

REPUBLIC OF KENYA



REPORT

OF

THE AUDITOR-GENERAL

ON

THE FINANCIAL OPERATIONS

OF

VIHIGA COUNTY ASSEMBLY

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

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

EXECUTIVE SUMMARY

Introduction

The Office of the Auditor-General has the mandate to audit and report on the financial operations and National and County Governments under Article 229 of the Constitution of Kenya and the Public Audit Act, 2003

Audit Objective

The audit objective was to find out how the County Assembly complies with legislation governing its operations and whether there is general adherence to public financial controls in the operation of the County Assembly in the delivery of its services.

Terms of Reference

The terms of reference set out included verification and confirmation of transactions in respect of but not limited to the following areas;

- Budgetary Controls and Performance
- Funds Disbursed to Wards
- Procurement of Goods and Services
- Construction Projects
- Payment for trainings and hotel services
- Cash and bank balance
- Expenditure on foreign travel by Members of County Assembly.
- Sitting Allowances for the Members of the County Assembly
- Any other matter concerning the Internal Controls at the Assembly

Key Audit Findings

1.0 Budgetary control and Performance

- Out of the approved Expenditure budget for the year 20013/20014 of Kshs.696,718,244.00, the Assembly incurred an expenditure amounting to Kshs.540,945,157.28 leaving a balance of Kshs.155,773,086.72 unspent. However, no reconciliation was done of these balances with records at the county executive to confirm the same with returns at the executive indicating a balance of only Kshs.15,000,000.00.
- Sixty (60) members of staff appear to have been recruited outside budgetary provisions.

- Foreign travel of more than Kshs.74,000,000 was incurred in excess of total budgetary provision for training of Kshs.38,000,000.00.

2.0 Funds Disbursed to Wards

The County Assembly allocated a total of Kshs.720,000.00 to each ward totalling to Kshs.18,000,000.00 for the 25 wards for the purposes of hiring ward offices, meeting salaries for staff and meeting other office running expenses. Audit revealed general lack of controls with the staff hiring procedures were not evident and cases of exaggerated rates of rents among other anomalies were observed.

A provision in the Vihiga County Assembly Service Act 2013, passed in March 2014 rendering it operational retrospectively from April 2013 is doubtful as to its legality.

3.0 Procurement of Goods and Services

The Assembly procured various categories of goods and services without competitive bids including among others legal services at a cost of Kshs.1,543,400.00, Insurance services at Kshs.1,610,260.00, hotel services at Kshs.7,590,976.00, fuel services at Kshs.2,040,443.00 and even repair of motor vehicles at Kshs.600,000.00 worth Kshs.13,385,019.00.

4.0 Irregularities in Rehabilitation of the County Assembly

The work of rehabilitating the county assembly at a total cost of Kshs.15,775,362.00 which was started by the county executive in the financial year 2012/2013 with a scheduled completion date of December 2013 remained incomplete by the time of audit inspection in December 2014.

Further tender documents for the project were not made available for audit review.

5.0 Unsupported Expenditure on Trainings and Hotel Services

Payments to hotels in respect of meetings and trainings of members of county assembly and staff amounting to Kshs.7,590,976.00 were not supported by any documentation to confirm methods of procurement.

It was difficult to confirm whether Public procurement regulations and procedures were adhered to in the procurements.

6.0 Cash and Bank Balances

Periodic balancing of the cash books was not being carried out and minutes authorizing the opening of an Imprest account at the Co-operative Bank were not available and thus the regularity of the same could not be confirmed. Further, Government policy restricting cash withdrawals to a maximum of Kshs.700,000.00 per week were not being adhered to.

7.0 Extravagant Expenditure on Foreign Travel By Members of the County Assembly

The expenditure on foreign travel purportedly on study tours totalled to Kshs.74,433,677.00 by members of the County Assembly exceeded the total budgetary provision for training of Kshs.38,000,000.00 by a total of Kshs.36,433,677.00. The amount spent was also not fully supported with an incident noted where all members of the Assembly plus the chief officer travelling for a technical workshop on infrastructure in Singapore instead of the ten persons invited.

8.0 Excess payments of Sitting Allowances

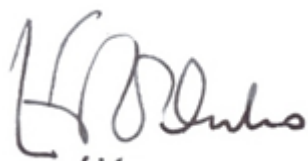
Records made available for audit review indicated that Members of the County Assembly Services board were paid a total of Kshs.1,768,000.00 in excess of the sittings attended.

