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**AUDITOR-GENERAL'S
SUMMARY REPORT
ON PUBLIC UNIVERSITIES
2021/2022**



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SUMMARY

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OF

THE AUDITOR-GENERAL'S REPORT

ON

PUBLIC UNIVERSITIES

2021/2022

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Foreword by the Auditor-General

This report summarises the audit issues and compiles the cross-cutting audit issues arising from the audit of Universities for the year ended 30 June, 2022.

The Auditor-General is mandated by the Constitution of Kenya, 2010, under Article 229, to audit and report on the use of public resources by all entities funded from public funds. These entities include the National Government, County Governments, the Judiciary, Parliament, Statutory Bodies/State and County Corporations, Commissions, Independent Offices, Public Debt, Political Parties funded from public funds, other government agencies and any other entity funded from public funds. The mandate of the Auditor-General is further expounded by the Public Audit Act, 2015.

Education is recognized as a public good, a fundamental right and is a basis for guaranteeing the realization of other rights. Article 43(1)(f) of the Constitution of Kenya, recognizes the right of every individual to access education. Access to quality education and appropriate facilities has been identified as one of the main drivers of societal progress and economic development. It is essential for peace, tolerance, human fulfilment and sustainable development. It is key to achieving full employment and poverty eradication. Indeed, Target 4.3 of United Nations' Sustainable Development Goal 4 aims to ensure that by 2030, there is equal access for all women and men to affordable and quality technical, vocational and tertiary education.

In Kenya, universities play a crucial role in enhancing access, quality, and sustainability of education services in Kenya. In addition to imparting job skills, they play a vital role in stimulating critical and creative thinking that facilitates development of solutions for local and global problems in all fields of sustainable development. They also help in generating and disseminating knowledge vital for social, cultural, ecological and economic development. They support lifelong learning.

This report has identified a number of cross-cutting issues which require urgent attention, as they greatly impact on the ability of universities to effectively provide quality education to students.

As previously reported, an effective mechanism for follow up on implementation of audit recommendations is lacking and as such most audit queries recur in subsequent audit reports due to lack of requisite action. The Public Finance Management Act, 2012 does not provide sanctions to a National Government entity that fails to address issues raised by the Auditor-General, to the satisfaction of the Auditor-General.

However, despite numerous reports indicating lack of accountability and documents to support the legality and effectiveness in the use of public resources, the lack of the requisite sanctions and consequences has resulted to some Accounting Officers not adequately accounting for the management and use of public resources with impunity. Lack of action and sanctions has also led to fiscal indiscipline including misallocations, wastage of resources, lack of value for money in implementation of projects and loss of

public funds, thereby impacting negatively on development programmes. This in turn threatens economic growth and sustainability of service delivery to citizens. There are instances where some Accounting Officers are in breach of Section 62 of the Public Audit Act, 2015 by failing to adequately prepare for audit which is exhibited by numerous inaccuracies in financial statements presented for audit, lack of requisite supporting documents, several revisions of financial statements and, in some cases, reluctance to cooperate with the auditors during the audit process.

To support timely implementation of audit recommendations, we have partnered with Parliament and the National Treasury in operationalizing our Framework for Tracking, Follow-up and Monitoring Implementation of Audit Recommendations. The Framework is anchored on the Constitutional principle of accountability, Article 229(8) of the Constitution, Section 31(1), 31(3) and 53(1) of the Public Audit Act, 2015. This will be in addition to other Government initiatives to enhance accountability of public institutions.

The Office of the Auditor-General has been continuously improving on the effectiveness and quality of the audit process to ensure that the results of audit and the recommendations thereof are credible, relevant, reliable and value adding. This is geared towards influencing improved decision making and positive impact on the lives and livelihoods of citizens and other stakeholders. Provision of quality and effective audit services and confirmation of the lawfulness and effectiveness in programme implementation requires comprehensive scrutiny and evaluation of supporting documents. Most critical is the physical confirmation of the existence and utilization of projects or programmes implemented throughout the country. To achieve this, therefore, requires an independent and well-resourced audit Office with guaranteed adequate funding to enable efficient, effective and timely execution of the audit cycle as well as retention of optimal staffing to ensure continuous, quality and sustainable audit operations.

