> <p>On 12th November, 2024 authority was granted by the Cabinet Secretary, National Treasury to write-off the unrecoverable deposits. The write off process is ongoing to enable adjustment of the financial statement 2024/2025 financial year.</p>
1252	2021/2022	1803. Failure to Automate Beneficiaries Financial Records	The Committee recommends that the Accounting Officer roll out full automation within three (3) months of adoption of this report.	<p>The Public Trustee is in the process of automating the payment system and on-boarding Public Trustee Services on the e-citizen platform.</p> <p>The automation of administration of estates and administration of trusts processes has been done and uploaded on the server for piloting. It can be accessed through <a href="http://public.trustee.citizen.go.ke">http://public trustee.citizen.go.ke</a> Development of frontend and backend Public Trustee business processes by Officers from e-citizen is 95% complete.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				Once the development of the remaining 5 % of frontend and backend business processes is completed and integrated with the estates and trusts processes, the system will go live.
1252	2021/2022	1805. Lack of an Operational and Approved Enterprise Risk Management Strategy	The Committee recommends that the Accounting Officer ensures operationalization of the Enterprise Risk Management Strategy within three (3) months of adoption of this report.	It is true the office did not have an approved Enterprise risk management Strategy at the time of audit. The office has established the Enterprise Management Committee which is currently formulating the Enterprise Risk Management Policy. Heads of Departments have been sensitized on risk management and Risk Champions have been nominated from the Departments to steer the process. Risk registers and a draft Risk Enterprise Policy have been prepared and are awaiting validation.  The process of formulating the Enterprise Risk Management Strategy is ongoing.

**41. ETHICS AND ANTI-CORRUPTION COMMISSION – VOTE 1271**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
1271	2021/2022	1821 Poor Financial Performance	The Commission reported a deficit of Kshs.61,647,104 mainly due to depreciation and accrued expenses resulting from unfulfilled Exchequer.  The Committee noted that there were unfunded components amounting to Ksh.111 million noting that the Commission had not made full disclosure. The Committee directed that full disclosure on this matter be done within seven days.	The Commission responded to the PAC on implementation of its recommendations vide the attached report dated 9 <sup>th</sup> October, 2023. (Copy attached)  The Commission has since been funded and paid all the pending bills for the FY 2021/2022 as to date.

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

42. OFFICE OF THE DIRECTOR OF PUBLIC PROSECUTIONS – VOTE 1291

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
1291	2021/2022	1830: Discrepancies between the trial balance and financial statements.		The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of the PFM Act 2012 and section 9 (i) (e) of Public Audit Act, 2025, respectively	-
1291	2021/2022	1831: Unsupported balances.		The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of the PFM Act 2012 and section 9 (i)(e) of Public Audit Act, 2025, respectively	-
1291	2021/2022	1832: Unsupported adjustments to the Financial statements.		The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of the PFM Act 2012 and section 9(i) (e)of Public Audit Act,2025, respectively	-
1291	2021/2022	1833: Prior Adjustments.	year	The Committee reprimands the Accounting Officer for failing to provide support documents in the prescribed format and on time, as required by section 81 of the PFM Act 2012 and section 9(i)(e)of Public Audit Act,2025,respectively	-
1291	2021/2022	1837: Irregular expenditure on overtime allowance		The Committee reprimands the Accounting Officer and recommends recovery of kshs.1,150,000 irregularly paid to various officers and submit the status report to Committee within 3 months of adoption of this report.	The process to recover irregular payment of the overtime allowance has been initiated.

