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KENYA NATIONAL AUDIT OFFICE

**REPORT**

**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL OPERATIONS OF  
KISII COUNTY EXECUTIVE**

**FOR THE PERIOD 1 JULY 2013  
TO 30 JUNE 2014**



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# **REPORT OF THE AUDIT-GENERAL ON THE MANAGEMENT AND FINANCIAL OPERATIONS OF KISII COUNTY EXECUTIVE FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014**

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## **EXECUTIVE SUMMARY**

### **Background Information**

Kisii County is one of the forty seven counties in Kenya which was created by the Constitution of Kenya, 2010 in line with the spelt out functions. Its headquarter is Kisii Town. It shares common borders with Nyamira County to the North East, Narok County to the South and Homabay and Migori Counties to the West. The County covers a total area of 1,317.5 Km<sup>2</sup> and is divided into nine (9) Sub-Counties namely: Kitutu Chache North, Kitutu Chache South, Nyaribari Masaba, Nyaribari Chache, Bomachoge Borabu, Bomachoge Chache, Bobasi, South Mogirango and Bonchari.

The County Government is divided into the County Executive and the County Assembly. The County Executive is divided into nine (9) sectors namely Culture, Education, Agriculture, Environment & Natural Resources, Public Works, Physical Planning & Development, Health, Trade and Finance and Planning each headed by a County Executive Committee member.

### **Introduction**

The financial operations audit for the period 1 July 2013 to 30 June 2014 was undertaken to assess the management and financial operations as well as adequacy and reliability of the systems of management and financial controls instituted by the management of the County Government in running its affairs in as far as utilization of public funds is concerned.

### **Terms of Reference**

The Office of the Auditor-General is an independent office mandated by the Constitution of Kenya, 2010 under Article 229 to audit the accounts of the National and County Government. In this regard, the office planned an audit of the financial operations of Kisii County for the period 1 July 2013 to 30 June 2014 with the following terms of references:

- Assessment of controls over management of cash and bank accounts.
- Assessment of controls over management of assets under the control of the County Government.

- Assessment of compliance with the procurement laws in the process of acquisition of goods or services.
- Assessment of compliance with the Public Finance Management Act, 2012 in the utilization of public funds.
- Compliance with other relevant laws and regulations.
- To ascertain the integrity and reliability of financial and other information used by management in the utilization of public funds.
- Ascertain that all necessary supporting documents, records, and accounts have been kept in respect of all transactions.

### **Methodology**

The approach used in carrying out this audit included the following:

- Interviews with key officers at the County headquarters.
- Review of applicable legislation and regulations.
- Examinations of payment vouchers, cashbooks, vote books, bank statement, bank statements, bank slips, receipt books, procurement documents, stores records, asset registers and other related records.
- Review of minutes of various meetings where there were resolutions regarding utilization of public funds.
- Physical inspection and verifications
- Observation of processes and activities.
- Review of documents used by management to monitor use of funds.

### **Scope and Determination of Responsibilities**

The audit was conducted in accordance with the International Standards of Supreme Audit Institutions (ISSAIs). These standards require that the audit is planned and performed so as to obtain reasonable assurance that, in all material respects, expenditure incurred is fairly stated and fair recording is achieved in all financial transactions.

The maintenance of effective control measures and compliance with laws and regulations are the responsibility of the management. Our responsibility is to report on the weaknesses that were identified in the course of the audit.

## **KEY AUDIT FINDINGS**

### **1.0 CURRENT ASSETS**

#### **1.1 Imprest Management**

- i. An Imprest of Kshs.2,892,000 was issued to an officer to cater for accommodation and travel for the County officers' retreat held in Mombasa Beach hotel from 22 September to 4 October 2013. The surrender voucher did not have relevant documentations namely; letters of invitation, means of transport used, contract agreement with Hotel and attendance register.
- ii. Another officer was paid Kshs.232,000 being reimbursement allowances to eight (8) officers travelling to Nairobi for uploading of budget in IFMIS system. However on surrender, no relevant documents for the safari were attached to the payment voucher. The rationale for sending eight (8) officers to upload the budget in IFMIS was also not explained.
- iii. During the period under review, the County Government issued temporary imprest totaling Kshs.32,741,086 to staff for various journeys and purchase of goods and services but the same had not been accounted for as at the time of audit February 2015.

#### **1.2 Operations of several bank accounts**

At the time of the audit the County government had opened sixty four (64) bank accounts both at head quarter and Sub-counties. A list of officers with authority to incur expenditure and operating of the bank accounts were not made available for audit verification. Further, the cash books, bank statements, and bank reconciliation statements were not availed for audit verification. Management did not explain the necessity of operating so many bank accounts. Controls put in place over the operations of the bank accounts were also not explained. Consequently, control over bank operations could not be availed.

#### **1.3 Cash Transfer to Ministry of Health Headquarter**

The County Executive transferred Kshs.316,131,142 to Ministry of Health headquarter being reimbursement of salary paid to devolved staff in July, August, September, and October 2013. No correspondence authorizing the transfer, reconciliation between the County and Ministry records and a miscellaneous receipt issued by the Ministry on receipt of the money were availed for audit verification.

### **2.0 NON-CURRENT ASSETS**

#### **2.1 Procurement of Goods, Services and Works**

In the period under review, the Finance sector procured goods, services and works totalling Kshs.89,236,629 and the following anomalies were noted;

- i. The County through quotation as opposed to open tender, awarded contracts totalling Kshs.41,396,879 to three (3) Contractors in respect of compilation of fixed assets appraisal & valuation, renovation and networking of County Offices.
- ii. Contracts all totalling to Kshs.10,143,301 for repair & renovation, partitioning, installation of security lighting and Networking of County offices were awarded to six (6) suppliers who were not prequalified.
- iii. The County awarded contracts all totalling to Kshs.37,696,449 to five (5) suppliers through split procurement methods for the supply of curtains & shears and Office Furniture

## **2.2 Unbudgeted for Procurement of Graders and Drum Rollers**

During the period under review, the County Works and Transport Sector incurred expenditures totalling Kshs.66,096,000 on procurement of two (2) graders and two (2) drum rollers from a supplier. It was observed that the expenditure had not been planned and budgeted for in the year 2013/2014 and no authority for budget revision from the County Assembly was made available for audit verification. Work plan and work tickets for the graders operations were not made available for audit verification.

## **2.3 Procurement of Furniture**

During the period under review, a Company was paid Ksh.4,410,000 to supply furniture to the County Health Service Sector. The delivery notes attached on the payment vouchers were not signed and the Inspection and Acceptance Committee certificates were signed by one member out of three (3), members. Under the circumstances, it was not possible to confirm that the furniture were received by the County.

## **2.4 Payments before Tender Award**

Physical Planning and Development paid three (3) contractors a total of Ksh.5,795,000 on 28 Mach 2014 for the latrine renovation and gabbage collection. However, tender award was done on 4 April 2014. Consequently the competitiveness of the tender could not be confirmed.

## **2.5 Inflated prices for Fire Proof Cabinets**

The County Physical Planning and Development department paid a Supplier in the month of October 2013 Kshs.1,325,000 for supply of fiver (5) Fire Proof Cabinets each costing Kshs.265,000 . However the Public Procurement Oversight Authority recommended prices for October 2013 was Kshs.157,357 per piece. The County Government would have saved Kshs.538,215 had they used the recommended price.

## **2.6 Payment for Installation and Supply of Electricity**

The Environment sector paid a contractor Kshs.525,470 for design, construction and installation of an electricity transformer at Marani Market. However, management did not disclose how the company was identified and payment determined. Kenya Power and Lighting Company which would usually supply such services was not contracted. The payment voucher was also not authorized for processing. It's therefore not possible to ascertain the propriety of the expenditure.

## **2.7 Updating Fixed Assets Register and Valuation of Assets**

The County Government awarded a contract to two consultants to undertake valuation of County Assets at a contract sum Kshs.8,500,000 and paid Kshs.1,500,000 for preparation and updating assets register however, the following omissions were noted.

- i. The assets register was not fully updated as it lacked entries such as the date of registration, location, suppliers' name, condition and cost price.
- ii. Title documents for Land parcels with total value of Kshs.2,075,300,000 listed in the assets register were not availed for audit verification.
- iii. The fixed asset register reflects ninety four (94) undeveloped parcels of land owned by the County which may be prone to encroachment.

Under the circumstance, the fixed assets register does not reflect the accurate position of the county's assets and the County Government may not have received value for money.

## **3.0 EXPENDITURE REVIEW**

### **3.1 Procurements of Insurance Services**

During the period under review, the Finance sector paid Ksh.49,467,739 to an Insurance Broker as premium against insurance taken with two (2) Insurance Companies. The Broker was awarded contract through Request for Quotations (RFQ) instead of open tendering as stipulated by Public Procurement and Disposal Act, 2005 and Regulation, 2006. Further; the premiums were paid directly to the broker instead of the underwriters contrary to regulations by the Insurance Regulatory Authority of Kenya.

