

REPUBLIC OF KENYA



*Paper laid*  
By Chairperson of Scrutinized  
Committee on County Public  
Accounts and Investment.

*[Signature]*  
07/07/2015

**KENYA NATIONAL AUDIT OFFICE**

**REPORT**



**OF**

**THE AUDITOR-GENERAL**

**ON**

**THE FINANCIAL OPERATIONS OF  
TURKANA COUNTY ASSEMBLY**

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



## Table of Contents

EXECUTIVE SUMMARY .....	1
Introduction .....	1
Audit Objectives.....	1
Terms of Reference.....	1
Key Audit Finding .....	2
1.0 Allowances.....	2
1.1 Foreign Travel and Subsistence Allowance.....	2
1.2 Fact Findings on Agriculture and Natural Resource .....	2
1.3 Payment of Sitting Allowances to the Members of the County Assembly.....	2
2.0 Expenditure on County Assembly Ward Offices.....	2
2.1 County Assembly Ward Offices .....	2
2.2 Salaries in County Assembly Ward Offices.....	3
3.0 Hire of Transport Services.....	3
DETAILED AUDIT FINDINGS.....	5
1.0 Allowances.....	5
1.1 Foreign Travel and Subsistence Allowance.....	5
1.2 Fact Findings on Agriculture and Natural Resource .....	5
1.3 Payment of Sitting Allowances to the Members of the County Assembly.....	6
2.0 Expenditure on County Assembly Ward Offices .....	6
2.1 County Assembly Ward Offices .....	6
2.2 Salaries in County Assembly Ward Offices .....	7
3.0 Hire of Transport Services.....	7

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

---

## **EXECUTIVE SUMMARY**

### **Introduction**

The Auditor-General has the mandate to audit and report on the accounts of the National and County Governments under Article 229 of the Constitution and the Public Audit Act, 2003. Further, the Constitution and Section 107 of the Public Finance Management Act, 2012 requires the County Treasury to adhere to the principles of public finance.

### **Audit Objectives**

The objective of the audit was to ensure existence of internal controls for proper accountability of Public resources, confirm that procurement of goods, works and services was done in accordance with the Public Procurement and Disposal Act, 2005 and related regulations and that public funds have been utilized effectively and in accordance with the law.

### **Terms of Reference**

The terms of reference set for the audit included verification and confirmation of transactions in respect to but not limited to the following areas:

- Budgetary controls and performance
- Annual operational / Activity plans
- Procurement of goods, works and services
- Allowances including travelling and accommodation expenses for local and foreign trips.
- Motor vehicle running expenses
- Consultancy services
- Imprests and advances
- Cash and bank balances
- Human Resource Records
- IT Environment
- Non-current assets
- Debtors
- Creditors

## **Key Audit Finding**

### **1.0 Allowances**

#### **1.1 Foreign Travel and Subsistence Allowance**

Audit review of the financial records maintained by the County Assembly of Turkana showed that advance payments totalling Kshs.10,423,628 were made to Members of the County Assembly in form of foreign travel and subsistence allowance in visiting USA, Singapore and Israel in the months of October 2013, February 2014 and March 2014 respectively. The payments were not in form of imprest contrary to the requirement of Section 5.6 of the Government Financial Regulations and Procedures that requires officers to be advanced cash in form of imprest but were instead expensed. Further, the payment documents availed for audit were not supported by copies of stamped passports to confirm that the members of the County Assembly were indeed in those countries.

#### **1.2 Fact Findings on Agriculture and Natural Resource**

Records of the County Assembly availed for audit review indicated that during the months of January and February 2014, various house committees were paid in advance amounts totalling Kshs.1,160,000 for attending fact findings on Agriculture and Natural Resources. However, the money was not paid in form of imprest as required by Section 5.6 of the Government Financial Regulations and Procedures but was instead directly expensed. Further, work tickets for the vehicles used were not availed for audit review in support of the journeys made.