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43. WITNESS PROTECTION AGENCY – VOTE 1321

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
1321	2021/2022	1853 Understaffing		The Committee recommends that the Accounting Officer prioritizes hiring of key personnel including Protection Officers with the approved allocation 1854:  Weaknesses in Grading Structure	Upon getting authority by the National Treasury, the Agency recruited twenty-two (22) additional staff in August 2024, a majority of whom were Protection Officers. However, the additional staff did not adequately address the understaffing problem and the Agency continues to liaise with National Treasury for additional funding to recruit in respect to Phase II and III agreement.
1321	2021/2022	1854 Weaknesses in Grading <b>Structure</b>		The Committee recommends that the SRC expedites harmonization of the grading structure within three (3) months of adoption of this report.	The Salaries and Remuneration Commission (SRC) vide its letter Ref. No. SRC/TS/24/4 (147) dated 2 <sup>nd</sup> May, 2024 reviewed the Agency Salary Structure.  The reviewed structure slightly reduced the salary gap between Grades 2 and 3. The gap, however, remains big and the Agency is still engaging SRC to handle the issue including on other related Grades of public service.
1321	2021/2022	1855 Delay in Establishment of the Victims Compensation fund (VCF)		The Committee recommends that Treasury and the Agency submits regulations to operationalize the fund within three (3) months of adoption by the House	Management to first follow-up with NT on the Regulations which would guide the internal policy.  The matter is still pending National Treasury approval.

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**44. KENYA NATIONAL COMMISSION ON HUMAN RIGHTS -2011**

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2011	2021/2022	1775. Pending Bills		The Committee recommends that the Accounting Officer ensures the invoice is uploaded and paid within three (3) months of adoption of this report by the House.	The outstanding Pending Bills of Kshs. 288,135 were all paid by the 13 <sup>th</sup> October 2023 (see the attached bank statements and payment vouchers).

**45. NATIONAL LANDS COMMISSION – VOTE 2021**

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2021	2021/2022	1712 Pending Bills		The Accounting Officer ascertains the legitimacy of the amount owed and considers negotiations for reasonable terms of settlement, and avails a status report to the Committee within three (3) months of adoption of this report	<p>The legal fees referred above arose from court judgements requiring the Commission to pay. Hence non-compliance with such Court orders would result to the Commission facing contempt of court proceedings. The Commission diligently defended the bills of costs with the costs coming down to a great extent.</p> <p>Arising from these circumstances, the Commission resolved that the Accounting Officer seeks a legal advise from the Office of the Attorney General on how the Commission should handle the adjudged orders and decrees in view of the gaps in the procurement process. Vide a letter Ref. No. NLC/LEGAL.GEN.VOL.III/49 dated 13<sup>th</sup> April, 2022. The Attorney General responded vide letter Reg. No. AG/CONF/21/72/2 Vol.II dated 25<sup>th</sup> April, 2022 and advised that the payments could be effected for cases without pending appeals should be considered by the Courts of Appeal.</p> <p>Further vide Ref. No. AG/CONF/21/72/2 Vol.II dated 24<sup>th</sup> May, 2022 the Attorney General also issued another advisory advising the Commission to settle the pending bills as follows: (Annexure 1 – copies of letters to</p>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
					<p>Attorney General in the PAC report), the bills, the Commission has year in year out (yiyo)_via supplementary budget requested for budget allocation to settle the pending legal bills by the same has not been granted by the National Treasury.</p> <p>The Commission also appeared before the recently constituted <b>Pending Bills Committee</b> and submitted the bills for consideration.</p> <p>National Land Commission will continue to engage the National Treasury until the budget is allocated to be able to settle the long standing pending bills.</p>

**46. KENYA NATIONAL COMMISSION ON HUMAN RIGHTS -2011**

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2011	2021/2022	1775. Pending Bills		The Committee recommends that the Accounting Officer ensures the invoice is uploaded and paid within three (3) months of adoption of this report by the House.	The outstanding Pending Bills of Kshs. 288,135 were all paid by the 13 <sup>th</sup> October 2023 (see the attached bank statements and payment vouchers).