9.0 Irregular Recruitment of Staff

The County Assembly irregularly recruited a total of ninety six (96) members of staff even though only thirty six (36) positions had been advertised as vacant implying that sixty (60) staff were recruited irregularly.

10.0 Irregularities in the Operations of Car Loan and Mortgage Facilities

No proper records including among others the cash book were kept in respect of the Kshs.200,000,000.00 set aside for mortgage and car loan facilities. Further, Kshs.45,815,527.00 was irregularly diverted from the account to meet operation activities including among others a trip to Israel.



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Nairobi

21 May 2015

DETAILED AUDIT REPORT ON THE FINANCIAL OPERATIONS OF VIHIGA COUNTY ASSEMBLY FOR THE PERIOD 1 JULY 2013 TO 30 JUNE 2014

Detailed Audit Findings

1.0 Un-Reconciled County Assembly Funding for the Financial Year 2013/2014

Approved budget for the year 2013/2014 for the County Assembly of Vihiga was Kshs.696,718,244. We noted that Kshs.88,713,744 was spent on personnel remuneration and allowances. Further, vote expense summary provided revealed that Kshs.252,231,413.28 was spent on other operations in the Assembly and Kshs.200,000,000 set aside for Mortgage facility. It therefore means a total of Kshs.540,945,157.28 was spent during the year under review.

From the foregoing Kshs.155,773,086.72 of the Assembly allocation remained unspent and therefore expected to be held in the revenue account of Central Bank as at 30 June 2014.

However, records from the County Treasury (Executive) revealed that only Kshs.15,000,000 was available in respect to County Assembly resulting to an unexplained difference of Kshs.140,773,086.72.

Recommendations

- Management to follow up with the county executive with a view to reconciling the two sets of accounts and establishing the correct balances.
- Any unexplained difference should be recovered from the revenue officers.

2.0 Ward office - Staff Salary, Office Rent and other office operations

Each Member of the County Assembly acquired an office at the ward and employed one manager, a secretary, clerk and driver. Kshs.720,000 was provided to cater for expenditure including rent and salary during the Financial Year 2013/2014. Therefore, for the 25 wards across the County of Vihiga, a total of Kshs.18,000,000 was spent. However, it was not clear as to whether a provision in the Vihiga County Assembly Service Act, 2013, passed in March 2014 rendering it operational retrospectively from April 2013 was legal. Neither was there evidence of the involvement of the Transitional Authority or the Salaries and Remuneration Commission.

It was therefore not clear as to whether the opening of these offices and recruitment of staff was authorized.

A visit to 17 out of the total 25 wards in the month of March 2015 revealed general lack of controls including among others absence of rent (lease) agreements, exaggerated rates of rents, lack of appointment letters for staff whose employment procedures were not clear and even direct withdrawal of funds not accounted for by a Member of the County Assembly.

Given that the main duty of the ward representatives is legislation, it was not clear whether this expenditure which appear excessive was proper charge to public funds.

Recommendations

- The Kshs.9,000,000.00 paid to the wards in respect to the period between July 2013 and December 2013 long before the relevant legislation was passed remain unaccounted for and should be recovered from the respective Members of the County Assembly.
- Proper records be kept with respect to the expenditure at the wards and adequate periodic returns be filled to the Assembly for monitoring and control.
- The Constitutional provision which requires responsible and prudent management of public funds should be adhered to.
- The staff salaries and rent expenditure should be paid directly to the beneficiaries not to the Members of County Assembly.

3.0 Procurement of Goods and Services

3.1 Irregular Expenditure on Legal Services

Payment vouchers examined revealed that the County Assembly incurred expenditure amounting to Kshs.1,543,400.00 on legal services involving drafting of county regulations and other consultancy services without inviting competitive bids. It was not clear how the legal firm concerned was identified nor how the fair values of the legal services were determined. The details of the expenditure were as follows:

Service description	Amount (Kshs)
Drafting two sets of regulations A.Vihiga County Assembly Mortgage and Car Loan Regulations, 2014 B.Vihiga County Gazette Supplement No. 4, Legislative Supplement No.1	638,600.00
Prepare scheme of service for staff of the County Assembly. Reviewing the staff establishment	904,800.00
TOTAL	1,543,400.00

Further, the letter of agreement in respect of the legal services was not made available for audit review and therefore it was not possible to ascertain the specific terms. It was also found out that another consultancy firm had been hired by the County Executive to prepare a scheme of service for all the staff and therefore the payment of Kshs.904,800.00 appear to be a double payment.