### **3.2 Leasing of Ambulance vehicles**

The County Government entered into one year lease agreement with a Non-Governmental Organization (NGO) on 22 October 2013 for lease of nine (9) ambulances at a monthly cost of Ksh.600,000 per ambulance (Kshs 64,800,000 per year). However, during the tendering process, the per diem of the operating staff of the (NGO) and fuel were never disclosed but only included in the contract document.

Total payments made for the six months totalled Kshs.38,356,506 including per diem for the (NGO) staff and fuel expenses. Records on how the county monitors the movement of these ambulances were not availed.

The County Government should consider it prudent to acquire new ambulances for operation in order to receive value for money.

Further evaluation on whether to buy or lease was not carried out.

### **3.3 Payment to the Council of Governors**

The County Government in the month of October 2013 paid the Council of Governors Kshs.300,000 to support the work of the Council. The Council of Governors as created under the Inter-Governmental Relations Act 2012 Section 19 should be financed through the annual estimates of the Revenue and Expenditure of the National Government as per Section 37 of the Act. The propriety of the expenditure incurred therefore could not be confirmed.

### **3.4 Honoraria, Overtime and Lunch Allowances**

During the period under review, the Finance Sector paid honoraria totalling Kshs 1,035,500 to Tender Committee Members and procurement department officers involved in processing tender documents. However, the criteria and authority used to determine the amount payable was not availed for audit review. Further, Kshs.2,236,500 was paid as overtime and lunch allowances to officers as compensation for working beyond normal hours. Management did not disclose the authority/circular for the payment of the allowances taking into consideration that the officers should have carried out the duties during their normal working hours. **Refer to Appendix VIA & B.**

### **3.5 Payment of Transport Allowances**

The County Government paid transport allowances of Kshs.20,000 per month to the ten (10) County Executive Committee (CEC) members in the months of January and February 2014, despite the CECs having official transport allocated to them. Transport allowance totalling Kshs.400,000 was spent contrary to Salaries and Remuneration Commission circular ref: SRC/TS/CGOVT/3/61 dated 20 August 2013. **Refer to Appendix VIII.**

## **4.0 REVENUE RECORDS**

### **4.1 Revenue Collection and Banking**

Analysis of the revenue collection and banking for the period under review revealed the following:

- i. Revenue collection analysis for nine (9) sub-counties availed had unbanked revenue totalling Kshs.3,299,610 contrary to the Public Financial Management Act, 2012 and the existing Financial Regulations;
- ii. The county entered into a Private Partnership with a bank upon which the bank will collect parking fee, motorbike licensing, bus and matatu parking fees. The terms and condition of agreement and the revenue collected were not made available for audit verification.
- iii. Kisii Level 5 Hospital collected revenue totalling Kshs.1,835,591 between July 2013 and February 2014. The revenue was not banked into the County Revenue Account, but spent directly contrary to the requirement of Public Finance Management Act, 2012.
- iv. The balancing of all revenue cash books were done in pencil and not in permanent ink.
- v. Handing over report of the revenue balance that was inherited and the unused receipt books handed over as at 4 March 2013 when the County Government came into existence were not availed for audit verification. Consequently, the accountability of the revenue collected could not confirmed
- vi. The County revenue collection software known as C-IFMIS or LAIFOM is yet to be put into use and no explanation was provided.

Under the circumstances, the accuracy of revenue collection could not be confirmed.

## **5.0 HUMAN RESOURCE MANAGEMENT AND PAYROLL**

### **5.1 Payment of salary without deducting P.A.Y.E**

The Kisii Teaching and Referral Hospital paid salary to eight (8) employees who were hired on contract without recovering Pay as You Earn (P.A.Y.E) totalling to Kshs.119,124 contrary to Income Tax Act Cap 470. The County Government may incur penalties and interest for non-recovery and remittance of income taxes. **Refer to Appendix V A & B** for the names of the officers.

### **5.2 Payment of Tuition Fees for Medical Staff**

During the year, Kisii Level 5 Hospital paid Kshs.595,600 fees for seven (7) officers who were pursuing various courses at Kenya Medical Training College (KMTC) and Kenyatta National Hospital through cost sharing funds. However, the authority for the payment was not availed for audit verification. List of the officers **refer to Appendix VI.**

## **6.0 COUNTY INFORMATION TECHNOLOGY ENVIRONMENT**

### **6.1 IFMIS, G-PAY and LAIFOMS**

A review of the IFMIS, G-PAY and IPPD systems revealed that the systems are not interfaced and the integrity and accuracy of information uploaded from one system to another could not be ascertained.

All the relevant data had not been captured in the system and information update were not accurate. There are cases of an officer operating both IFMIS and G-Pay at the same time resulting to lack of internal checks.

A review of the accounts set up and access rights granted to staff within IFMIS revealed the following weakness:

- i. There are no approved standard authorization cards used in granting access to the system
- ii. Users have been granted conflicting roles where certain users can perform a transaction from initiation, processing, reversal and reconciliation
- iii. The logical access controls are weak given that the users are not prompted to change the password upon the first log on and also all passwords are being shared by the system operators through access to individual user set-up account
- iv. IFMIS accounting system had not maintained system logs for all the transactions processed within the system since as the operators are sharing passwords it defeat the logic of having system logs.

### **6.2 Service Level Agreements with System Vendors**

The County does not have Service Level Agreement (SLAs) with vendor of IFMIS Accounting package, IPPD payroll package and C-LAIFOM billing package to explain the expectation and the responsibilities of the systems' vendors for maintenance and upgrading of the systems.

### **6.3 Server Room**

Inspection of the server room revealed the following weaknesses:

- i. The physical access controls are not adequate as the door to the server room is not under lock and key. It is also accessible to unauthorized persons.
- ii. The space for the Server is inadequate as it also houses the System Administrator, and G-Pay server is housed under Deputy Director of finance office. IPPD server is housed under payroll supervisor office.

- iii. The room is not air conditioned so as to regulate the temperatures given that servers run for long hours thus they may heat up.
- iv. The servers are placed on the table thus exposed to dust and water.
- v. There are no smoke detectors and fire extinguishers within the server room
- vi. The County Government has dedicated one of their computers to be the server. The same computer is also used for other transactions.
- vii. The user set up is such that two user has one password.

## **7.0 PRIOR YEAR OUTSTANDING ISSUES**

### **7.1 Handing Over of Assets and Liabilities of Defunct Local Authorities**

The handing over the assets and liabilities of the defunct local authorities had not taken place at the time of audit of a year after the county government came into existence.



**Edward R.O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**19 May 2015**

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

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## DETAILED AUDIT FINDINGS

### 1.0 CURRENT ASSETS

#### 1.1 Imprest Management

- i. The County Executive issued an imprest of Kshs.2,892,000 to Mr John Nyandanyi to cater for accommodation and travel for the Governor, County Executive Committee members, County Public Service Board members, Chief Officers, key officers, secretaries, 7 secretariat members, drivers and security officers on a Mombasa joint retreat held in Mombasa Beach hotel from 22 September to 4 October 2013. The surrender voucher did not have relevant documentation namely; letters of invitation, means of transport used, contract agreement with Mombasa Beach Hotel and attendance register.
- ii. Mr. Caleb Anyona was paid Kshs.232,000 through voucher no.34503969 dated 30.1.14 being reimbursement of accommodation allowance to 8 officers travelling to Nairobi for uploading of budget in IFMIS system. No supporting documents for the safari were made available. It could not be justified how eight (8) officers were involved in the exercise.
- iii. During the period under review, the County Government issued temporary imprest totaling Kshs.32,741,086 to staff for various journeys and purchase of goods and services but had not accounted for as at the time of audit February 2015. **Refer to Appendix I**

#### Recommendation

Imprest surrenders should be properly supported by necessary documents as proof that it was used for the intended purpose, failure to which recovery in full should be made.

#### 1.2 Operations of Several Bank Accounts

The County government during the year under review opened sixty four (64) bank accounts both at head quarter and sub-counties. A list of officers with authority to incur expenditure and operating the bank accounts were not made available for audit review. Further, the cash books, bank statements, cash bank reconciliation statements were not availed for audit verification. Management did not explain the necessity of operating so many bank accounts.

### **Recommendation**

The County management should take appropriate action to reduce the number of bank accounts and run some stations by use of standing imprests.

### **1.3 Cash Transfer to Ministry of Health Headquarter**

The County Executive transferred Kshs.316,131,142 to Ministry of Health headquarter being reimbursement salary of devolved staff for July, August, September, and October 2013. No correspondence authorizing the transfer, statement of reconciliation between the County and the Ministry and a miscellaneous receipt for revenue generated by the Ministry were availed for audit verification.