**47. INDEPENDENT ELECTORAL AND BOUNDARIES COMMISSION – VOTE 2031**

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2031	2021/2022	1884. Outstanding Receivables	Long	The Committee recommends that the Accounting Officer liaises with the Principal Secretary National Treasury and resolves the matter within three (3) months of adoption of this report.	i. The Commission liaised the National and the PS Treasury vide letter REF:AG.3/110 VOL.IV(118) dated 27 <sup>th</sup> January,2025, acknowledged and confirmed receipt of amount Kshs. 26,068,989 government liabilities owed to the disbanded ECK by ECK Commissioners and committed that the same will be transmitted to the commission up on confirming the budgetary allocation.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				ii. The Commission is following up with the Office of the Attorney General and Department of Justice for the recovery of Kshs. 11,160,000 of former ECK staff Car Loan and Imprest recovered as confirmed by their letter Ref. MJ/CONF/LJM/3/30(73) dated July, 2011
2031	2021/2022	1885. Inaccurate Inventory Balance	The Committee recommends that the Auditor General inspects the inventory report in subsequent audit.	The Auditor General inspected and reviewed the inventory report and confirmed that Commission implemented an Inventory Management System (IMS) in the subsequent year and the system was able to generate a consolidated stock report with historical cost values. The Commission also undertook the annual stock taking exercise in June 2023 and the Issue was resolved in the subsequent audit.
2031	2021/2022	1886. Property, Plant and Equipment  1886.1. Untitled Land and Buildings	The Committee recommends that the Accounting Officer ensures completion of valuation and acquisition of land ownership documents within six (6) months of adoption of this report.	i) The Commission is currently collaborating with the relevant government Departments and the Cabinet Secretary, Ministry of Lands, Public Works, Housing and Urban Development confirmed vide letter ref; MOLPW&UD/CSO/1/1024 dated 8th January, 2025 advised the commission that the request for the registration of various commission lands had been forwarded to the Chief Registrar Lands for necessary attention.  ii) The Commission also sought from the Director of Surveys Authority for its two members of staff who are registered surveyors to undertake survey of the Commission land parcels. This Authority was granted vide letter Ref: AC/62/VOL.IV/194 dated 5th November 2024.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				iii) Visited the Physical Planning Offices at the Ministry of Lands, Public Works, Housing and Urban development to verify the status of the issued Part Development Plans (PDPs). This was followed by a formal request of 39 PDPs for purposes of survey
2031	2021/2022	1886.2. Unconfirmed Ownership and Valuation of Motor Vehicles	The Committee recommends that the Accounting Officer ensures completion of valuation and acquisition of motor vehicle logbooks within three (3) months of adoption of this report.	<p>i. The Commission has completed the reconciliation and identification of 28 vehicles without logbooks and whose records are not in the National Transport and Safety Authority (NTSA) system and not registered in the Transport Information Management System (TIMS).</p> <p>ii. Details of the twenty-eight (28) vehicles were sent to DCI to undertake tape lifting to facilitate registration and issuance of log books and DCI has since tape-lifted all their engines and chassis numbers and submitted the report to NTSA to facilitate the processing of logbooks.</p> <p>iii. The Commission sought advice from the Chief Engineer, Mechanical and Transport Division on the valuation process, the cost and the contact persons for the purpose of liaison during the valuation process vide letter dated 9th May 2024.</p> <p>iv. The Chief Engineer, Mechanical and Transport Division has provided the cost estimate and since nominated four technical officers to undertake the valuation of the Commission vehicles vide responses letter to IEBC dated 17th May 2024.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2031	2021/2022	1887: Pending Bills	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer builds internal capacity of the legal Department to handle litigation.	The Commission is in the process of evaluating the capacity requirements, especially during heightened electoral legal activities.
2031	2021/2022	1888: Failure to Carry Out County Accounting Functions in IFMIS	The Accounting Officer avails a report on completion of the roll out to the Committee by 30th April 2025.	<p>i. Effective 1<sup>st</sup> July 2024, the Commission successfully implemented phase one of the roll out of IFMIS to the Counties as follows:</p> <ul style="list-style-type: none"> <li>• Developed General Ledger functionality to facilitate funds transfer to the counties.</li> <li>• Set up the accounts combinations by configuring and creating the account combinations in the IFMIS for all the counties.</li> <li>• All the AIES for 2024-2025FY were spent, accounted for, and reported through IFMIS.</li> <li>• The Counties fully operationalized the IFMIS county vote books and phased out the manual vote books.</li> </ul>
2031	2021/2022	1889: Failure to Use E-Procurement System	The Accounting Officer avails a report on completion of the roll out to the Committee by 30th April 2025.	<p>i. Effective 1<sup>st</sup> July 2024, the Commission successfully implemented phase one of the roll out of IFMIS to the counties as follows;</p> <ul style="list-style-type: none"> <li>• Developed General Ledger functionality to facilitate funds transfer to the counties</li> <li>• Set up the accounts combinations by configuring and creating the account combinations in the IFMIS for all the counties.</li> <li>• All the AIES for 2024-2025FY were spent, accounted for, and</li> </ul>