I continue to advocate for changes in the Public Finance Management Act, 2012 with regard to timelines for submission of financial statements to the Auditor General. Article 229(7) of the Constitution requires the Auditor-General to audit and submit reports to Parliament or the relevant County Assemblies within six (6) months after the end of the financial year. However, Sections 23(1), 24(10)(b), 68(2)(k), 81(4), 82(3), 82(4), 84(3), 115(1), 116(7)(b), 149(2)(k), 164(4), 165(3) and 167(3) of the Public Finance Management Act, 2012, reduces the timeline to three (3) months by giving entities leeway up to the end of September to prepare and submit financial statements for audit. This reduces the duration for audit and reporting from six (6) months given by the Constitution to three (3) months. This has been adversely affecting the timelines for reporting, leading to backlogs and affecting the efficiency and effectiveness for oversight by Parliament and the County Assemblies.


The Office continues to seek financial independence and support from Parliament and The Executive through The National Treasury for enhancement of resources to enable it build technical capacity, expand its presence in the counties, widen the scope and comprehensiveness of audit and motivate its staff. I continue to devolve my services

closer to the people through establishment of regional offices and construction of office premises to accommodate my staff in order to address the audit needs at the grassroots level. During the year under review, I established Isiolo and Kitale Regional Offices. I have so far constructed regional offices in Garissa, Kakamega and Eldoret, while construction works in Embu is almost complete. Plans for construction of our Headquarters in Nairobi, which is currently at the design stage, has been delayed by lack of funding. However, the Office continues to make appeals to Parliament and The National Treasury for adequate funds to enable us perform our functions and achieve our mandate in enhancing accountability across government, both at the national and county levels, and in all other entities funded from public funds.

The audit scope has been expanding over the years due to the expansion of government programs to ensure sustainable development and delivery of continuous and quality services to the citizens. This has led to growth in the national budget and formation of additional entities that I am required to audit and report on. All the over nine thousand (9,000) Public Secondary Schools were from 30 June, 2022 required to prepare and submit financial statements to the Auditor-General for audit and quite a number have complied. In addition, I am required to audit and report on financial statements for all the three hundred and fifty-eight (358) Level 4 Hospitals and fourteen (14) Level 5 Hospitals separately. In the current financial year, I am also required to audit a total of two hundred and eighteen (218) Technical and Vocational Education and Training (TVET) Institutions and the number could increase as we are currently undertaking an evaluation exercise with the State Department for Technical, Vocational Education and Training to identify all institutions funded by the Exchequer including the Community Vocational Training Institutions that are estimated to be over one thousand and two hundred (1,200) Institutions. In addition, new projects and funds have been created that require timely oversight.

I wish to sincerely thank the entire staff of the Office of the Auditor-General for their commitment, passion and professionalism in carrying out their duties despite the challenges posed by lack of adequate funds. Special appreciation goes to the team that prepared this Summary Universities Book.

I wish to appreciate my clients or auditees for the cooperation they accorded my staff during the audit.


FCPA Nancy Gathungu, CBS
AUDITOR-GENERAL

Nairobi

29 April, 2024

1. Introduction

1.1. Constitutional Mandate of the Auditor-General

The Auditor-General is mandated by the Constitution of Kenya, under Article 229, to audit and report on the use of public resources by all entities funded from public funds. These entities include; the National Government, County Governments, the Judiciary, Parliament, Statutory Bodies/State Corporations, Commissions, Independent Offices, Public Debt, Political Parties funded from public funds, other government agencies and any other entity funded from public funds. The mandate of the Auditor-General is further expounded by the Public Audit Act, 2015.

In addition, the Constitution requires the Auditor-General to audit and submit the audit reports of the public entities to Parliament and the relevant County Assemblies by 31 December, every year. In carrying out the mandate, the Auditor-General, is also required by the Constitution under Article 229(6) to assess and confirm whether the public entities have used the public resources entrusted to them lawfully and in an effective way.