### **Recommendation**

The parent ministry should reconcile with the County to determine the actual balances. Correspondences on the matter should be made available for audit verification.

## **2.0 NON-CURRENT ASSETS**

### **2.1 Procurement of Goods, Services and Works**

In the period under review, the Finance sector procured goods, services and works totalling Kshs.89,236,629 and the following anomalies were noted;

- i. The County through quotations as opposed to open tender, awarded contracts totalling Kshs.41,396,879 to three (3) Contractors in respect of compilation of fixed assets appraisal & valuation, renovation and networking of County Offices. **Refer to Appendix I.**
- ii. Contracts totalling Kshs.10,143,301 for repair & renovation, partitioning, installation of security lighting and Networking of County offices were awarded to six (6) suppliers who were not prequalified. **Refer to Appendix II.**
- iii. The County awarded contracts totalling Kshs.37,696,449 to five (5) suppliers through split procurement methods for the supply of curtains & shears and Office Furniture **Refer to Appendix III.**

### **Recommendations**

Public Procurement and Disposal Act, 2005 and related Regulations of 2006 should be followed in future to ensure that goods, services and contracts are procured competitively.

### **2.2 Procurement of Graders and Drum Rollers**

During the period under review, the County Works and Transport Sector incurred an expenditure of Kshs.66,096,000 on procurement of two (2) graders and two (2) drum

rollers from a vendor. It was observed that the expenditure had not been planned and budgeted for in the year 2013/2014 and no authority for budget revision from the County Assembly was made available for audit verification. Work plan and work tickets for the operations of the equipment were not made available for audit verification.

### Recommendations

The County management should in future prepare a supplementary estimate and seek authority from the County Assembly for such revision. Work plan and work tickets for operations should be maintained for accountability.

### 2.3 Procurement of Furniture

During the period under review, a vendor was paid Kshs.4,410,000 to supply furniture to the County Health Service Sector. The delivery notes attached on the payment vouchers were not signed and the Inspection and Acceptance Committee certificates were signed by one member out of three (3), members. Under the circumstances, we could not confirm that the sector received value for money.

### Recommendation

All future procurement of goods should be signed fully by all the members of inspection and acceptance committee for accountability purposes as per Procurement Regulations 2006 section 17(2)

### 2.4 Payments before Tender Award

Physical Planning and Development paid three (3) contractors a total of Kshs. 5,795,000 on 28 March 2014 for latrine renovation and gabbage collection. However, tender award was done on 4 April 2014 as shown below;

Date Paid	Transaction no.	Line description	payee	Amount Paid	Date tender awarded
28/3/2014	34508125	Latrine renovation at keroka market	Achinta Enterprises	1,950,000	4/4/2014
28/3/2014	34508126	Latrine renovation at Ogembo Market	Ellisons Enterprises	1,890,000	4/4/2014
28/3/2014	34508127	Gabbage collection Transportation and compacting	Tosaco Holding Ltd	1,955,000	4/4/2014
			<b>Total</b>	<b>5,795,000</b>	

### Recommendation

Procurement of goods and services should be done in accordance with the Public Procurement and Disposal Act, 2005 and related 2006 Regulations.

## **2.5 Inflated prices for Fire Proof Cabinets**

The County Physical Planning and Development paid a supplier in the month of October 2013 Ksh.1, 325,000 for supply of five (5) Fire Proof Cabinets each costing Kshs.265,000 . However the Public Procurement Oversight Authority recommended prices for October 2013 was Kshs.157,357 per piece resulting to total overpayment of kshs.538, 215

### **Recommendation**

The standard goods with known market prices should be procured at the prevailing market price index as per Public Procurement Oversight Authority (PPOA).

## **2.6 Payment for Installation and Supply of Electricity**

The Environment sector paid Fast Food Holding Kshs.525,470 for the design, construction and installation of an electricity transformer at Marani Market. However, management did not disclose how the company was identified. Further the payment voucher was not authorized, and the payment was made to the contractor instead of Kenya Power and Lighting Company which usually supply such services. It was therefore not possible to ascertain the propriety of the expenditure.

### **Recommendation**

The Management should ensure proper accountability of County public funds.

## **2.7 Fixed Assets Register and Valuation of Assets**

The County Government awarded a contract in respect of valuation of County Asset at a contract sum Kshs.8, 500,000. Included in the valuation report is 1,115 acres of grazing land valued at Kshs.501,750,000 which was physically verified to have been encroached.

Further, a vendor was paid Kshs.1,500,000 for preparation and updating asset register however the following omissions were noted:

- i. The assets register was not fully updated as it lacked entries such as the date of registration, location, supplier, condition and cost price.
- ii. Title documents for Land parcels with total value of Kshs.2,075,300,000 listed in the assets register were not availed for audit verification.
- iii. The fixed asset reflects ninety four (94) undeveloped parcels of land owned by County which may be prone to encroachment.

Under the circumstance, the fixed assets register do not reflect the accurate position of the county.

## **Recommendations**

The Management should update its asset register by reflecting all the necessary details of the assets and also secure title deeds for the County lands.

### **3.0 EXPENDITURE REVIEW**

#### **3.1 Procurements of Insurance Services**

During the period under review, the Finance sector paid Ksh.49,467,739 to a Broker as premium against insurance taken with two (2) Insurance Companies. The Broker was awarded contract through Request for Quotations (RFQ) instead of open tendering as stipulated by Public Procurement and Disposal Act, 2005 and Regulation, 2006. Further; the premiums were paid directly to the broker instead of the Insurance Companies contrary to regulations by the Insurance Regulatory Authority of Kenya.

#### **Recommendation**

The provisions of the Public Procurement and Disposal Act, 2005 and 2006 should be followed as stipulated.

#### **3.2 Leasing of Ambulance Vehicles**

The County Government entered into one year operating lease agreement with Kenya Red Cross Society on 22 October 2013 for the lease of nine (9) ambulances at a monthly cost of Ksh.600,000 per ambulance (Kshs.64,800,000 per year). However, during the tendering process, the per diem for the (NGO) staff and fuel were never disclosed but only included in the contract document. Total Payments made for the six months totalled Kshs.38,356,506 including per diem for the (NGO) staff and fuel expenses. Records on how the County monitors the movement of these ambulances were not availed. A review of purchases of ambulance vehicles from other Counties revealed that it is prudent and economical to acquire new ambulances for operation as opposed to leasing. Under the circumstances the propriety of the expenditure could not be ascertained.

#### **Recommendations**

The County should ensure that there is due diligence in carrying out all contracts and also ensure compliance with Public Procurement and Disposal Act, 2005 and related Regulations of 2006. The County Government should consider it prudent to acquire new ambulances for operation in order to receive value for money.

#### **3.3 Payment to the Council of Governors**

The County Government in the month of October 2013 paid Council of Governors Kshs.300,000 to support the work of the council. The Council of Governors as created under the Inter-Governmental Relations Act 2012 Section 19 should be

financed through the annual estimates of the Revenue and Expenditure of the National Government as per Section 37 of the Act. The propriety of the expenditure caused therefore not be confirmed.

### **Recommendation**

The County Government should liaise with the National Government for a refund or recoveries be instituted from the authorized officers.

### **3.4 Honoraria, Overtime and Lunch Allowances**

During the year under review, the Finance Sector paid honoraria allowances totalling Kshs1,035,500 to tender committee members and procurement unit officers involved in tendering procedure. However, the criteria and authority used to determine the amount payable was not availed for audit review. Further, Ksh.2,236,500 was paid as overtime and lunch allowances to officers as compensation for working beyond normal hours. However management did not disclose the authority/circular for the payment of the allowances taking into consideration that the officers were during their normal duties. **Refer to Appendix V A&B.**

### **Recommendations**

- i. The management should determine the rate of honoraria payable to the tender committee members and the overtime allowance policy.
- ii. Meal allowances should be paid only when officers work outside their working stations.
- iii. Full recovery should be made on failure to support payment of the above allowances and honoraria.

### **3.5 Payment of Transport Allowances**

The County Government paid transport allowances of Ksh.20,000 per month to each ten (10) County Executive Committee (CEC) members in the month of January and February 2014, despite the CECs having official transport allocated to them. Transport allowance totalling Kshs.400,000 was spent contrary to Salaries and Remuneration Commissions circular ref. SRC/TS/CGOVT/3/61 dated 20 August 2013. **Refer to Appendix VIII.**

### **Recommendation**

The County should recover Kshs.400,000 being transport allowances paid to CEC for the period they were allocated official transport.