IMPLEMENTATION STATUS ON PAC RECOMMENDATIONS 2021/2022

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>reported through IFMIS.</p> <ul style="list-style-type: none"> <li>Roll out of e-procurement modules in the county offices are covered by under phase two of the roll out which is in its initial stages.</li> <li>The Commission is also part of the e-government procurement project which is currently being rolled out for all government Departments. The Commission is currently implementing e-GP after successful training of all the relevant staff.</li> </ul>
2031	2021/2022	1890. Outstanding Court Awards	The Committee reprimands the Accounting Officer and recommends that the Accounting Officer ensures total recovery of the amounts due within three (3) months of adoption of this report.	<p>i. The Commission has continued to employ various measures to ensure full recovery of the amounts as follows;</p> <ul style="list-style-type: none"> <li>The Commission wrote to the Attorney General's office for assistance in recovery of the costs.</li> <li>AG Office advised the Commission to Engage Auctioneers for the purpose.</li> <li>Initiated the process of procuring the services of licensed Auctioneers as advised by the office of the Attorney General.</li> </ul> <p>The Commission continues to file bills of costs against people adjudged by the Court to be liable to pay costs.</p>
2031	2021/2022	1891. Status of Construction of County Warehouses	The Accounting Officer ensures completion of outstanding works in Machakos in the current financial year and provides a status report within three (3) months of adoption of this report.	<p>i. The project has been completed, commissioned and currently being used by the Commission.</p> <p>ii. Handing over certificates, Minutes of the handing over meeting by project management team, the</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
				contractor and the client (Commission) and Certificates of practical completion have been availed and reviewed by the auditor. ii.
2031	2021/2022	1892. Lack of Career Progression Guidelines	The Committee reprimands the Accounting Officer and recommends that the career progression guidelines be submitted within three (3) months of appointment of commissioners.	i. The draft career progression guidelines and the scheme of service have been developed. ii. Currently a technical team from State Department for Public Service Human Capital Development (SDPSHCD) has been appointed to work together with the Commission to review the draft and assist in developing a comprehensive career guideline. The exercise is expected to end by 14 <sup>th</sup> December 2025.
2031	2021/2022	1893. Lack of a Comprehensive Asset Register	The Accounting Officer ensures completion of valuation and acquisition of land ownership documents and a complete fixed assets register within six (6) months of adoption of this report.	i. The Commission has made significant progress in reconciling, valuing, and regularizing ownership of all inherited and acquired vehicles. With the ongoing valuation and NTSA transfer process, all outstanding matters are expected to be fully resolved. ii. The Chief Engineer, Mechanical and Transport Division has provided the cost estimate and since nominated four technical officers to undertake the valuation of the Commission vehicles vide responses letter to IEBC dated 17 <sup>th</sup> May 2024.
2031	2021/2022	1894. KIEMS Kit Status	The Committee recommends that the Auditor General confirms status in subsequent audit.	The OAG confirmed the status of the KIEMS Kits in the subsequent audits.
2031	2021/2022	1895. Failure to Fill Existing Vacancies	The Committee recommends that the Accounting Officer ensures filling of existing vacancies within three (3) months of appointment of commissioners.	The Commission has commenced the recruitment process to fill the existing vacancies.