Recommendations

- Action be taken against those responsible for the apparent disregard of procurement regulations in procuring the legal services.
- Recover the double payment of Kshs.904,800.00 for preparation of Scheme of Service for staff.

3.2 Irregular and unsupported Procurement for Insurance Services

Payment vouchers indicate that an Insurance brokerage firm was paid Kshs.2,111,760.00 in respect of motor vehicles' insurance without inviting competitive bidders. It was therefore not possible to confirm how the brokerage firm was identified and how the amount so paid was arrived at and whether it represented fair value. Further, only an amount of Kshs.501,500.00 out of the Kshs.2,111,760.00 paid related to a specific vehicle leaving a balance of Kshs.1,610,260.00 unaccounted for because the vehicles insured were not specified.

Without competitive bid the county may have lost money through exorbitant pricing of the insurance services. Further, the unsupported expenditure may be nugatory as no value may have been received in return.

Recommendations

- Management should ensure adherence to public procurement regulations in all future procurements.
- The amount of Kshs.1,610,260.00 paid without supporting documents be accounted for or else it be recovered from the payee and the authorizing officers.

3.3 Irregular Procurement of Fuel

Payment vouchers availed to us indicated that the Assembly without inviting competitive bids incurred cash expenditure amounting to Kshs.2,040,443.00 on procurement of fuel. Further, no records such as a fuel register and detail orders were maintained to account for the fuel so procured. Given the inherent weakness of the controls over cash payments and also without proper records to account for the fuel, it was not possible to confirm whether the fuel paid for was delivered and used for public purposes.

There is a high risk of cash sale receipts having been used to facilitate payments without any delivery of fuel. Alternatively, the fuel may have been used for personal purposes.

Recommendations

- Management should account for the expenditure of Kshs.2,040,443.00 through proper documentation or the same be recovered from the payees.
- Government procurement regulations requiring competitive procurement be adhered to in future.

- A fuel register be put in place immediately for control of fuel use and fuel be only drawn through authorized vouchers/detail orders.

3.4 Irregular Expenditure on Repair of Motor Vehicles

Payment voucher number 1194 of 30 June, 2014 indicate that one Tapan Motors was paid an amount of Kshs.600,000.00 in respect of repair of three motor vehicles without inviting competitive bidders to determine fair prices. Further, no inspection reports from technical officers identifying the nature of repairs the vehicles required were made before the repairs were undertaken. Thus one could not confirm whether the repairs were actually undertaken and if undertaken whether they were carried out at fair prices.

Expenditure on repairs without inspection reports means there is no control and therefore the magnitude of repairs is likely to be exaggerated leading to overpricing.

Overpricing is also likely when procurement is not done competitively.

Recommendations

- The amount spent irregularly needs to be recovered from the payees and the officers involved unless accounted for.
- County Assembly should adhere to the Public Procurement Law and Regulations.

4.0 Irregularities in the Rehabilitation of County Assembly Hall

Documents examined indicate that during the financial year 2012/2013, the county Government procured the services of renovation of the County Assembly hall at a cost of Kshs.15,775,362.00 through requests for quotations and not through the required method of open tender. Further, all the minutes pertaining to the procurement process were not made available for audit review including among others the opening and award minutes.

As a result it was not possible to confirm that the contract price was the most competitive nor whether due process was followed. There were also no inspection reports by the technical departments to ensure that the work being carried out meets the standards of quality. A visit in July 2014 revealed that even though according to the procurement agreement, the work was to be completed by December 2013, approximately not more than 50% of the total work had been done as the County Assembly continue to pay a school a monthly hiring charges amounting to Kshs.60,000.00 for the use of a school hall an amount that could have been saved.

Failure to procure through open tender does not only amount to the contravention of the Law but could result into overpricing and consequent loss of funds. Also the failure to complete the project in time implies that public funds being tied up without any benefits to the public. Funds that could have been used for public services are now used for hiring venue for the assembly. There could also be cost escalation.

Recommendations

- Management should ensure that Public Procurement Regulations are adhered to in all future procurements.
- Measures be taken to assess the viability of the project and complete if viable to save the County Assembly Kshs.60,000 every year.