## **4.0 REVENUE RECORDS**

### **4.1 Revenue Collection and Banking**

Analysis of revenue collection and banking in the period under review revealed the following:

- i. The nine (9) Sub-county revenue collection analysis availed had unbanked revenue totaling Kshs.3,299,610 contrary to the Financial Regulations.
- ii. The county entered into a Private partnership with a bank upon which the bank will collect parking fee, motorbike licensing, bus and matatu parking fees. The terms and condition of agreement and the revenue collected were not made available for audit verification.
- iii. Kisii Level 5 Hospital collected revenue totalling Ksh.1,835,591 between July 2013 and February 2014. The revenue was not banked into the county revenue account, but spent directly contrary to the requirement of Public Finance Management Act 2012;
- iv. The balancing of all revenue cash books were done in pencil and not in permanent ink.
- v. Handing over report of the revenue balance that was inherited and the unused receipt books handed over as at 4 March 2013 when the County came to existence were not availed for audit verification.
- vi. The County revenue collection software known as C-IFMIS or LAIFOM is yet to be put into use and no explanation was provided.

Under the circumstances, the accuracy of revenue collection could not be confirmed.

### **Recommendations**

- i. The County management should enhance the revenue collection system and also implement the C-IFMIS for efficient and effective revenue collection.
- ii. All the revenue collected should be banked in the County Revenue Fund Account.

## **5.0 HUMAN RESOURCE MANAGEMENT AND PAYROLL**

### **5.1 Payment of salary without deducting P.A.Y.E**

The County paid salary to eight (8) employees who were hired on contract at the Kisii Teaching and Referral Hospital without recovering Pay as You Earn (P.A.Y.E)

totalling to Kshs.119,124 contrary to Income Tax Act Cap 470. The County Government may incur penalties and interest for non-recovery and unremitted taxes as per Section 72(d) and Section 94(1) of the Income Tax Act 2012. **Refer to Appendix VIA & B**

#### **Recommendation**

The County should recover P.A.Y.E and remit to KRA as per Income Tax Act Cap 470.

### **5.2 Payment of Tuition Fees for Medical Staff**

During the year, Kisii Level 5 Hospital paid Kshs.595,600 fees for seven (7) officers who were pursuing various courses at Kenya Medical Training College (KMTC) and Kenyatta National Hospital through cost sharing funds. However, the authority for the payment was not availed for audit verification. **Refer to Appendix VII.**

#### **Recommendation**

In the absence of any authority, the payments should be taken as advances and recoveries be made from the respective officers.

## **6.0 COUNTY INFORMATION TECHNOLOGY ENVIRONMENT**

### **6.1 IFMIS, G-PAY and LAIFOMS**

A review of the IFMIS, G-PAY and IPPD systems revealed that the systems are not interfaced and the integrity and accuracy of information uploaded from one system to another could not be ascertained.

All the relevant data had not been captured in the system and information update were not accurate. There are cases of an officer operating both IFMIS and G-Pay at the same time resulting to lack of internal checks.

A review of the accounts set up and access rights granted to staff within IFMIS revealed the following weakness:

- i. There are no approved standard authorization cards used in granting access to the system
- ii. Users have been granted conflicting roles where certain users can perform a transaction from initiation, processing, reversal and reconciliation
- iii. The logical access controls are weak given that the users are not prompted to change the password upon the first log on and also all passwords are being shared by the system operators through access to individual user set-up account

- iv. IFMIS accounting system had not maintained system logs for all the transactions processed within the system since as the operators are sharing passwords it defeat the logic of having system logs.

### **Recommendations**

Management should ensure that the system is configured to maintain all system logs automatically in order to ensure that audit trails are maintained.

The system logs should be regularly reviewed by the system administrator and a report issued to the management.

### **6.2 Service Level Agreements with System Vendors**

The County does not have Service Level Agreement (SLAs) with vendor of IFMIS Accounting package, IPPD payroll package and C-LAIFOM billing package to explain the expectation and the responsibilities of the systems' vendors for maintenance and upgrading of the systems.

#### **Recommendation**

The Management should enter into comprehensive service level agreements with the vendors of the systems for the safety and upgrading of the systems.

### **6.3 Server Room**

Inspection of the server room revealed the following weaknesses:

- i. The physical access controls are not adequate as the door to the server room is not under lock and key. It is also accessible to unauthorized persons.
- ii. The space for the server is inadequate as it also houses the System Administrator, and G-Pay server is housed under Deputy Director of Finance office. IPPD server is housed under payroll supervisor office.
- iii. The room is not air conditioned so as to regulate the temperatures given that servers run for long hours thus they may heat up.
- iv. The servers are placed on the table thus exposed to dust and water.
- v. There are no smoke detectors and fire extinguishers within the server room
- vi. The County has dedicated one of their computers to be the server. The same computer is also used for other transactions.
- vii. The user set up is such that two user has one password.

## **Recommendations**

The County should ensure that physical access controls is enhanced at the server room and is not accessible by unauthorized persons

The County should ensure that environmental controls within the server include storage of servers in racks which are secure and free from dust, installation of air conditioner to regulate temperatures and, installation of smoke detectors to alert the management in case of fire.

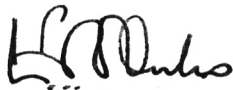
## **7.0 PRIOR YEAR OUTSTANDING ISSUES**

### **7.1 Handing Over of Assets and Liabilities of Defunct Local Authorities**

The handing over the assets and liabilities of the defunct local authorities had not taken place at the time of audit of a year after the county government came into existence.

#### **Recommendation**

The county should ensure that the handing over take place for proper accountability of the County assets and liabilities.



**Edward R.O. Ouko, CBS**  
**AUDITOR-GENERAL**

**Nairobi**

**19 May 2015**

## Appendix IA

### Imprest Management Kshs.32,741,086 for Kisii Executive and Assembly

Name	Warrant no.	Amount Kshs
John Amisi	1870929	30,000.00
Joash Agosos	1417792	9,000.00
Jefferson Akunga	197800	37,000.00
Joshua Orina	1907380	13,500.00
James Ombese	1934774	20,000.00
James Ombese	1900202	10,600.00
James Magwaro	1978775	10,000.00
Jacob Matara	1870794	3,500.00
J.B.Oganda	1907802	217,000.00
James Magwaro	1978775	10,000.00
William Adera		215,499.00
William Oribu	1832705	11,000.00
Yuvinalis Mongarora	1832732	25,430.00
Yophes Juma	1806207	32,500.00
Walter Mongare	1978757	41,000.00
Wilfred Otundo	1907258	10,500.00
Yusuf Mohammed	1806475	50,000.00
William Oribu	1806212	41,600.00
Marcellah Otuke	1806031	12,000.00
Lydia Onsare	1806203	20,000.00

Gordon Babu	1978770	22,500.00
Gordon Babu	1978787	13,500.00
Gordon Babu	1978832	22,500.00
Gordon Babu	1978798	13,500.00
Gordon Babu	1907754	17,500.00
Gordon Babu	1907769	7,000.00
Gordon Babu		7,000.00
Edward Onkangi	1806027	3,500.00
Philip Motundo	1806128	51,000.00
Patrick Muki	1870921	36,000.00
John Ombati	1806118	42,000.00
Gordon Babu	1806231	70,500.00
Edward Onkangi	1806221	7,000.00
Gordon Babu	1978779	13,500.00
Hesbon Mbura	1907773	7,000.00
John Amisi	1866465	96,125.00
John Amisi	1900225	14,500.00
John Amisi	1870979	30,000.00
Peter Isaboke	1832735	55,210.00
Nicholus Momanyi	1870491	20,500.00
Lwinac Oyunge	1832612	30,000.00
Peter Omari	1870974	20,500.00
Peter Nyaleon	1806490	48,000.00
Peter Mangesh	1832728	14,000.00

Peter Kiage	1806063	45,500.00
Peter Kiage	1806195	37,800.00
Peter Omari	1806193	31,700.00
Alfed Obobe	1806478	24,000.00
Amisi John	1832719	12,000.00
Justin Nyandika	1832509	531,000.00
Justin Nyandika	1857301	70,000.00
Douglas Arege	1806218	28,000.00
Alfred Keter	1806491	48,000.00
Albert Driver	1900440	7,000.00
Charles Mosoti	1845210	42,400.00
Hesbon Mbura	1870988	3,500.00
Charles Ombese	1415357	189,800.00
Chris Ibalao	1934888	115,000.00
Douglas Arege	1845168	326,510.00
Nahason Akunga	1978799	23,500.00
Nahason Akunga	1978780	13,500.00
Naomi Kamau	1806472	10,000.00
Nicholus Nyagwara	1907721	24,000.00
Nicholus Nyagwara	1907849	23,500.00
Nicholus Momanyi	1870790	7,000.00
Nahason Akunga	1978788	23,500.00
Nathan Soire	1870960	24,000.00
Onyoni	1907583	7,000.00