#### **1.3 Payment of Sitting Allowances to the Members of the County Assembly**

Records availed for audit review indicated that the Members of the County Assembly were paid allowances totalling Kshs.52,997,000 for the eight months ended 30 June, 2014 out of which Kshs.1,092,000 was irregularly paid to Members of the County Assembly as sitting allowance while the members were out of the country in the months of February and March, 2014.

Further, attendance registers for the Committee Sittings were not availed for audit review.

### **2.0 Expenditure on County Assembly Ward Offices**

#### **2.1 County Assembly Ward Offices**

A review of the records of the County Assembly indicated that Kshs.5,400,000 was spent as rent on the 30 new ward offices opened for the members of the County Assembly for the year ended 30 June 2014. However, it is not clear and the Clerk of the County Assembly has not explained if the County Public Service Board has given approval for establishment of the offices as required under Section 60 of the County Government Act,


2012. Further, the Clerk has not provided information on how the offices were procured and the rent payable determined.

## **2.2 Salaries in County Assembly Ward Offices**

Information available indicate that for the year ended 30 June 2014, Kshs.25,140,000 was incurred on employees in the 30 County Assembly Ward offices. However, no information was availed for audit review to confirm that the vacancies were competitively advertised and interviews conducted in line with the County Government Act, 2012. Further, it was not possible to determine the criteria used for determining the salaries paid to the staff. Also, a review of the Assembly budget for the year 2013/2014 revealed that there was no budgetary provision for the personnel emoluments for Ward offices.

## **3.0 Hire of Transport Services**

A review of procurement records showed that a member of the County Assembly was paid a total of Kshs.411,000 in respect of car hire services contrary to the provisions of Section 33(1) of the Public Procurement and Disposal Act, 2005. Further, there was no evidence on how the supplier was identified to supply the services. Consequently, the propriety of the expenditure of Kshs.411,000 could not be confirmed.



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

**Nairobi**

**20 May 2015**



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

---

## DETAILED AUDIT FINDINGS

### 1.0 Allowances

#### 1.1 Foreign Travel and Subsistence Allowance

Audit review of the financial records maintained by the County Assembly of Turkana showed that advance payments totalling Kshs.10,423,628 (**Appendix I**) were made to members of the County Assembly in form of foreign travel and subsistence allowance in visiting USA, Singapore and Israel in the months of October 2013, February 2014 and March 2014 respectively. The payments were not in form of imprest contrary to the requirement of Section 5.6 of the Government Financial Regulations and Procedures that requires officers to be advanced cash in form of imprest but were instead expensed. Further, the payment documents availed for audit were not supported by copies of stamped passports to confirm that the members of the County Assembly were indeed in those countries. Also, the training programmes while abroad and reports of what was learnt were not availed for audit verification and it was not clear whether the same was subsequently tabled in the County Assembly as required by the standing orders.

#### Recommendation

Officers, including members of County Assembly on official duties out of their duty station should be issued with individual temporary imprests which, should be accounted for or surrendered within 48 hours after returning to duty station as required by the regulations governing imprests and be supported by copies of stamped passports as prove of travel and reports of what was learnt laid before the house as required by standing orders.

#### 1.2 Fact Findings on Agriculture and Natural Resource

Records of the County Assembly availed for audit review indicated that during the months of January and February 2014, various house committees were paid in advance amounts totalling Kshs.1,160,000 (**Appendix II**) for attending fact finding on Agriculture and Natural Resources. However, the money was not paid in form of imprest as required by Section 5.6 of the Government Financial Regulations and Procedures but was instead directly expensed. Further, work tickets for the vehicles used were not availed for audit review in support of the journeys made. Also, reports of the meetings held were not provided for audit review or evidence that the same was tabled in the County Assembly as required by the standing orders.

#### Recommendation

Management should ensure that each officer on official duties out of the duty station is issued with individual temporary imprest which should be accounted for or surrendered



on return from the journey in accordance with the Government Financial Regulations and Procedures governing issuance of imprests together with the necessary supporting documentation. Further, the members of the Assembly should be urged to surrender their imprest as required by the Government financial regulations and procedures failure to which the same is recovered from the members' payroll as per the law.