5.0 Irregular procurement of Hotel Services

A total of Kshs.7,590,976.00 was paid to hotels as listed below among others that offered some services to Members of the County Assembly. However, it was not possible to confirm how these hotels were identified and how the rates charged were arrived at since they were not listed among the ones prequalified during the Financial Year 2013/ 2014. No quotations or evidence of market survey was also available rendering it impossible to confirm whether prices charged represented fair values.

There is a high risk of the County Assembly losing money through over-pricing and paying for undelivered services.

Recommendations

- Management should ensure that provisions of the Public Procurement Regulations are adhered to in all procurements.
- Management should explain why the regulations were not adhered to in the first place.
- The un-explained and unsupported expenditure as detailed above should be accounted or else it be recovered from the payees and the authorizing officers.

6.0 Irregularities in Operation of Imprest Account

Minutes authorizing the opening of a standing imprest account operated by the Assembly at a local bank were not availed for audit. It was therefore not clear as to how the account was opened or whether it was actually authorized. Further, reconciliation statements for the account were not made available for audit. Thus the authenticity of the transactions through the account could not be confirmed. Other omissions related to the account were as follows;

- i. The relevant cash book was not periodically balanced off thus one would not tell balances at any given time as should be the case.
- ii. The statutory limit restricting cash withdrawal to a maximum of kshs.700,000.00 per a week was not adhered to. This phenomenon appear to have contributed to excessive cash transactions.

- iii. Imprest warrants were not in use but instead, imprest payment to officers were directly expensed in the cash book implying that one did not have to surrender or account.
- iv. Payment vouchers did not have proper reference numbers in the cash book rendering it almost impossible to trace specific vouchers.

There is high risk of misuse of the imprest facility through extravagant expenditure and the subsequent failure to account without periodic reconciliation, there is high risk of unauthorized payments through the bank

The accuracy of the cash book was also in doubt and thus it could be used for unauthorized transactions.

Recommendations

- Management should ensure periodic balancing of the cash book preferably daily.
- Management should ensure that monthly reconciliation statements are prepared and checked by a senior officer.
- Payment vouchers should be sequentially numbered and posted as such in the cash book.
- Cash transactions should be discouraged given the inherent control weaknesses over them. All payments should be through cheques or Electronic transfer.

7.0 Extravagant Expenditure on Foreign Travel

In what appear to be the non- prudent, non-responsible, wasteful and or the extravagant expenditure envisaged by the Constitution of Kenya and other legislations, the County Assembly incurred expenditure amounting to Kshs.74,433,677.00 on foreign travel.

The summary details are as follows;

Country visited	Reasons of visit	Amount (Kshs)
Uganda	Budget committee deliberation and discuss devolution matters	16,597,730.00
Israel	Study best agricultural practices for implementation	23,049,852.00
Singapore	Attend Workshop on integrated infrastructural development	18,255,215.00
Tanzania	Learn operation of parliament	13,440,880.00
	Sub Total	71,343,677.00
South Africa	Bench marking with a county	3,090,000.00
	TOTAL	74,433,677.00

The amount included air transport, accommodation and subsistence expenses for both the Members of the County Assembly and members of staff. Our audit revealed the following unsatisfactory matters about this expenditure;

- i. Specific reasons or objectives for the trips to Uganda, Tanzania and Israel were actually not clear rendering the trips unnecessary and wasteful. This is evidenced by the fact that in all the cases there were no clear prior programs for these trips.
- ii. There were also no clear roles or selection criteria for those making the trips as demonstrated by the trip that was meant to learn about infrastructural development in Singapore which involved all members of the County Assembly and all senior officers and even the County Public Service Board. It was not clear why the whole team had to make these trips without taking in to consideration the technical and professional background of individuals' visa-vis the nature of study. This led to the opinion that the trips may not have been purely for education purposes.
- iii. Documents made available indicate that Kenya College of Accountancy which appear to have been involved in the trip to Singapore as a facilitator had only invited ten officers for the workshop and yet 50 were paid per-diem for travelling. Documents available indicate Air travel bookings for only ten (10) persons and thus there was no evidence to confirm that the other forty(40) paid per-diem allowances actually travelled to Singapore and thus in our opinion they may not have travelled.
- iv. The results of these trips in terms of implementation of what was learnt are not documented. There was no evidence of legislation related to these trips. It was also not clear whether these trips if necessary at all should have been made by the members of the County Assembly whose main role is legislation and not the executive the Governing body.
- v. Payment vouchers were generally not properly supported rendering the expenditure ineligible as a charge to public funds. In most cases payments for air travel were not supported by relevant copies of air tickets. Even specific reasons for payments were not indicated in many instances. There were also instances of double payments as evidenced by payments for both per-diem and to the hotel in Uganda.
- vi. Per-Diem payments were in a number of cases made in excessive of approved days as was the case for Uganda where officers were paid for ten days instead of four (4) resulting to overpayment of Kshs.3,162,816.00 in total while in Tanzania they were paid for 7 days instead of 4 or 5 resulting to overpayment of Kshs.1,241,816.00. The two figures adds to Kshs.4,404,632.00 that should be recovered.
- vii. The holding of budget review meeting in Uganda appear also to contravene Article 196 of the Constitution of Kenya 2010 which require the County assemblies to 'hold their 'sittings and those of committees in public' to promote public participation. There was also no evidence of public participation and involvement in the decision on foreign travel.
- viii. The amount spent also exceeded the amount budgeted for training of Kshs.38,000,000.00 by a whole Kshs.36,433,677.00 or 96% of the approved budget.