Further, the objects and authority of the Auditor-General, as outlined in Article 249 of the Constitution, are: to protect the sovereignty of the people; to secure the observance of democratic values and principles by all State Organs; and to promote constitutionalism. The Auditor-General has also been given powers by the Constitution, under Article 252, to conduct investigations, conciliations, mediations and negotiations and to issue summons to witnesses for the purpose of investigations.

The mandate of the Auditor-General as enshrined in the Constitution, has been operationalized by the Public Audit Act, 2015 and the Public Finance Management Act, 2012. The Auditor-General carries out audit in accordance with the International Organization of Supreme Audit Institutions (INTOSAI) Framework of Professional Pronouncements.

1.2. Responsibilities of Management and those Charged with Governance

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Public Sector Accounting Standards (IPSAS), as prescribed by the Public Sector Accounting Standards Board (PSASB). Management is also responsible for the submission of the financial statements to the Auditor-General in accordance with the provisions of the Public Finance Management Act, 2012 and Section 47 of the Public Audit Act, 2015.

Management is also responsible for maintaining effective internal control environment, necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and for the assessment of the effectiveness of internal control, risk management and governance.

Further, Management is required to ensure that the activities, financial transactions and information reflected in the financial statements are in compliance with the law and other

relevant or applicable authorities, and that public resources are applied in an effective way.

Those charged with governance are responsible for; overseeing the financial reporting process; reviewing the effectiveness of how Management monitors compliance with relevant legislative and regulatory requirements; ensuring that effective processes and systems are in place to address key roles and responsibilities in relation to governance and risk management; and ensuring the adequacy and effectiveness of the control environment.

1.3. Auditor-General's Responsibility

My responsibility is to conduct an audit of the financial statements in accordance with the International Standards of Supreme Audit Institutions (ISSAIs), and to issue an auditor's report. The audit report includes my opinion as provided by Section 48 of the Public Audit Act, 2015, and the report is submitted to Parliament in compliance with Article 229(7) of the Constitution.

In addition, Article 229(6) of the Constitution requires me to express a conclusion on whether or not in all material respects, the activities, financial transactions and information reflected in the financial statements are in compliance with the law and other authorities that govern them, and that public resources are applied in an effective way. I also consider the entities' control environment in order to give an assurance on the effectiveness of internal controls, risk management and governance processes and systems, in accordance with the provisions of Section 7(1)(a) of the Public Audit Act, 2015.

I am independent in accordance with Article 249(2) of the Constitution of Kenya and ISSAI 130 on the Code of Ethics. I have fulfilled other ethical responsibilities in accordance with the ISSAI and in accordance with other ethical requirements applicable to performing audits of public entities in the Republic of Kenya.

1.4. Structure of the Report

The structure of my report addresses the reporting requirements of Article 229(6) of the Constitution of Kenya, which requires that an audit report shall confirm whether or not public money has been applied lawfully and in an effective way. Section 7(1)(a) of the Public Audit Act, 2015 also requires that I provide assurance on the effectiveness of internal controls, risk management and overall governance in National and County Governments entities. In addition, the International Standards of Supreme Audit Institutions (ISSAIs), require the incorporation of Key Audit Matters in the report on the financial statements, which are those matters that I determine in my professional judgment, are of most significance in the audit of the financial statements as a whole, for the year under review. In order to address these requirements, my audit reports contain the following:

- i. **Report on Financial Statements**, in which I give an audit opinion on whether the financial statements present fairly, in all material respects the financial position and performance of the entity.
- ii. **Report on Lawfulness and Effectiveness in Use of Public Resources**, in which I give a conclusion on whether or not public money has been applied lawfully and in an effective way.
- iii. **Report on Effectiveness of Internal Controls, Risk Management and Governance**, in which I give a conclusion on whether internal controls, risk management and overall governance were effective.