### **1.3 Payment of Sitting Allowances to the Members of the County Assembly**

Records availed for audit review indicated that the members of the County Assembly were paid allowances totalling Kshs.52,997,000 for the eight months ended 30 June, 2014 out of which Kshs.1,092,000 (**Appendix III**) was irregularly paid to members of the County Assembly as sitting allowance while the members were out of the country in the months of February and March, 2014. Further, attendance registers for the Committee Sittings were not availed for audit review. No explanation has been provided for paying sitting allowances for the days the members did not attend the Assembly sittings.

#### **Recommendation**

The management should ensure that members of the Assembly are only paid sitting allowances for actual sittings attended subject to the set maximum of four for plenary and four for committee per week. Management should also ensure that proper attendance registers for House Committee Sittings is in place to support sitting allowances paid/payable.

In addition, management should ensure that the irregularly paid allowances totalling Kshs.1,092,000 are recovered from the officers.

### **2.0 Expenditure on County Assembly Ward Offices**

#### **2.1 County Assembly Ward Offices**

A review of the records of the County Assembly indicated that Kshs.5,400,000 was spent as rent on the 30 new ward offices opened for the members for the year ended 30 June 2014. However, it is not clear and the Clerk of the County Assembly has not explained if the County Public Service Board has given approval for establishment of the offices as required under Section 60 of the County Government Act, 2012. Further, the Clerk has not provided information on how the offices were procured and the rent payable determined.

Also a review of the County Assembly budget for the year 2013/2014 revealed that there was no budgetary provision for rental costs for the ward offices. Consequently the expenditure on the offices amounting to Kshs.5,400,000 was ineligible.

#### **Recommendation**

Management should ensure that expenditure incurred is in accordance with the approved budget and that provisions of the County Government Act, 2012 relating to establishing of public offices are adhered to. Further the accounting officer responsible should be held

liable for the expenditure which is contrary to the Government financial regulations and procedures.

## **2.2 Salaries in County Assembly Ward Offices**

Information available indicate that for the year ended 30 June 2014, Kshs.25,140,000 was incurred on staff employed in the 30 County Assembly Ward offices. However, no information was availed for audit review to confirm that the vacancies were competitively advertised and interviews conducted in line with the County Government Act, 2012. Further, it was not possible to determine the criteria used for determining the salaries paid to the staff. Also, a review of the Assembly budget for the year 2013/2014 revealed that there was no budgetary provision for the personnel emoluments for Ward offices. Consequently the payments of Kshs.25,140,000 in respect of personnel emoluments for employees of the ward offices amounts to ineligible expenditure.

### **Recommendation**

Management should ensure that expenditure incurred is in accordance with the approved budget and that provisions of the County Government Act, 2012 relating to establishing of public offices are adhered to. Further, vacant positions in the ward offices should be filled through a competitive and transparent process in accordance with the prescribed appointment or promotion procedures.

## **3.0 Hire of Transport Services**

A review of procurement records showed that a member of the County Assembly was paid a total of Kshs.411,000 (**Appendix IV**) in respect of car hire services contrary to the provisions of Section 33(1) of the Public Procurement and Disposal Act, 2005. Further, there was no evidence on how the supplier was identified to supply the services. Consequently, the propriety of the expenditure of Kshs.411,000 could not be confirmed.

### **Recommendation**

The management should ensure that the provisions of the Public Procurement and Disposal Act, 2005 and Regulations of 2006 and 2013 are adhered to in the procurement of goods and services.