Public funds meant to alleviate poverty through devolution appear to have been extravagantly and wastefully spent by the members of the county assembly and senior officers on foreign trips denying the country their benefit. It is also apparent that the Constitutional principles on “selfless service based solely on public interest” may not have been adhered to among other provisions.

It also appears that payments were made for no services rendered as in the cases not supported and excessive per diem payments thus loss of public funds.

Recommendations

- The excessive per-diem should be recovered from the payees.
- The whole payments for the Uganda trips appear wasteful and therefore should be recovered from the payees.
- All the unsupported payments should also either be accounted for or recovered from the payees or the authorizing officers.
- The Assembly and the Controller of Budget should ensure that the budget provisions adhere to the Constitutional principle of ‘selfless service based solely on public interest’.
- The budget process should also not provide for extravagant and or wasteful expenditure.
- The budgets should also have adequate disclosures to facilitate informed public participation.

8.0 Excessive payments of Sitting Allowances to County Assembly Service Board (CASB)

During the year under review, the Board members were paid sitting allowances amounting to Kshs.3,978,000.00 for a total of 117 sittings even though documents made available indicate evidence of only 65 sittings having taken place which assuming a full house in every sitting adds up to total allowances amounting to Kshs,2,210,000.00. This leaves an amount of Kshs.1,768,000 paid for no sittings.

Information available revealed that the Speaker is entitled to a sitting allowance of Kshs.10,000, Majority leader – Kshs.8,000, Minority leader - Kshs.8,000 and County Resident Representative – Kshs.8,000 which adds up total payment for each sitting of Kshs.34,000 if all the members attend.

No satisfactory reason was given for payment of Kshs.1,768,000 since there is no evidence that there was any extra meeting (48 sittings).

There was also no evidence that CASB had played any role in approval and exercising budgetary control as required apart from interview carried out for new employees.

Public funds appear to have been paid to Board members for no services received

Recommendation

- Unless satisfactory explanation is provided, the amount of Kshs.1,768,000.00 should be recovered from the board members.

9.0 Irregular /Excessive Recruitment of staff

The Vihiga County Assembly Board (CASB) carried out assessment of human resource gaps and consequently advertised for 36 vacancies.

- (a) The Board settled on 96 positions instead of 36 as advertised and thus over 60 were irregularly employed as detailed below;

Position	No. Advertised	No. Recruited	Excess
Principal Human Res. officer	0	1	1
Asst. Secretary	0	1	1
Clerical Officer 1	0	2	2
Clerical Officer 11	0	1	1
Office Asst.	0	5	5
Commissionaires	6	8	2
Security Wardens	0	4	4
Maintenance Officers	0	4	4
Transport officers	0	6	6
Senior Accountant	0	1	1
Accountant 11	1	2	1
Asst. Proc. Officer	0	1	1
Procurement Officers	1	3	2
Store man	0	1	1
Internal Auditor 11	1	2	1
Dep. Prin. Legal Counsel	0	1	1
Research officers	1	5	4
Asst. Librarian	0	2	2
ICT officer 1	1	2	1
Asst. Public Comm. Officer	0	2	2
Asst. Hansard Editor	1	3	2
Hansard Reporter	1	7	6
Hansard Recorder	0	2	2
	36	62	27

- (b) The audit revealed that 62 new employees were recruited and reported on 1 April 2014. However, they had not received their salaries and as at the time of this audit in July 2014, their fate still remains unclear.
- (c) We noted that 19 staff members from defunct local authorities were interviewed and absorbed by CASB as advised by the Transition Authority of Kenya. However, it was

not clear why the other 27 former staff members already on payroll were not interviewed.