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48. PARLIAMENTARY SERVICE COMMISSION – VOTE 2041

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2041	2021/2022	1901. Irregular Procurement of Office Supplies and Services, Accommodation and Transport Service at County Offices.	The Committee recommended that the Accounting Officer incrementally builds capacity of the County/constituency offices staff towards adherence to the law on matters of procurement and expenditure.	To ensure that the County Office Managers comply with the provisions of the Public Procurement and Asset Disposal Act, the Commission has now stipulated that each County Office must recruit a qualified procurement clerk to assist the County Office Managers in complying with procurement laws. Accordingly, the County Office Managers and the procurement assistants have been further reminded to use the appropriate alternative procurement methods for goods, works and services in compliance with the requirements of Public Procurement and Asset Disposal Act, 2015 and related laws and regulations.
2041	2021/2022	1902. Lack of Assets Register and Ownership Documents.	<p>The Committee recommended that;</p> <p>i. The Commission completes acquisition of title documents for Main Parliament Buildings (L.R 209/4991/13), Main Parliament Grounds (mausoleum) (L. R. No.209/544), Juvenile Court Building (L.R 209/4316) and County Hall (L.R 209/4335), within six (6) months of adoption of the Report;</p> <p>ii. The Committee recommended that the Parliamentary Service Commission completes allocation of property held by Accounting Officers of the National Assembly, Parliamentary Service Commission and Parliamentary Joint Services and each to prepare assets register and tag assets, within three (3) months of adoption of the Report.</p>	<p>i. The Commission has through the letters reference number DLC/ADM/1/109 (MM1), DLC/ADM/1/109 (MM2), DLC/ADM/1/109 (MM3), DLC/ADM/1/109 (MM4) all dated 4<sup>th</sup> June 2025 has requested the National Land Commission to issue letters of allotment for the properties. The Commission is awaiting response from the National Land Commission.</p> <p>ii. There exists a fixed asset register in respect of immovable assets i.e. land and buildings only held by Parliamentary Service Commission. The comprehensive fixed asset register including other assets is in progress following the adoption of the fixed asset management policy for Parliamentary Service Commission.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
				iii. The National Treasury relinquishes the title document for Protection House (L.R 209/4314) to the Commission for registration in the Commission's name, within six (6) months of adoption of the Report.	iii. The National Treasury is yet to relinquish the title for Protection House (L.R 209/4314) to Parliamentary Service Commission.

49. PARLIAMENTARY SERVICE COMMISSION – VOTE 2041

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2042	2021/2022	1901. Irregular Procurement of Office Supplies and Services, Accommodation and Transport Service at County Offices.		The Committee recommended that the Accounting Officer incrementally builds capacity of the County/constituency offices staff towards adherence to the law on matters of procurement and expenditure.	To ensure that the County Office Managers comply with the provisions of the Public Procurement and Asset Disposal Act, the Commission has now stipulated that each County Office must recruit a qualified procurement clerk to assist the County Office Managers in complying with procurement laws.  Accordingly, the County Office Managers and the procurement assistants have been further reminded to use the appropriate alternative procurement methods for goods, works and services in compliance with the requirements of Public Procurement and Asset Disposal Act, 2015 and related laws and regulations.
2041	2021/2022	1902. Lack of Assets Register and Ownership Documents.		The Committee recommended that; iv. The Commission completes acquisition of title documents for Main Parliament Buildings (L.R 209/4991/13), Main Parliament Grounds (mausoleum) (L. R. No.209/544), Juvenile Court Building (L.R 209/4316) and County Hall (L.R 209/4335), within six (6) months of adoption of the Report;  v. The Committee recommended that the Parliamentary Service Commission completes allocation of property held by Accounting Officers of the	i. The Commission has through the letters reference number DLC/ADM/1/109 (MM1), DLC/ADM/1/109 (MM2), DLC/ADM/1/109 (MM3), DLC/ADM/1/109 (MM4) all dated 4 <sup>th</sup> June 2025 has requested the National Land Commission to issue letters of allotment for the properties. The Commission is awaiting response from the National Land Commission.  ii. There exists a fixed asset register in respect of immovable assets i.e. land and buildings only held by Parliamentary Service Commission. The