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

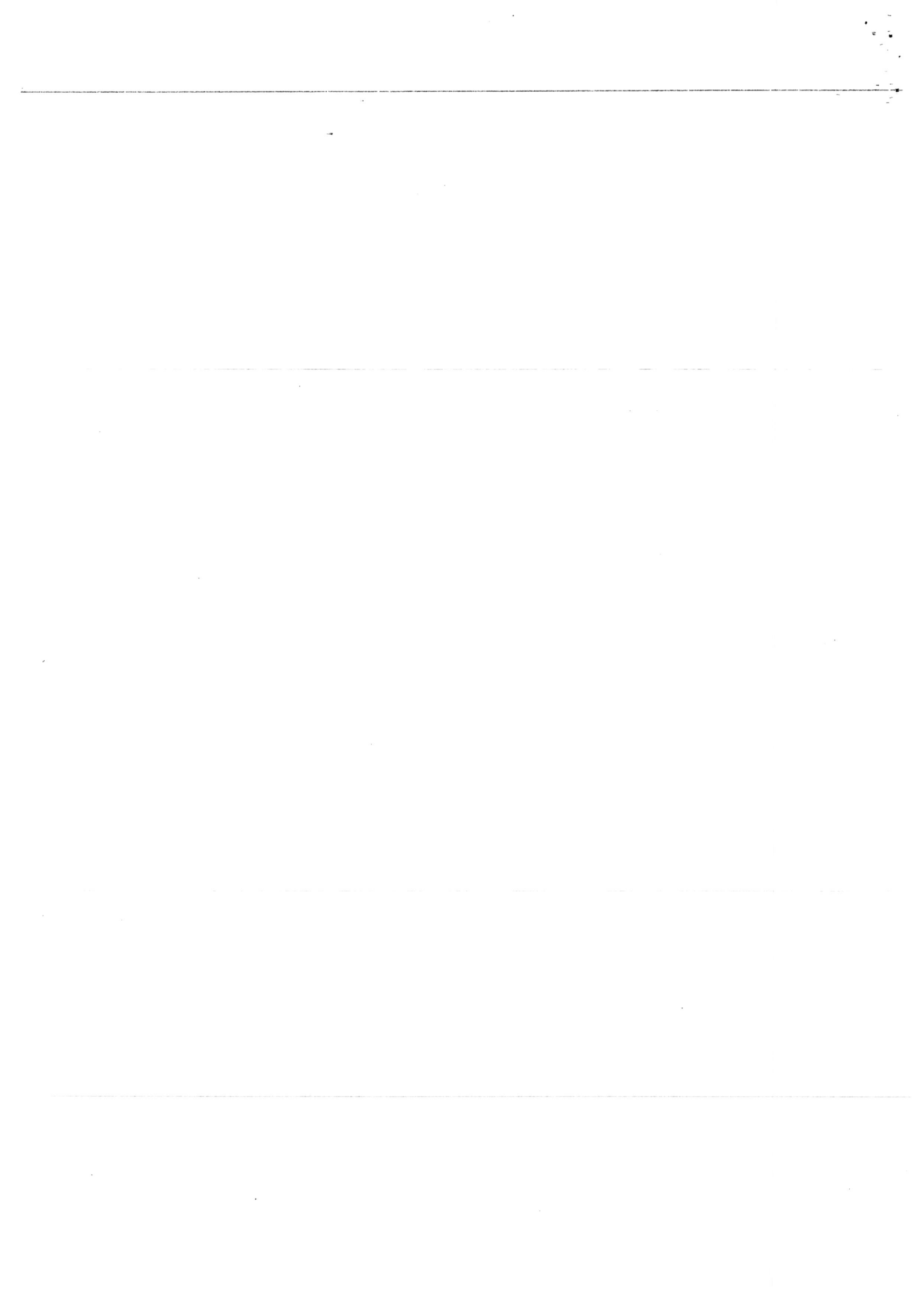
**Nairobi**

**20 May 2015**



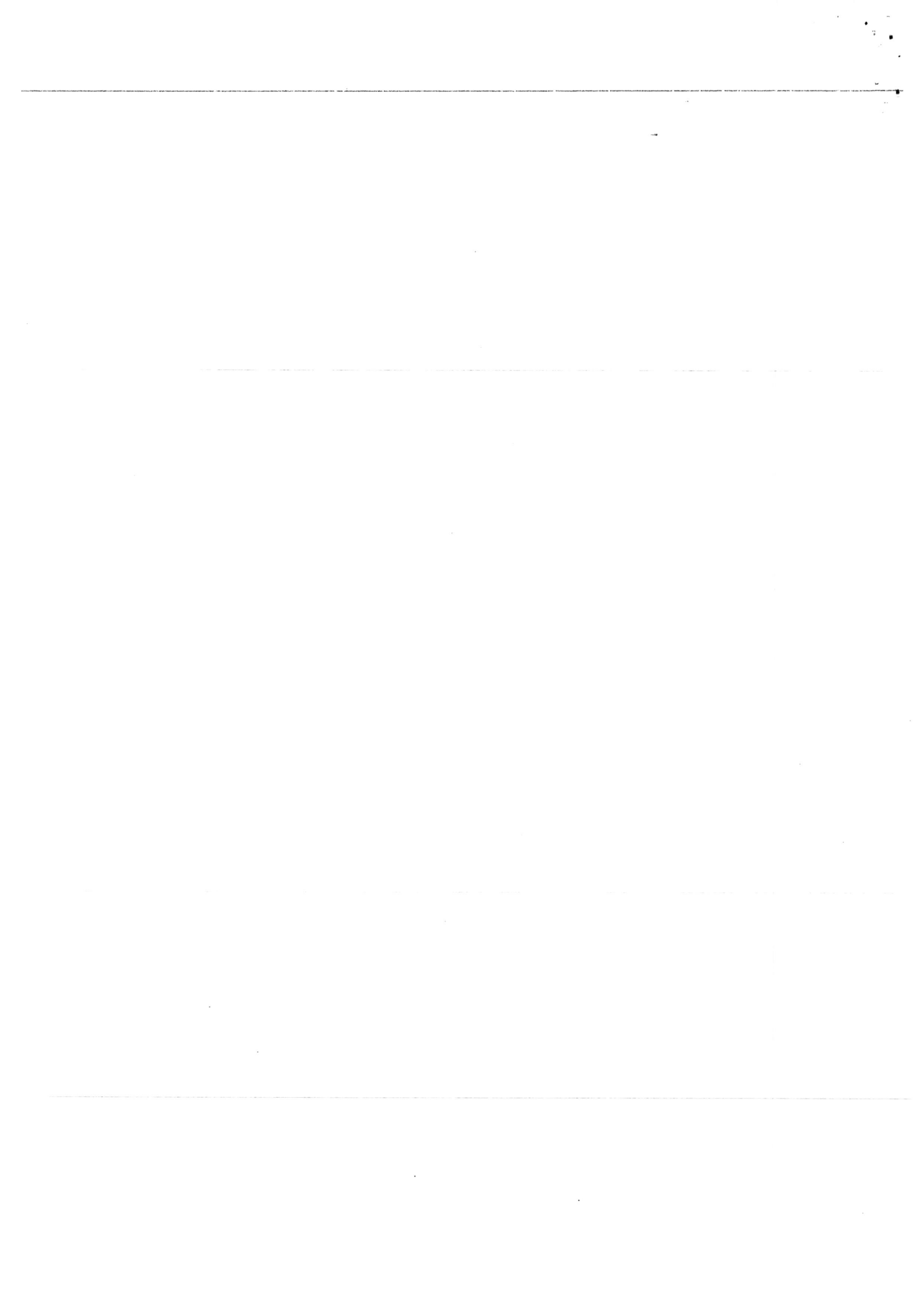
**APPENDIX I**  
**TURKANA COUNTY ASSEMBLY**  
**FOREIGN TRAVEL ALLOWANCES**

	Date	Payment voucher number	Cheque number	Payee	Amount (Kshs)	Country Visited
1	10-Oct-13	1104	642&643	Hon. Jeremiah Lomorukai	393,720	USA
2	10-Oct-13	1104	642&643	Hon. David Ekod	393,720	USA
3	10-Oct-13	1104	642&643	Hon. Marystella Ekunoit	393,720	USA
4	10-Oct-13	1104	642&643	Hon. Rebecca Epae	393,720	USA
5	10-Oct-13	1105	644	Mrs Anne Kaaman	375,360	USA
6	10-Oct-13	1105	644	Hon. Paul Narubu	375,360	USA
7	10-Oct-13	1105	644	Mr. Linus Miinyan	393,720	USA
8	10-Oct-13	1105	644	Hon. Patrick Losike	393,720	USA
9	10-Oct-13	1105	644	Hon. Geoffrey Kaituko	428,400	USA
10	10-Oct-13	1105	644	Hon. Benedict Lokamar	393,720	USA
11	28-Feb-14	1106	94	Jackson Lowoi	174,583	Singapore
12	28-Feb-14	1106	94	Rebecca Asekon	174,583	Singapore
13	28-Feb-14	1106	94	Jacinta Abenyo	174,583	Singapore
14	28-Feb-14	1106	94	Elizabeth Korikel	174,583	Singapore