Oroko Ouru Joseph	1934856	20,000.00
Nyakangi Samwel	1934859	20,000.00
Nathan Soire	1832739	24,000.00
R.K.Mugambi	1806354	20,000.00
R.K.Mugambi	1832673	25,000.00
R.K.Mugambi	1806357	40,000.00
Jacob Matara	1870794	3,500.00
Moses Nyakeramba	1870927	6,525.00
Thomas Motari	1806087	10,500.00
Tom Matwetwe	1806145	14,000.00
Vincent Sagwe	1870938	36,000.00
Vincent Sagwe	1806192	60,000.00
Vincent Sagwe		22,500.00
Webster Otachi	1832528	19,500.00
Wilder Sonaya	1806487	14,670.00
Francis Kibe	1832747	45,410.00
Dr. CLEOPHAS .K. KOGO	1832644	37,000.00
Dr. ENOCK ONDARI	1806206	40,000.00
Dr. GEOFREY OTOMU	1806205	40,000.00
Mr. DOUGLAS AREGE	1832706	55,500.00
Mr. DOUGLAS AREGE	1806301	5,000.00
Mr. DOUGLAS AREGE	1832624	94,500.00
Mr. DOUGLAS AREGE	1870890	63,000.00
Mr. DOUGLAS AREGE	1870889	84,000.00

Mr. DOUGLAS AREGE	1870785	39,000.00
Mr. DOUGLAS AREGE	1806065	24,000.00
Mr. DOUGLAS AREGE	1870924	24,000.00
Mr. DOUGLAS AREGE	1845480	22,000.00
Mr. DOUGLAS AREGE	1870761	125,000.00
Mr. DOUGLAS AREGE	1845167	117,500.00
Mr. DOUGLAS AREGE	1806481	128,000.00
Mr. DOUGLAS AREGE	1934870	80,000.00
Mr. DOUGLAS AREGE	1900415	98,000.00
Mr. DOUGLAS AREGE	1900170	140,000.00
Mr. DOUGLAS AREGE	1900413	91,000.00
Bonface Maonga	1806328	7,000.00
Bonface Maonga	1870763	17,500.00
Bonface Maonga	1978795	36,000.00
Bernedette Nyakeriga	1934868	32,000.00
Sylvia Nyasinga	1806014	6,500.00
Thomas Arisa	1845202	12,500.00
Stephen Nyamari	1870187	10,500.00
Silas Monyangi	1806096	18,000.00
Robinson Nyaboga	1832646	19,200.00
Erick Nyasae	1806370	33,100.00
Solomon Mgogo	1876431	142,000.00
Ezekiel Mageto	1900057	7,000.00
Enock Moseti	1907758	7,000.00

Enock Anyona	1870892	31,500.00
Enock Onkendi	1806248	8,000.00
Erick Moseti	1806052	150,000.00
Erick Moseti	1870957	60,000.00
Gordon Odhiambo	1907671	197,000.00
Gordon Odhiambo	1806454	36,000.00
Gordon Odhiambo	1806460	39,600.00
Janet Nyangesa	1806448	40,000.00
Phane Onyancha	1907500	9,000.00
Peter Osugo	1870769	10,500.00
Phane Onyancha	1934992	27,000.00
Mr. DAUGLAS MOMANYI	1806498	7,000.00
James Ombese	1900079	326,988.00
James Nyandega	1832748	12,500.00
Jacob Matara	1870794	3,500.00
Jackson Mageto	1832694	35,000.00
James Ondeyo	1806433	10,600.00
Janet Nyangesa	1806415	15,000.00
Jared Kanyangi	1806431	10,000.00
Reuben Moreka	1806119	42,000.00
Janet Mbehize	1832729	47,325.00
Rebecca Onyori	1845760	40,000.00
Robert Momanyi	1870891	14,000.00
Jared Kanyangi	1832555	43,000.00

J. Amenity	1832718	276,000.00
Robert Momanyi	1806007	7,000.00
Robinson Nyaboga	1845194	6,020.00
Robinson Mirundi	1845195	4,500.00
Robert Momanyi	1806330	7,000.00
Robert Teresi	1806447	55,000.00
Ronald Onduso	1845770	277,530.00
Robert Momanyi	1870762	17,500.00
Richard Ogeto	1806446	19,000.00
Richard Mogusu	1978847	21,000.00
Jones Muori	1806476	40,000.00
Joah Ouko Agosi	1870857	3,500.00
Joes Chacha	1900405	25,000.00
Hesborn Mbura	1870988	3,500.00
Hezron Matongo	1978752	14,000.00
Ezekiel Mageto		7,000.00
Johnes Kiase	1806389	4,000.00
Johnes Kiase	1832725	13,000.00
Hesbon Mbura	1978753	7,000.00
Jones Mogi	2220205	13,000.00
Jane Mogi	1806045	7,650.00
Jones Mogi	1870956	13,000.00
Ezekiel Mageto	1900057	7,000.00
Ezekiel Mageto	1900151	10,000.00

Johnson Mbogo	1832717	12,000.00
Jonathan Ongeru	1806093	31,000.00
Ezekiel Mageto	1832697	17,500.00
Ezekiel Mageto	1806398	7,000.00
Erick Moseki	1832693	119,600.00
Evans Makori	1806376	3,000.00
Joshua Orina	1806008	7,000.00
Joshua Orina	1978794	36,000.00
Stephen Nyamari	1806311	17,500.00
Stephen Nyamari	1870787	10,500.00
Stephen Nyamari	1978793	36,000.00
Stephen Nyamari	1907590	7,000.00
Solomon Mbogo	1806196	227,660.00
Joshua Orina	1907594	7,000.00
Robert Momanyi	1934994	122,850.00
Robert Momanyi	1978772	22,500.00
Robert Momanyi	1978834	22,500.00
Robert Momanyi	1907590	7,000.00
Robert Momanyi	1978796	36,000.00
Evans Makori	1900108	75,200.00
Evans Ondara	1806226	153,110.00
Evans Ondara	1832608	5,000.00
Evans Ontegi	1870928	10,600.00
Erick Moseki	1978785	60,000.00

Silas Manyange	1978790	10,500.00
Jonathan Ongeru	1806368	43,600.00
Isaac Mochabo	1806414	16,500.00
Robinson Nyaboga	1806432	18,280.00
Ronald Oucho	1806399	4,800.00
Kelvin Ratemo	1907801	100,000.00
Kenani Miruka	1934867	53,000.00
Samuel George	1870888	3,500.00
Norah Ombui	1806130	51,000.00
Norah Ombui	1806130	100,000.00
Moses Nyakeramba	1934803	9,000.00
Livinah Ogechi	1832637	26,000.00
Rose Nyaundi	1832647	16,500.00
Livinac Oyunge	1907454	40,000.00
Livinac Oyunge		45,000.00
Johnson Juma	1806066	10,500.00
Evans Tinega	1415358	142,000.00
Douglas Areoe	1870889	84,000.00
Elijah Ombiro	1900139	6,300.00
Enock Anyona	1934848	27,000.00
Geoffrey Machami	1907593	7,000.00
Geoffrey Seme	1978836	22,500.00
Robert Momanyi	1870784	14,000.00
Robert Momanyi	1907768	14,000.00

Robert Momanyi	1907265	7,000.00
Erick Moseti	1934975	29,500.00
Robert Momanyi	1934847	27,000.00
Kennedy Njuguna	1870947	10,000.00
Livinac Oyunge	1900066	50,000.00
Livinac Oyunge	1900138	45,000.00
Livinac Oyunge	1907454	40,000.00
Rose Nyaundi	1832501	39,600.00
Johnson Juma	1907761	30,000.00
Samwel Mutai	1907204	140,650.00
Samwel Nyakangi	1978754	562,000.00
Samwel George	1900155	7,000.00
Samwel George	1870713	3,500.00
Enock Anyona	1806309	2,000.00
Enock Anyona	1806009	7,000.00
Evans Makori	1832744	50,000.00
Erick Moseti	1806088	40,000.00
Erick Moseti	1806061	70,500.00
Roseline Motono	1832507	2,500.00
S.N.Wanyama	1832715	14,800.00
Sammy Gitenyi	1806185	50,000.00
Samson Nyagaka	1832521	26,000.00
Samson Owino	1832724	256,500.00
Sammy Gitenyi	1806438	50,000.00

