



PPRA

**PUBLIC PROCUREMENT
REGULATORY AUTHORITY**

**SUMMARY OF THE CONTRACT AUDIT
REPORT FOR BOMET COUNY GOVERNMENT
FOR THE PERIOD FY 2018-2019**

FEBRAURY, 2020

This report is a product of Contract Audit(s) conducted by the Public Procurement Regulatory Authority (the Authority) pursuant to its mandate under the Public Procurement and Asset Disposal Act, 2015 (the Act). Part IV of the Act requires the Authority to ensure that the procurement procedures established under this Act are complied with. Specifically, Section 43 (2) of the Act bestows on the Authority the responsibility to conduct audits on contracts during tender preparation, contract execution and after contract completion.

In view of the above, contract audit of Bomet County Government was conducted from 24th to 26th February 2020. The audit covered 6 (six) contracts signed during the period 1st July, 2018 to 30th June 2019. The main objective of the audit was to determine the extent to which the Procuring Entity (PE) followed the procedures and rules established in the Act and the applicable regulations; circulars and directives issued by the Authority and other generally acceptable professional best practices, in conducting their procurement processes and contract management activities with reference to selected contracts. In addition, the audit helped to identify strengths and weaknesses, as well as risks inherent in the procurement and contract management system and propose measures to mitigate weaknesses and irregularities identified.

An entry meeting with the PE's management team was held on 24th February 2020 to discuss the scope of the audit, the audit plan, the auditors' and PE's expectations, access to documentation and other administrative issues. The audit exercise involved examination of relevant procurement and contract management records from the selected contracts to verify their compliance with the Act, the attendant Regulations and other directives issued by the Authority and other relevant bodies from time to time. The auditors used qualitative and quantitative data collection methods including interviews, observation, confirmation, analysis and audit of records.

The audit was mainly limited / constrained by incomplete procurement files and non-maintenance of contract files.

The summary of the key findings based on the three broad indicators were as follows:

Procurement processes

Strengths

Procurement records were well maintained and all procurements were planned for. Procurement was initiated through requisitions and the method procurement was not appropriate in some procurement. Evaluation committee conducted evaluation. The county government made use of standard tender documents. Tenders were awarded by the respective accounting officers.

Weaknesses

Request for quotations were awarded by procurement officers of various departments which contrary to section 106(5) c of the Act. Documents in the procurement files were not filed in the order they were generated.

Contract management

Strengths

Contracts were signed in accordance with section 135 of the Act and all documents deemed to form part of the contract were annexed.

Weaknesses

There were no contract files maintained and sometimes payments to contractors were delayed.

Contract implementation teams/inspection and acceptance committee were not duly appointed.

Upon conclusion of the audit the overall compliance and risk rating of the PE's procurement and contract management system was determined based on compliance and risk rating criteria defined in the Authority's Compliance Monitoring Manual. To this end Bomet County Government has attained a compliance level of .59.7 % which is marginally compliant.

The procuring entity should improve the management of their procurement records and contract administration. Detailed recommendations for addressing the weaknesses are captured in Section two (2) of this report. The procuring entity should implement the recommendations within the specified timelines and update the Authority on the same for purposes of follow up.