15	28-Feb-14	1106	94	Bernard Kebo	174,583	Singapore
16	28-Feb-14	1106	94	Vincent Lobuin	174,583	Singapore
17	28-Feb-14	1106	94	Michael Ewoi	174,583	Singapore
18	28-Feb-14	1106	94	Leah Nachere	174,583	Singapore
19	28-Feb-14	1106	94	Philemon Ngasike	174,583	Singapore
20	28-Feb-14	1106	94	Joseph Nyaga	174,583	Singapore
21	28-Feb-14	1106	94	Didymus Chegem	174,583	Singapore
22	28-Feb-14	1106	94	John Sepae	174,583	Singapore
23	28-Feb-14	1106	94	James Ikeny	174,583	Singapore
24	28-Feb-14	1106	94	Samuel Edapal	174,583	Singapore
25	28-Feb-14	1106	94	Jacob Nakuwa	174,583	Singapore
26	28-Feb-14	1106	94	Naomi Enyang	174,583	Singapore
27	28-Feb-14	1106	94	Emmanuel Lomorukai	174,583	Singapore
28	28-Feb-14	1106	94	Mariam Nasanyana	174,583	Singapore
29	6-Mar-14	1108	109	Raphael Loperito	197,907	Israel
30	6-Mar-14	1109	109	Roseline Aite Onakuta	179,462	Israel
31	6-Mar-14	1109	109	Nicodemus Eguman	197,907	Israel
32	6-Mar-14	1109	109	Shadrack Lodonga	197,907	Israel
33	6-Mar-14	1109	109	James Abei	197,907	Israel
34	6-Mar-14	1109	109	Margaret Eramram	197,907	Israel
35	6-Mar-14	1109	109	Sarah Kaatho	197,907	Israel