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VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
				<p>National Assembly, Parliamentary Service Commission and Parliamentary Joint Services and each to prepare assets register and tag assets, within three (3) months of adoption of the Report;</p> <p>vi. The National Treasury relinquishes the title document for Protection House (L.R 209/4314) to the Commission for registration in the Commission's name, within six (6) months of adoption of the Report.</p>	<p>comprehensive fixed asset register including other assets is in progress following the adoption of the fixed asset management policy for Parliamentary Service Commission.</p> <p>iii. The National Treasury is yet to relinquish the title for Protection House (L.R 209/4314) to Parliamentary Service Commission.</p>

50. NATIONAL ASSEMBLY – VOTE 2042

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2042	2021/2022	1922. Compensation of employees	of	All outstanding dues (PAYE, NSSF, NHIF, etc.) to be settled as first charge in line with Regulation 42 of the PFM (National Government) Regulations, 2015.	<p>i) Kilifi County Women Representative Office arrears fully settled;</p> <p>ii) Likoni Constituency Office arrears under reconciliation with KRA, NHIF, NSSF. Payment plans in place</p> <p>Measures initiated:</p> <p>i) Monthly salary releases to avoid penalties;</p> <p>ii) Engagement with statutory bodies for waivers;</p> <p>iii) Training of managers;</p> <p>iv) Withholding benefits/salaries until compliance;</p> <p>v) Requiring compliance certificates before processing payments; and</p> <p>vi) Direct deduction of unremitted PAYE from operations funds.</p>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2042	2021/2022	19.3 Procurement of Office Supplies, Accommodation, Transport & Travel	Build capacity of constituency staff towards adherence to procurement and expenditure laws.	<ul style="list-style-type: none"> <li>i) Training held for Constituency Managers on the Public Procurement and Asset Disposal Act (PPADA) 2015, tax compliance and financial management;</li> <li>ii) Issued Guidelines on using prequalified suppliers and obtaining three quotations;</li> <li>iii) Operations Manual under review.</li> <li>iv) Policy on per diem allowances developed and shared; and</li> <li>v) All constituency offices now have competent procurement personnel on their payroll.</li> </ul>
2042	2021/2022	19.4 Accounts Receivable- Outstanding Imprest	Ensure strict adherence to Public Finance Management (National Government) Regulations, 2015 which provides that a holder of a temporary imprest shall account or surrender the imprest within seven (7) working days after returning to duty station.	Resolved. All outstanding imprest were fully recovered.
2042	2021/2022	19.5 Lack of Asset Register	Parliamentary Service Commission to allocate property among National Assembly, PSC and Parliamentary Joint Services, and for each to prepare asset register and tag assets within 3 months of report adoption.	<ul style="list-style-type: none"> <li>i) Data on all assets since FY 2015/2016 collated;</li> <li>ii) Assets &amp; Liabilities Management Committee constituted;</li> <li>iii) Fixed Asset Management Policy developed;</li> <li>iv) Procurement of an asset tagging solution undertaken in FY 2024/2025; and</li> <li>v) Tagging to commence for all assets purchased since FY 2015/2016.</li> </ul>

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**51. PARLIAMENTARY JOINT SERVICES – VOTE 2043**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2043	2021/2022	1918: Pending Bills	The Committee recommended that they form first charge in the subsequent FY 2022/2023	All pending bills were settled
2043	2021/2022	1919. Incomplete Assets Register	The Committee recommended PCS To Complete allocation of property to Each Vote & each vote to prepare an asset register and tag assets within 3 months of report adoption.	Management has prepared the draft Fixed Assets management policy which incorporates the Four Votes and presented to the Commission for adoption.
	2021/2022	1920. Construction of Proposed Multi-Story Office Block	The Committee recommended that the outcome of the arbitration be awaited.	Arbitration on-going.