1.5. Audit Opinions

I have expressed three (3) different types of audit opinions for the thirty-nine (39) audited Public Universities based on the following criteria:

i. Unmodified Opinion

The books of accounts and underlying records agree with the financial statements and no materials misstatements were found. The financial statements present fairly, in all material respects, the operations of the entity. The number of financial statements with unmodified opinion is six (6) as listed in **Appendix 1**.

ii. Qualified Opinion

The financial statements are to a large extent in agreement with the books of accounts and the underlying records, except for a few cases where material misstatements or omissions were noted in the books of accounts and the financial statements. The issues though material, are not widespread or persistent. The number of financial statements with qualified opinion is twenty-nine (29) as listed in **Appendix 2**.

iii. Adverse Opinion

The financial statements exhibit significant misstatements with the books of accounts and the underlying accounting records. There is significant disagreement between the financial statements and the underlying books of accounts and/or standards. These problems are widespread, persistent and require considerable intervention by the Management to rectify. The number of financial statements with adverse opinion is four (4) as listed in **Appendix 3**.

1.6. Universities Sector and the Regulatory Framework

Universities are pivotal for Kenya's socio-economic advancement, yet the sector grapples with various hurdles, such as inadequate investment and unsustainable educational systems. Limited funding has led to the deterioration of education infrastructure nationwide. Moreover, rising demand for education and constrained resources contribute to frequent shortages of student's accommodation facilities, particularly in urban areas.

These challenges are compounded by climate change, population growth, and ineffective management of educational resources.

The legal framework governing the education sector includes Article 43(1)(f) of the Constitution, which recognizes the right to education as an economic and social right for every individual. The Higher Education Act, 2016, which replaced the previous legislation, aligns the institutional framework for education services with constitutional provisions.

Additional regulatory instruments in the education sector encompass the Kenya Vision 2030, which outlines strategies for educational development in line with national aspirations. Likewise, the National Education Sector Strategic Plan (2018-2022) aimed at enhancing the quality, relevance, equity, and efficiency of education in Kenya. These documents provide crucial guidance for steering the education sector towards sustainable growth and development.

This report highlights cross-cutting issues affecting thirty-nine (39) public universities which require immediate attention as they may significantly impact on the sustainability of education services provided in Kenya.

1.7. Public Universities Listing

The following thirty-nine (39) public universities were analysed.

SNo.	Name of University
1	Alupe University College
2	Bomet University College
3	Chuka University
4	Cooperative University of Kenya (CUK)
5	Dedan Kimathi University of Technology
6	Egerton University
7	Embu University
8	Friends University College Kaimosi
9	Garissa University
10	Jaramogi Oginga Odinga University of Science and Technology
11	Jomo Kenyatta University of Agriculture and Technology
12	Karatina University
13	Kenyatta University
14	Kibabii University
15	Kirinyaga University

- 16 Kisii University
- 17 Koitaleel Samoei University College
- 18 Laikipia University
- 19 Maasai Mara University
- 20 Machakos University
- 21 Mama Ngina University College
- 22 Maseno University
- 23 Masinde Muliro University of Science and Technology
- 24 Meru University of Science and Technology
- 25 Moi University
- 26 Multimedia University of Kenya
- 27 Murang'a University of Technology
- 28 Pwani University
- 29 Rongo University College
- 30 South Eastern Kenya University
- 31 Taita Taveta University
- 32 Technical University of Mombasa
- 33 Tharaka University College
- 34 The Technical University of Kenya
- 35 Tom Mboya University College
- 36 Turkana University College
- 37 University of Eldoret
- 38 University of Kabianga
- 39 University of Nairobi

2. Key Audit Findings

This section identifies several cross-cutting issues that require urgent attention as they have serious implications on the sustainability of service delivery. These issues include:

- i) Budgetary Performance and Control
- ii) Material Uncertainty Related to Sustainability of Services
- iii) Lack of Ownership Document

These issues are summarized in the ensuing paragraphs.

2.1 Budgetary Performance and Control

The gross estimated public universities' revenue and expenditure for the year 2021/2022 was Kshs.91,782,999,369 and Kshs.90,450,836,023 respectively. Similarly, the actual gross revenue and expenditure amounted to Kshs.87,223,944,055 and Kshs.90,473,213,191 resulting in an under-collection of Kshs.4,559,055,314 and an over-expenditure of Kshs.22,377,168, respectively.

2.2 Uncertainty Related to Sustainability of Services

During the year under review, thirty-one (31) public universities out of thirty-nine (39) or 79% of the universities were faced with uncertainty in relation to sustainability of services. Eighteen (18) universities had negative working capital of Kshs.42,680,055,914, an indication that these universities were unable to meet their short-term obligations as and when they fall due.