36	6-Mar-14	1109	109	Nicholas Ewoi	197,907	Israel
37	6-Mar-14	1109	109	Evans Ekai	197,907	Israel
38	6-Mar-14	1109	109	Bethwel Kobongin	197,907	Israel
39	6-Mar-14	1109	109	Samson Akuri	197,907	Israel
40	6-Mar-14	1109	109	Ruth Kuya	197,907	Israel
41	6-Mar-14	1109	109	Selina Lokope	197,907	Israel
42	6-Mar-14	1109	108	John Lokwatubwa	197,907	Israel
43	6-Mar-14	1109	108	Lawrence Lotomon	197,907	Israel
44	6-Mar-14	1109	108	Joseph Tioko	197,907	Israel
45	6-Mar-14	1109	108	Margaret Ekai Eyangan	197,907	Israel
				<b>Total</b>	<b><u>10,423,628</u></b>	



APPENDIX II  
TURKANA COUNTY ASSEMBLY  
UNACCOUNTED FOR EXPENDITURE

	Date	Payment voucher number	Payee	Amount (Kshs)	Remarks
1	17-Jan-14	8	Teresia Elinga	416,000	MCAs and staff attending Agriculture and natural resource in Lokichoggio 5-8 Dec 2013
2	17-Jan-14	9	KCB Lodwar Electronic transfer instructions	276,000	MCAs and staff attending Agriculture and natural resource in Lokichoggio 22-24 November 2013
3	14-Feb-14	10	KCB Lodwar Electronic transfer instructions	468,000	Fact finding in Moroto
			"	<b><u>1,160,000</u></b>	
		<b>Total</b>			