Samuel George	1870936	10,500.00
Jefferson Akunga	1806184	9,300.00
Jefferson Akunga	1870932	43,386.00
Jefferson Akunga	1806232	5,000.00
Isaiah Mosoti	1832519	18,000.00
James Ombese	1806437	8,000.00
James Nyaoga	1806146	62,000.00
James Nyaoga	1806141	38,000.00
Job Omayio	1832627	20,000.00
Job Omayio	1832615	49,672.00
Joash Ouko	1417792	9,000.00
Job Omayio	1832627	20,000.00
Nicholus Nyang'wara	1907374	14,000.00
Enock Anyona	1907261	14,000.00
Thomas Maosa	1806208	40,000.00
Janet Awino	1934863	6,000.00
K.M.Nyamboga	1907819	20,000.00
David Mosonik	1907354	17,500.00
Walter Mong'are	1907815	50,000.00
Kenan Miruka	1907761	20,000.00
Dames Magwaro	1907257	7,000.00
David Mosonik	1907757	7,000.00
Robert Momanyi	1907260	14,000.00
Bonface Maonga	1907753	17,500.00

Wilfred Otundo	1907258	10,500.00
Wilfred Otundo	1907266	7,000.00
Gordon Babu	1978779	13,500.00
Robert Momanyi	1907366	13,500.00
Edward Oyugi	1907772	12,000.00
Wilson Kibeni	1907759	27,500.00
Edward Oyugi	1907756	7,000.00
Gordon Babu	1907754	17,500.00
Jackline Mogoba	1941657	13,200.00
Kenan Miruka	1907286	26,000.00
Gordon Babu	1907769	14,000.00
Phane Onyancha	1978804	9,000.00
James Magwaro	1978807	19,000.00
Hezron Matongo	1978802	14,000.00
David Mosonik	1978803	7,000.00
Joshua Orina	1934957	9,000.00
Peter Kiage	1934958	9,000.00
Gordon Babu	1907365	13,500.00
Bonface Maonga	1907364	13,500.00
Edward Oyugi	1907353	22,500.00
Robert Momanyi	1907811	17,500.00
Stephen Nyamari	1907812	22,500.00
Francis Osoro	1907351	76,500.00
Benson Manyara	1907820	16,000.00

Wilson Kibeni	1907499	17,000.00
Joshua Orina	1907380	13,500.00
Gordon Babu	1907813	22,500.00
Thomas Onyancha	1907813	32,500.00
Wilson Kibeni	1907821	17,000.00
Enock Anyona	1907357	13,500.00
Nicholus Nyang'wara	1907211	24,000.00
James Ombese	1907484	10,600.00
Hesbon Mbura	1907570	13,000.00
Julius Kiage	1907568	82,500.00
Douglas Arege	1907563	65,000.00
Enock Anyona	1907567	17,500.00
Robert Momanyi	1907564	17,500.00
Joshua Orina	1907565	17,500.00
George Oyaro	1907569	13,000.00
Stephen Nyamari	1907566	17,500.00
Dalmas Nyambane	1870930	34,000.00
Moses Ratemo	1806111	400,000.00
<b>TOTAL</b>		<b>12,500,000.00</b>

**APPENDIX I (B)**  
**INDIA TRIP**

NAME/PAYEE	Mode of payment	ACCOMMODATION(SUB SISTENCE)AMOUNT
Hon.Protus Moindi	Cash	226,960.00
Hon.Joash Orora	Cash	226,960.00
Hon.Francis Aburi	Cash	226,960.00
Hon. Joice Kwamboka	Cash	226,960.00
Hon.Samwel Nyanginya	Cash	226,960.00
Hon.Timothy Nyarango	Cash	226,960.00
Hon.Cosmas Saka	Cash	226,960.00
Hon.George Bibao	Cash	226,960.00
Hon.Esther Nyamwamu	Cash	226,960.00
Hon.Grace Achoki	Cash	226,960.00
Hon. Anne Gati	Cash	226,960.00
Hon. Peter Omari	Cash	226,960.00
Hon.Apoko Samuel	Cash	226,960.00
Hon. Philip Motonu	Cash	226,960.00
Hon.Josephine Ombati	Cash	226,960.00
Hon.Charles Nyagoto	Cash	226,960.00
Hon.Peter Ongeru	Cash	226,960.00
Hon.Haron Masase	Cash	226,960.00
Hon. Elkanah Nyandoro	Cash	226,960.00
Hon.Vincent Gitene	Cash	226,960.00
Hon.Mengo Onchwangi	Cash	226,960.00
Hon.Albert Oino	Cash	

		226,960.00
Hon.Catherine Manzi	Cash	226,960.00
Hon.Lydia Okwoyo	Cash	226,960.00
Hon. Isaiah mosota	Cash	226,960.00
Hon.Robert Siocha	Cash	226,960.00
Hon.Alice Oanda	Cash	226,960.00
Hon.Alfred Onguti	Cash	226,960.00
Hon.Grace Ogonda	Cash	226,960.00
Hon.Jane Kananga	Cash	226,960.00
Hon.Nancy Ongeru	Cash	226,960.00
Hon.Norah Onyancha	Cash	226,960.00
Hon.Onchong'a Saisi	Cash	226,960.00
Hon.Kefa Manyura	Cash	226,960.00
Hon. Pius Abuki	Cash	226,960.00
Hon.Isabella Mose	Cash	226,960.00
Hon. Daniel Apepo	Cash	226,960.00
Hon. Cosmas Saka	imp2012448	248,056.00
<b>SECRETARIET</b>		
Edward Ondieki	Cash	226,960.00
Andrew Angwenyi	Cash	226,960.00
George Ochoti	Cash	226,960.00
Sabina Kennedy	Cash	226,960.00
Reuben Moreka	Cash	226,960.00
Vic tor Omenge	Cash	226,960.00

<b>TOTAL</b>		<b>10,007,336.00</b>
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<b>USA FROM 20 NOVEMBER 2014</b>		
<b>NAME/PAYEE</b>	<b>Mode of payment</b>	<b>ACCOMMODATION(SUBSIDENCE)AMOUNT</b>
Hon. Pris Abuki Bwongeri	imp1845225	<b>635,000.00</b>

<b>ISRAEL FROM 25TH NOVEMBER TO 4TH DECEMBER 2013</b>		
<b>NAME/PAYEE</b>	<b>Mode of payment</b>	<b>ACCOMMODATION(SUBSIDENCE)AMOUNT</b>
Kenfam international company	IFMIS No 371187	
Hon. Charles Onyong'a saisi	imp1845241	419,760.00
Hon. Evans Mokoro	imp1845239	419,760.00
Hon . Phelister metobo	imp1845238	419,760.00
Hon.Isabella Nyaboke Ong'era	imp1845236	419,760.00
Hon. Kenneddy Nyakundi	imp1844537	419,760.00
Hon. Robert Siocha	imp1845240	419,760.00
Hon. Charles Onyong'a saisi	imp1832710	386,370.00
		<b>2,904,930.00</b>
<b>TOTAL</b>		

<b>SOUTH AFRICA AS FROM 8TH APRIL TO 15TH APRIL 2014</b>		
<b>NAME/PAYEE</b>	<b>Invitation/ Correspondence with the Host</b>	<b>Mode of payment</b>
Hon. Samuel Onuko	Organizer was KCA	Imp1934779
Hon. Dennis Ombachi		Imp1934780
Hon. Evans Obwogi		Imp1934781
Hon. Henry Marita Gori		Imp1934782
Hon. Kennedy Michira		Imp1934783
Hon .John Ombati		Imp1934784

Hon. Evans Mokoro		Imp1934785
Hon. Samson Matoke		Imp1934786
Hon. Lucy Bosire		Imp1934791
Hon. Timothy Ogugu		Imp1934787
Hon. Richard Bundi		Imp1934789
Hon. Wright Okenye		Imp1934788
Hon. Risper Kemunto		Imp1934790
<b>ASSEMBLY SECRETARIAT</b>		
Joseph Maranga Amanya		Imp1934778
Shem Ondara		Imp1934798
Henry Moracha		Imp1934797

<b>UGANDA AS FROM 18TH DECEMBER 2013 TO 24TH DECEMBER 2013</b>		
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<b>NAME/PAYEE</b>	<b>Ivitation/ Correspondance with the Host</b>	<b>Mode of payment</b>
Ronald Onduso	none	unvouched
Elkanah Makori	none	unvouched
Danniel Ombasa Apepo	none	unvouched
Albert Oino	none	unvouched
Reuben Choi Moreka	none	unvouched
Evans Mokoro	none	unvouched
	<b>TOTAL</b>	<b>20,241,086</b>

**GRAND TOTAL(appendix IA+IB)**

**Kshs.32,741,086**

## APPENDIX II

### Requests for Quotations Kshs.41,396,879

Quotation	Quotation name	Awarded bidder	Contract sum
KCG/QT/219/2013-14 dated 6.2.14	Compiling of fixed assets appraisal & valuation for Kisii	Enigin solutions	8,500,000
KCG/works/QT 54/2013-14	Proposed repairs & renovations part of county government office ground floor Kisii county phase I	Foba building & civil engineering	4,401,149
KCG/QT/218/2013-2014	Proposed local area network (LAN) treasury complex main and old prefab buildings	Woodbridge solutions ltd	13,503,644
KCG/QT/40B/13-14	Supply and Installation of computer network cabling at new prefabricated building	Woodbridge computers ltd	14,992,086
<b>Total</b>			<b>41,396,879</b>