- (d) It was noted that only 36 vacancies were advertised but staff establishment/organizational structure indicates that there are 81 positions in the County Assembly. No explanation was given for the failure to advertise for all the positions.
- (e) Before any employment is completed, the County Assembly is also required to deliberate on the same and confirm if there is budgetary provision that would accommodate the wage bill. There was no evidence that this requirement was met and it appear that there were no budgetary provision for the excess recruitment.
- (f) As at the time of audit in July 2014 the concerned staff had not been absorbed into the payroll and their terms were not clear and thus the financial effect was not known. However, documents available subsequently indicate that Kshs.15,000,000.00 appeared to have been irregularly transferred from the mortgage and car loan account for the purpose of meeting 'new employees' salaries'.

Recruitment of staff members in excess of the establishment is likely to lead to a bloated workforce and excessive expenditure on staff remuneration which is likely to eat into development funds.

Most staff may also not be fully utilized and thus remain idle thus wasted manpower.

Recommendations

- Management should take action to carry a proper manpower planning and job evaluation and take corrective action to avoid unnecessary expenditure on salaries.
- Avoid irregular reallocation of funds to unapproved expenditure items.
- Adhere to human resource management policies and procedures especially on recruitment of staff.

10.0 Irregularities on Mortgage and Car Loan Facility

The Mortgage and Car Loan Regulations 2014 authorized the establishment of a fund having initial capital of Kshs.200,000,000.00. According to the schedule availed for audit, Members of County Assembly (MCAs) were issued with a total of kshs.160,800,000.00 leaving a balance of Kshs.39,200,000.00 in the account.

However, the bank statement (cooperative bank) shows a balance of Kshs.5,643,365.50 as at 10 December 2014 leaving the difference of Kshs.33,556,634.50 unaccounted for. Subsequent information indicate that a total of Kshs.45,815,527.00 was irregularly directed from the account for operation activities among them Kshs.15,000,000.00 for a trip to Israel and another Kshs.15,000,000.00 for new employees' salaries. Further, no proper records were kept among them a cash book to show the details of the operation of the loan facility.

Recommendations

- Management to ensure proper records are kept for the control of the funds.
- Further, the Kshs.45,815,527.00 diverted to other operations be accounted for.
- Any unsupported amount should be recovered from the relevant officers/MCAs.

11.0 Rent Arrears for Speaker's Residence

A payment of Kshs.1,200,000.00 was made in respect to rent arrears from the months of 1April 2013 to 30 June 2014 being leased property monthly rent for House Speaker's residence. As per the agreement of lease/tenancy Kshs.80,000 was to be paid for 15 months, totaling Kshs 1,200,000.

These payment appear to have been made in contravention of Circular reference number SRC/TS/CGOVT/3/16 of 27 November 2013 from the Salaries and Remuneration Commission of Kenya which provided that the gross remuneration of the speaker includes 60% basic salary and 40% allowances implying that to be inclusive of house allowance.

The payment amounts to double payment and thus a loss to the County Assembly.

Recommendations

- The amount of Kshs.1,200,000 should be recovered from the payee and the speaker's salary

12.0 Failure to update Inventory/Assets records

USAID/KTI provided grant in form of equipment to Vihiga County Assembly as detailed below:-

Delivery Date	Items delivered	Actual Expenditure (Kshs)	Amount (Kshs)
21/11/2013	8 laptops	\$ 38,425.86	3,189,346.40
27/2/2014	10 desktops, projector laptop and photocopier	\$ 33,367.22	2,769,479.30
Total		\$71,793.08	5,958,825.70

The items of office equipment were not received and recorded in the inventory before they were distributed to the user departments.

Even though was alleged that the items were distributed to the County Assembly leadership, the list of the recipients was not made available for audit review. It was therefore not possible to confirm the very existence of these assets and their security.

The assets risk being pilfered and or misused for purposes other than for the County Assembly.

Recommendations

- An assets register together with ledgers be opened immediately and be posted not only with the above items of equipment but with all the Assembly's assets including those procured and those taken over from the defunct County Council of Vihiga. These records should be kept up to date and availed for audit review.
- Mark and tag the assets for ease of identification during stock taking.



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21 May 2015