**52. COMMISSION ON REVENUE ALLOCATION – VOTE 2061**

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2061	2021/2022	Paragraph 1927: Irregular Promotions of Staff Based on an Unapproved Salary Structure.	<p><b>Committee Recommendation;</b></p> <p>i. The Committee reprimanded the Accounting Officer and recommended that the structure is regularized with the SRC within three (3) months of adoption of the PAC report</p> <p>That the Accounting Officer recovers all irregularly paid amounts within six (6) months of adoption of the PAC's report.</p>	<p>i. The Commission requested the Public Service to assist reorganize it's structure under the Rapid Results Initiative (RRI) program. Since then, the Commission has held two meetings on this matter. Upon finalization, the Commission will submit the structure to SRC for review and approval.</p> <p>The Commission also sought advice from the Attorney General, seeking legal guidance regarding the recovery of amounts paid to staff members in terms of salaries and benefits pursuant to a resolution of the Commission. This request is particularly pertinent because some of the beneficiaries have since separated from the Commission.</p>

53. PUBLIC SERVICE COMMISSION – VOTE 2071

VOTE	FINANCIAL YEAR	PARAGRAPH AND TITLE	NO.	RECOMMENDATIONS BY PAC	ACTION TAKEN
2071	2021/2022	11939: Compensation of employees  1939.1: Irregular recruitment of staff		i. The commissioners are reprimanded for failure to adhere to the strict provisions of Articles 10(2) and 232 of the constitution.  ii. The position of Director, Finance, Planning and Resource mobilization be competitively filled once the existing contract expires  iii.	i. The Commission has adhered to the provisions of Articles 10 (2) and 232 of the Constitution  ii. The contract of Director, Finance, Planning and Resource Mobilization lapse on 1 <sup>st</sup> June 2025 and the position will be competitively filled effective from FY 2025/26.
2071	2021/2022	1939.2: Retention of retired officers in service		i. All employees unjustifiably above retirement age be immediately retired.  ii. The commissioners are reprimanded for unjustifiably extending service for officers who have attained retirement age.  iii. The Commission avails to the Committee a succession planning policy for the commission and entire public service within six (6) months of adoption of this report.  iv. The Commission append in its annual report to Parliament, list of all officers serving beyond retirement age with justification for each, subject to Article 254 of the Constitution.	i) All the five employees above retirement age have since exited the service.  ii) The Commission is committed to ensure that officers exit the service on attainment of retirement age.  iii) The commission is in the process of developing a succession planning policy for submission to the Committee within the given deadline. A task team was appointed by the Accounting Officer vide Memo Ref. No.PSC/ADM/26/III/78) dated 19 <sup>th</sup> May,2025 to develop the Succession Planning Policy.  iv) The Commission will comply when it prepares the FY 2024/25 Annual Report to Parliament whose statutory deadline is 31 <sup>st</sup> December, 2025.  v)

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54. TEACHERS SERVICE COMMISSION – VOTE 2091

VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2091	2021/2022	<b>1949.</b> Unconfirmed Teachers Service Commission (TSC) Car and Mortgage Fund	During their sitting in the 13 <sup>th</sup> Parliament – 2025 fourth session, the Committee noted that the reconciliations had been done while the Regulations awaited board approval.  The Committee recommended that the Accounting Officer submits the Regulations to Parliament within three (3) months of adoption of the report.	The Commission has developed the Staff Car and Mortgage Fund Regulations and submitted to the National Assembly for pre-publication scrutiny on 22 <sup>nd</sup> January, 2025
2091	2021/2022	<b>1950.2</b> Unexplained Increase in Salary Overpayment	During their sitting in the 13 <sup>th</sup> Parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Accounting Officer tightens systems controls to ensure timely update of employee records whenever status change.	<ul style="list-style-type: none"> <li>i. The Commission has adopted the use of digital files and electronic entry and exit system which has significantly improved operational efficiencies and hence reduced the incidences of salary overpayment.</li> <li>ii. Segregation of duties, clear job descriptions and specific system access rights assigned to officers authorized to perform the various roles.</li> <li>iii. Internal Checks on all payroll updates.</li> <li>iv. Regular payroll audits aimed at identifying errors and corrective action taken promptly.</li> </ul>
2091	2021/2022	<b>1953.</b> Long Outstanding Accounts Receivables - Cash Losses	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Accounting Officer concludes the matter as advised by the Attorney General and National Treasury and submits a report on the same within three (3) months of adoption of the report.	The Commission isolated the cases that have already been concluded in Court and the accused had been acquitted of Kshs.1,831,457.45 and applied for write-off from the National Treasury vide letter Ref.No: TSC/FIN/60/VOL.VI/100 dated 19 <sup>th</sup> May, 2025. The Commission is awaiting response on this application. <b>(Appendix I)</b>

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
2091	2021/2022	1955. Prior Year Matters	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Accounting Officer avail a status update on implementation if its recommendations within three (3) months of adoption of the report.	Prior year matters have been responded through paragraphs 1950,1951, 1953, and 1954 on : (i) Accounts Receivables (ii) Unsupported Accounts Payables (iii) Long Outstanding Accounts Receivables - Cash Losses and (iv) Unconfirmed Property, Plant and Equipment
2091	2021/2022	1958. Over-Payment of Leave Allowance and Salary Arrears	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Auditor General conducts a comprehensive audit of the Commissions payroll system in the next audit.	Audit of the Commission's payroll system is usually performed by the Auditor General during the annual External audits. The Commission however awaits any action from the Auditor General as per PAC recommendations.
2091	2021/2022	1960. Control Weaknesses in Human Resource Management	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Auditor General identifies the other agencies where the 24 persons are also enrolled through the IPPD within three (3) months of adoption of the report.	The Commission awaits action from the Auditor General as per PAC recommendations.
2091	2021/2022	1961. Recovery of Salary Overpayment	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted the submission by the Accounting Officer and recommended that the Accounting Officer ensures efficient system update of employee records to avoid such cases going forward and ensures full recovery of outstanding amounts through deductions, pension or estates of those owing within one financial year.	i. Overpayment is recovered at a third of basic salary and this rate adjusted upwards as the salaries of affected teacher's increases. ii. Demand letters are issued for all teachers who have exited payroll. Overpayment against deceased is pursued through the beneficiaries. ii. The Pension Department at National Treasury recovers overpayment from gratuity due subject to the beneficiaries' authority. v. The Commission further recovers overpayment from the financial institutions. v. Payroll monitored closely and any fall out deductions investigated and appropriate action taken.

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VOTE	FINANCIAL YEAR	PARAGRAPH NO. AND TITLE	RECOMMENDATIONS BY PAC	ACTION TAKEN
<b>DONOR FUNDED PROJECT SECONDARY EDUCATION QUALITY IMPROVEMENT PROJECT (IDA CREDIT NO. 6138-KE)</b>				
2091	2021/2022	1964. Un-Surrendered Authority to Incur Expenditure Funds	During their sitting in the 13 <sup>th</sup> parliament – 2025 fourth session, the Committee noted that the explanation was unsatisfactory since nothing stopped surrenders of the AIEs in time. The Committee reprimanded the Accounting Officer for failure to ensure surrenders in accordance Regulation 117 of the Public Finance Management (National Government) Regulations, 2015	The Commission has ensured surrender of the unspent AIEs to the county offices in subsequent financial years