## APPENDIX III

### Suppliers awarded RFQs but not prequalified. Ksh.10, 143,301

Transaction no/ date	Payee	amount	Project/Services
345031339/ 8.4.14 345031070/ 17.2.14	Tosacco Holdings Ltd	3,995,306.8	Proposed repair & renovation to one old structure behind main government office & car parking
345031140/ 12.4.14	Jogemo construction co.ltd	208,684	Proposed installation of security lighting at county treasury offices
345031142/ 12.3.14	Anjonam General Eng.Co	1,214,056	Proposed construction of six car parking shades county governor executive offices
345031034/ 27.2.14	Choice general supplies	487,084	Partitioning governors secretary's office
	Techpoint ventures	4,145,707	Network installation works
34503605/ 9.12.13	Africa merchant Assurance Co.ltd	92,464	Outstanding premium for KAN 017P and KBG 204C, KAP 494E & KAM 057T
<b>Total</b>		<b>10,143,301</b>	

## APPENDIX IV

Suppliers awarded RFQs through Split procurements. Ksh. 37,696,449

Quotation	Quotation name	Awarded bidder	Contract sum
KCG/QT/161/2013-14	Supply curtains and shears	Jebrive investments	1,508,940
KCG/QT/84/2013-14	Supply curtains and shears	DAP Del chester (k) ltd	1,999,984
KCG/QT/65/2013-14	Supply curtains and shears	Jebrive investments	875,980
KCG/QT/64/2013-14	Supply office furniture	Viable deco solutions	16,870,260
		Artoffice furniture ltd	7,770,000
		Lee stewart investments	3,055,000
KCG/QT/280/2013-14	Supply office furniture	Artoffice furniture ltd	1,161,000
KCG/QT/310/2013-14	Supply office furniture	Artoffice furniture ltd	484,000
KCG/QT/265/2013-14	Supply office furniture	Artoffice furniture ltd	2,724,580
KCG/QT/279/2013-14	Supply office furniture	Artoffice furniture ltd	541,725
KCG/QT/285/2013-14	Supply office furniture	Artoffice furniture ltd	704,980
<b>Total</b>			<b>37,696,449</b>

## APPENDIX V A

Honoraria, Overtime and Lunch Allowances

Irregular allowances paid during tendering Process Ksh.1,035,000

Payee	Purpose	Payment Dates	Transaction ref	Amount	Comments
Jared Nyandanyi	Tender opening committee	23.10.13 and 29.10.13	34503637/20.12.13	36,000	9 members sitting allowances
John Nyandanyi	Tender committee	19.3.14 and 20.3.14	345031228/28.3.14	120,000	9 members sitting allowances as per signatures
Ronald Oucho	Tender evaluation	17.2.14 to 21.2.14	345031031/24.2.14	111,000	20 officers lunches
Silas NjagiNyaga P/no. 86057108	Tender committee allowances and secretariat	4.2.14	345031050/12.2.14	60,000	12 members sitting allowances as per signatures

Silas NjagiNyaga P/no. 86057108	Tender committee allowances and secretariat	30.1.14	345031049/ 12.2.14	60,000	12 members sitting allowances as per signatures
Silas NjagiNyaga P/no. 86057108	Tender committee allowances and secretariat	29.1.14	345031048/ 12.2.14	60,000	12 members sitting allowances as per signatures
Ronald Oucho	Tender evaluation	23.4.14 24.2.14	345031032/ 3.3.14	50,000	18 officers lunches
John Nyandanyi	Tender committee	27.2.14	345031227/ 28.3.14	65,000	13 members sitting allowances as per signatures
John Nyandanyi	Tender	29.3.14 30.3.14 4.4.14 8.4.14	345031319/ 8.4.14	140,000	13 members sitting allowances as per signatures
DalmasNyambane	Tender evaluation	8 to 11.4.14	345031361/ 15.4.14	27,000	Lunch allowance to 8 officers as per signatures
Janet Nyangena	Tender opening committee	23,10.13 29.10.13	34503637/ 20.12.13	36,000	9 members sitting allowances
Robert Nyachoti	Evaluating tender documents	17 to 21.3.14	345031224/ 25.3.14	150,000	21 officers lunch allowance
Robert Nyachoti	Opening tender documents.	6.3.14	345031194/ 25.3.14	54,000	10 officers & interns lunches
	Evaluating tender document.	6 to 8.3.14			6 officers
	Tender evaluation of consultancy	13.3.14			9 officers & interns
Jackline B. Otundo	Tender for construction of county headquarters	17.2.14	345031111/ 3.3.14	34,000	Allowances as per 20 out of 21 signatures
Linus salamba	Opening of washroom tenders for 16 officers	13.2.14	345031062/ 17.2.14	32,000	16 officers lunch allowance
<b>Total</b>				<b>1,035,000</b>	

## APPENDIX V B

### Payment of overtime and lunch allowances Ksh.2,236,500

Transaction number	Payee	Amount	Details of payment
34503538/ 22.11.13	Wilfred Gutwa	40,500	Lunch allowances for 6 days as from 12 to 18.11.13 for 9 officers for preparing personnel files beyond normal working hours.
34503999/ 6.2.14	George Matiro	31,500	Lunch allowances for 6 days as from 15 to 21.1.14 for 9 officers for sorting wealth declaration forms beyond normal working hours and weekends.
345031049/ 28.2.14	Isaac Machabo	25,000	Lunch allowances for 5 days as from 8, 9,15, 22, 23.2.14 for 6 officers for processing payroll on weekends.
34503571/ 28.11.13	Roseline Motonu	25,000	Lunch allowances to 8 officers involved in deployment of staff of Kisii County. Signatures are against payments
34503689/ 20.12.13	Douglas A. Omundi	30,000	Lunch allowances for 12 days as from 9 to 15.12.13 for 3 officers for processing payroll on weekends and public holidays.
345031110/ 21.2.14	Jackline Otundo	65,000	Allowances for 5 days as from 3 to 7.2.14 for 10 procurement officers for preparing BQ forms past normal working hours.
345031220/ 25.3.14	Isaac Mochabo	51,000	Lunch allowances for 12 days as from 8 to 20.2.14 for 5 officers for cleaning the payroll.
34503689/ 19.12.13	Caleb Okioga	50,000	Overtime allowances for 10 days as from 5, 16 to 20.12.14 for 5 officers for arranging vouchers made in November and December 2013.
345031222/ 24.3.14	John Amisi	57,500	Overtime allowances to 14 officers for working on a report for the county budget coordinator from 20 to 24.3.14 as per signatures
34503174/ 10.10.13	John Nyandanyi	102,000	Airtime allowance to 12 officers for sept and October 2013
34503809/ 17.1.14	Douglas Omundi	34,500	Lunch allowance to 7 HR officers for working 6 weekend days 1,4,5,11,12,18.1.14 as per signatures
34503740/ 14.1.14	Edward Mayogi	36,000	Lunch allowance to 4 officers for final editing and printing of Kisii county integration development plan from 3 to 6.1.14

34503948/ 31.1.14	Isaac Mochabo	33,000	Lunch allowance to 7 HR officers for cleansing & processing payroll on 6 weekend days 18, 19, 20, 21, 25, 26.1.14
345031089/ 23.2.14	Isaac Mochabo	28,500	Lunch allowance to 6 HR officers for cleansing payroll on 6 weekend days 1, 2, 8, 9, 15, 16.1.14
34503568/ 11.12.13	Joshua Omache	27,500	Overtime allowance to 6 officers (accounts) for working weekends and overtime on 20 to 24.11.13
34503996/ 5.2.14	Moses N Nyakeramba	30,000	Overtime allowance for working late in January 2014
34503793/ 17.1.14	Robert ongubo	36,250	Overtime for 9 officers working from 13 to 17.1.14
345031156/ 13.3.14	LukioObwoye	39,000	Lunch allowance for 4 officers re-arranging accounting registry & accountable documents from 3 to 14.3.14 and weekends 15, 16.3.14
34503613/ 10.12.13	ShadrackMomanyi	33,750	Overtime allowance to 9 officers working past normal working hours from 30 to 6.11.13
34503764/ 17.1.14	Robert Ongubo	51,250	Overtime allowance to 13 officers (accounts) working 5 days from 6 to 10 <sup>th</sup> 2014
345031190/ 20.3.14	DalmasNyambane	72,000	Overtime allowance to 12 officers working from 9 to 21.2.14
34503620/ 6.12.13	KipkorirKeter Alfred	200,000	Lunch allowance for review of CIDP meeting
345031099/ 23.2.14	John Amisi	110,000	Lunch allowance to 10 officers processing statutory deductions from 5 to 17.2.14
34503238/ 17.10.13	ShadrackMomanyi	25,000	Overtime allowance to 6 officers( accounts) working past normal hours from 14 to 18.10.13 as per signatures
34503278/ 25.10.13	Johannes Chacha	45,000	Lunch allowance to 9 officers finalizing finance bill at Nyakoe hotel Kisii on 12,13, 19, 20, 21.10.13 as per signatures
345031012/ 6.2.14	R. B. motonu	74,000	Lunch allowance to 11 officers processing January salaries for 4 days from 31 to 3.2.14 as per signatures
34503276/ 25.10.13	Daniel Ondonga	63,750	Breakfast and lunch allowance to 16 officers (accounts) working over 5 weekend days from 19, 20 and 21.10.13 as per signatures
34503412/ 8.11.13	Zipporah Omare	20,000	Overtime allowance to 2 officers working during weekends for 5 days in October 2013
345031327/ 8.4.14	Jafferson Akunga	615,000	Taskforce allowance to 10 officers to analyse headcount questionnaires for 15