**TURKANA COUNTY ASSEMBLY**  
**APPENDIX III**  
**MEMBERS IRREGULARLY PAID SITTING ALLOWANCES**

	Period	Payee	Sitting Allowance for 8 Sittings (Kshs)	Country Visited
1	2 March 2014 To 16 March 2014	Jackson Lowoi	31,200	Singapore
2	2 March 2014 To 16 March 2014	Rebecca Asekon	31,200	Singapore
3	2 March 2014 To 16 March 2014	Jacinta Abenyo	31,200	Singapore
4	2 March 2014 To 16 March 2014	Elizabeth Korikel	31,200	Singapore
5	2 March 2014 To 16 March 2014	Bernard Kebo	31,200	Singapore
6	2 March 2014 To 16 March 2014	Vincent Lobuin	31,200	Singapore
7	2 March 2014 To 16 March 2014	Michael Ewoi	31,200	Singapore
8	2 March 2014 To 16 March 2014	Leah Nachere	31,200	Singapore
9	2 March 2014 To 16 March 2014	Philemon Ngasike	31,200	Singapore
10	2 March 2014 To 16 March 2014	Joseph Nyaga	31,200	Singapore
11	2 March 2014 To 16 March 2014	Didymus Chegem	31,200	Singapore
12	2 March 2014 To 16 March 2014	John Sepae	31,200	Singapore
13	2 March 2014 To 16 March 2014	James Ikeny	31,200	Singapore
14	2 March 2014 To 16 March 2014	Samuel Edapal	31,200	Singapore
15	2 March 2014 To 16 March 2014	Jacob Nakuwa	31,200	Singapore
16	2 March 2014 To 16 March 2014	Naomi Enyang	31,200	Singapore
17	2 March 2014 To 16 March 2014	Emmanuel Lomorukai	31,200	Singapore
18	2 March 2014 To 16 March 2014	Mariam Nasanyana	31,200	Singapore
19	10 March 2014 To 22 March 2014	Raphael Loperito	31,200	Israel
20	10 March 2014 To 22 March 2014	Roseline Aite Onakuta	31,200	Israel
21	10 March 2014 To 22 March 2014	Nicodemus Eguman	31,200	Israel
22	10 March 2014 To 22 March 2014	Shadrack Lodonga	31,200	Israel
23	10 March 2014 To 22 March 2014	James Abei	31,200	Israel
24	10 March 2014 To 22 March 2014	Margaret Eramram	31,200	Israel
25	10 March 2014 To 22 March 2014	Sarah Kaatho	31,200	Israel
26	10 March 2014 To 22 March 2014	Nicholas Ewoi	31,200	Israel
27	10 March 2014 To 22 March 2014	Evans Ekai	31,200	Israel
28	10 March 2014 To 22 March 2014	Bethwel Kobongin	31,200	Israel
29	10 March 2014 To 22 March 2014	Samson Akuri	31,200	Israel
30	10 March 2014 To 22 March 2014	Ruth Kuya	31,200	Israel
31	10 March 2014 To 22 March 2014	Selina Lokope	31,200	Israel
32	10 March 2014 To 22 March 2014	John Lokwatubwa	31,200	Israel
33	10 March 2014 To 22 March 2014	Lawrence Lotomon	31,200	Israel
34	10 March 2014 To 22 March 2014	Joseph Tioko	31,200	Israel
35	10 March 2014 To 22 March 2014	Margaret Ekai Eyangan	31,200	Israel
		Total	<b><u>1,092,000</u></b>	





**APPENDIX IV  
TURKANA COUNTY ASSEMBLY  
CAR HIRE EXPENDITURE**

	<b>Date</b>	<b>Payment voucher number</b>	<b>Cheque number</b>	<b>Payee</b>	<b>Amount (Kshs)</b>	<b>Remarks</b>
1	15-Apr-14		171	Naomi Enyang	105,000	7 days during youth training on 14-20 February 2014
2	5-May-14		290	Naomi Enyang	168,000	Facilitate MCAs and staff while on official duties at Eliye Springs
3	13-Jun-14		403	Naomi Enyang	138,000	Fact finding in Moroto
		<b>Total</b>			<b><u>411,000</u></b>	