			days from 20 to 8.3.14
345031080/ 19.2.14	John Amisi	35,000	Lunch allowances to 4 staff working overtime during preparation for headcount exercise and analysis of results for 10 days from 6 to 15.2.14
34503624/ 20.12.13	W.N. Gutwa	36,000	Lunch allowances to 4 officers processing payroll late hours for 12 days from 25 to 29.11.13 as per signatures
34503250/ 17.10.13	Douglas Omundi	11,500	Lunch allowance to 3 officers working on IPPD system on 16, 17, 19 to 20.9.13 as per signatures
34503104/ 4.10.13	Emily Keuku	12,000	Allowance for working beyond normal hours for 8 days for 2 officers on 23 to 27, 30, 1 and 2.10.13
345030620/ 6012.13	Dalmas Nyambane	35,000	Overtime allowance to 5 officers working late for 7 days from 30 to 6.11.13
345031051/ 18.2.14	Silas N. nyaga	28,000	Lunch allowances for Saturday and Sundays for 7 officers as per signatures
34503177/ 17.10.13	Isaac Mochabo	13,000	Lunch allowance to 3 officers working on IPPD system on 26, 27.8.13 & 21, 22, 28, 29.9.13
34503039/ 18.9.13	John Amisi	14,000	Lunch allowance for 2 days to 7 officers working on weekends on 14, 15.9.13
<b>Total</b>		<b>2,236,500</b>	

## APPENDIX VIA

### Payment of salary without statutory deductions Kshs. 8,740

Name	Designation	Contract period	Month	Amount	Tax	Relief	Net tax
Brecinett Kerandi	P. Assisitant	1 year	March 2014	27,808.00	4,066.40	1,162.00	2,904
Kennedy J Omete	Accountant II	2 years	March 2014	39,680.00	6,998.40	1,162.00	5,836
<b>Total</b>				<b>67,488.00</b>			<b>8,740</b>

**APPENDIX VIB**

**Payment of salary without statutory deductions Ksh. 110,384**

Name	Designation	Contract period	Month	Amount	Tax	Relief	Net Tax
Jason Oyaro	System Admin.	3 months	Oct 2013	20,000.00	2,504.80	1,162.00	1,342
Jason Oyaro	"	3 months	Sep. 2013	20,000.00	2,504.80	1,162.00	1,342
Jackson Bakari	anaesthetist	3 months	Aug 2013	32,000.00	5,039.00	1,162.00	3,877
Gloria Omari	anaesthetist	3 months	Aug 2013	30,000.00	4,539.00	1,162.00	3,377
Jackson Bakari	anaesthetist	3 months	July 2013	30,000.00	4,539.00	1,162.00	3,377
Jason Oyaro	System Admin.	3 months	July 2013	20,000.00	2,504.80	1,162.00	1,342
Gloria Omari	anaesthetist	3 months	July 2013	32,000.00	5,039.00	1,162.00	3,877
DismasOgendi	Accountant II	2 years	Sept 2013	50,265.00	10,173.90	1,162.00	9,011
DismasOgendi	Accountant II	2 years	Aug 2013	50,265.00	10,173.90	1,162.00	9,011
Jason Oyaro	System Admin	3 months	Feb 2014	22,000.00	2,904.80	1,162.00	1,742
DismasOgendi	Accountant II	2 years	Mar 2014	50,265.00	10,173.90	1,162.00	9,011
Jackson Bakari	anaesthetist	3 months	Feb 2014	30,800.00	4,368.00	1,162.00	3,206
Gloria Omari	anaesthetist	3 months	Feb 2014	30,800.00	4,368.00	1,162.00	3,206
DismasOgendi	Accountant II	2 years	Feb 2014	50,265.00	10,173.90	1,162.00	9,011
Jason Oyaro	System Admin	3 months	Feb 2014	22,000.00	2,904.80	1,162.00	1,742
Evans Onchuru	radiographer	3 months	Feb 2014	22,000.00	2,904.80	1,162.00	1,742
TegisiNyabok e	Radiographer	3 months	Feb 2014	22,000.00	2,904.80	1,162.00	1,742
Jason Oyaro	System Admin	3 months	Jan 2014	22,000.00	2,904.80	1,162.00	1,742
Evans Omwega	radiographer	3 months	Jan 2014	22,000.00	2,904.80	1,162.00	1,742
Gloria Omari	anaesthetist	3 months	Dec 2013	32,000.00	5,039.00	1,162.00	3,877
Evans Omwega	radiographer	3 months	Mar 2014	22,000.00	2,904.80	1,162.00	1,742
Jackson Bakari	anaesthetist	3 months	Mar 2014	33,000.00	5,289.00	1,162.00	4,127
Gloria Omari	anaesthetist	3 months	Mar 2014	35,200.00	5,839.00	1,162.00	4,677

Jackson Bakari	anaesthetist	3 months	Dec 2013	30,800.00	4,368.00	1,162.00	3,206
Josephine Nyaboke	radiographer	3 months	Mar 2014	22,000.00	2,904.80	1,162.00	1,742
Jason Oyaro	System admin	3 months	Mar 2014	22,000.00	2,904.80	1,162.00	1,742
Dismas Ogendi	Accountant II	3 months	Jan 2014	56,265.00	10,173.90	1,162.00	9,011
Gloria Omari	anaesthetist	3 months	Jan 2014	35,200.00	5,839.00	1,162.00	4,677
Jackson Bakari	anaesthetist	3 months	Jan 2014	33,000.00	5,289.00	1,162.00	4,127
		<b>TOTAL</b>					<b>110,384</b>

**Grand Total =Ksh.8,740 +Ksh.110,384=119,124**

#### **APPENDIX VII**

**Payment of fees for medical staff Kshs. 595,600**

<b>Payment Voucher No</b>	<b>Date</b>	<b>Payee</b>	<b>Beneficiaries</b>	<b>Amount</b>
1106	28.02.2014	Kenyatta National Hospital	Dominic Rianga	
			Judith Nyakwa	
			Yunia Kemento	200,000
1105	28.02.2014	Kenyatta National Hospital	Nancy Bosire	
			Ruth Mogaka	
			Stephen Moriasi	300,000
1180	10.02.2014	The Principal KMTTC	Peter Nyasenda	95,600
<b>Total</b>				<b>595,600</b>

## Appendix VIII

### Payment of Transport Allowances to County Executive Committee Members Kshs. 400,000.00

PF/NUMBER	NAME	JANUARY 2014	FEBRUARY 2014	TOTAL
1992031047	PERIS BITUTU ONSARIGO	20,000.00	20,000.00	40,000.00
20130017382	SAMWEL KEBATI OSORO	20,000.00	20,000.00	40,000.00
20130017391	DR. KODEK MIGIRO OMWANCHA	20,000.00	20,000.00	40,000.00
20130017408	ONDERI MOSES OURE	20,000.00	20,000.00	40,000.00
20130017417	IBRAHIM MOIRO OMARI	20,000.00	20,000.00	40,000.00
20130017426	MARCELLA OTUKE	20,000.00	20,000.00	40,000.00
20130017444	FREDRICK MOERWA OMWOYO	20,000.00	20,000.00	40,000.00
20130017453	SKITTER WANGECI MBUGUA	20,000.00	20,000.00	40,000.00
20130017462	SARAH OMACHE ANGIMA	20,000.00	20,000.00	40,000.00
20130017471	VINCENT SAGWE RIOBA	20,000.00	20,000.00	40,000.00
		<b>TOTAL</b>		<b>400,000.00</b>