Other indicators of uncertainty related to sustainability of services included:

- i) Twenty-three (23) out of the thirty-nine (39) universities had long outstanding receivables totalling to Kshs.6,171,330,185.
- ii) Twenty-four (24) universities had long outstanding payables including non-remittance of statutory deductions totalling to Kshs.52,603,175,782.
- iii) Twenty-five (25) universities had at the end of the year under review cumulatively reported deficits totalling to Kshs.10,157,286,243.

2.3 Lack of Ownership Documents

The audit revealed that nine (9) out of the thirty-nine (39) universities either had disputed ownership or did not have ownership documents for various parcels of land and shares cumulatively valued at Kshs.6,517,630,190. Additionally, four (4) universities had motor vehicles cumulatively valued at Kshs.54,416,486 that were not registered to their respective entities.

3. Summary of Audit Observations

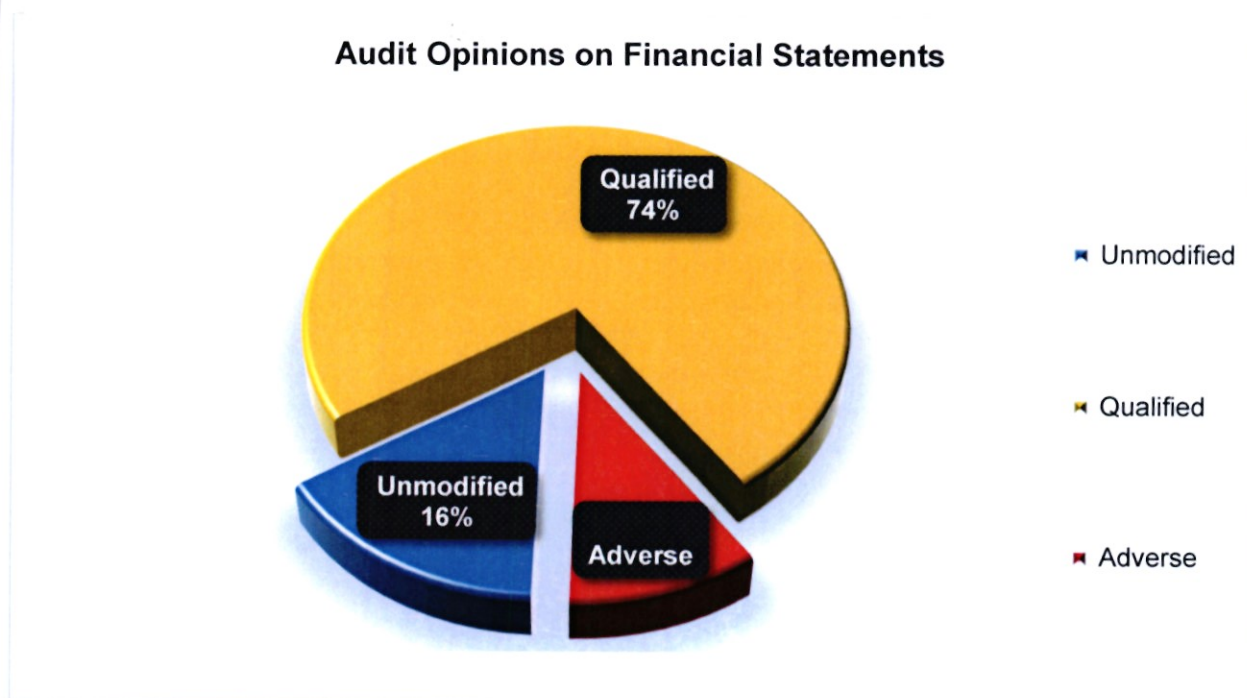
3.1. Overall Summary of Audit Opinions

During the year under review, a total of thirty-nine (39) public universities were audited and various audit opinions issued. Out of the thirty-nine (39) universities, six (6) universities had unmodified opinion, twenty-nine (29) universities had qualified opinion while the remaining four (4) universities had adverse opinion as listed in **Appendices 1 to 3** and as summarized in Table 1 and Figure 1 below:

Table 1: Opinions Issued

Type of Opinion	No. of Universities	Percentage %
Unmodified Opinion	6	16%
Qualified Opinion	29	74%
Adverse Opinion	4	10%
Total Universities	39	100%

Figure 1: Audit Opinions



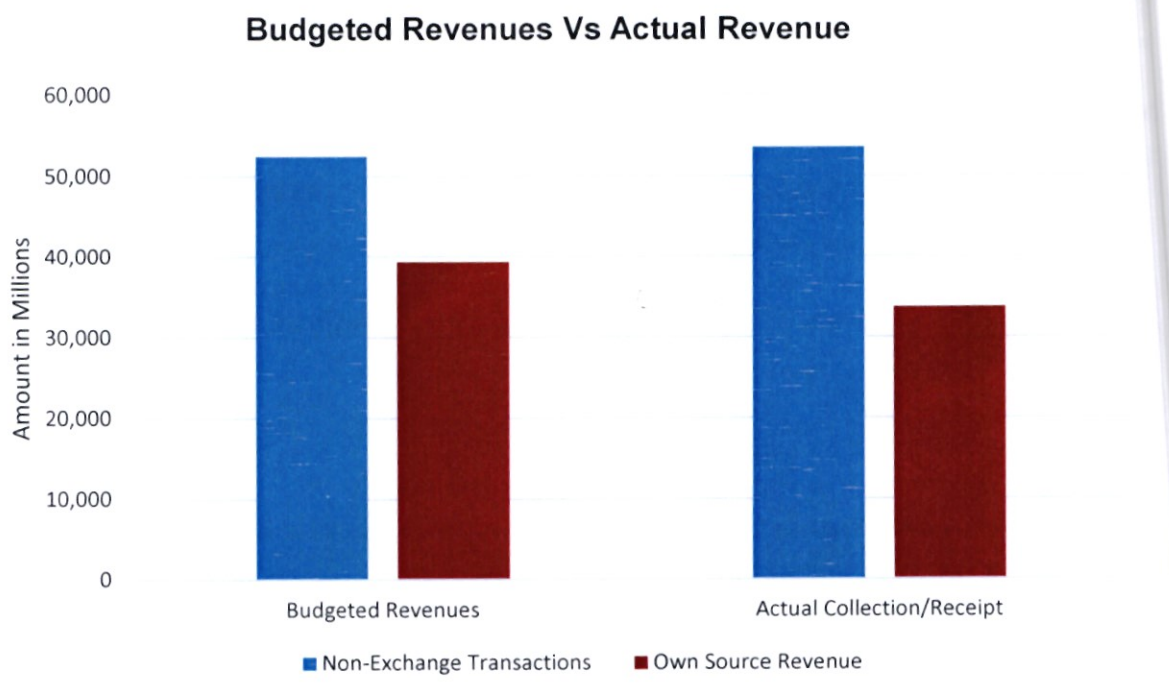
3.2. Universities Revenue and Expenditure Review

3.2.1. Budget Analysis

Review of the public universities' revenue and expenditure for the year 2021/2022 revealed the following observations: -

The gross estimated revenue and expenditure for the year 2021/2022 was Kshs.91,782,999,369 and Kshs.90,450,836,023, respectively. Similarly, the actual gross revenue and expenditure amounted to Kshs.87,223,944,055 and Kshs.90,473,213,191, resulting to an under-collection of Kshs.4,559,055,314 and an over expenditure of Kshs.22,377,168, respectively. In addition, total revenue budget from non-exchange transactions and own source revenue for the year amounted to Kshs.52,462,637,757 and Kshs.39,320,361,612 respectively, while the total actual receipts from non-exchange transactions and own source revenue amounted to Kshs.53,562,261,385 and Kshs.33,661,682,670 respectively, as indicated in Figure 2 below:

Figure 2: Budget Analysis



3.2.2. Revenue Analysis

During the year under review, the thirty-nine (39) universities had total revenue budget of Kshs.91,782,999,369, but were able to collect Kshs.87,223,944,055. Nineteen (19) out of the thirty-nine (39) universities realized total revenue shortfall of Kshs.6,805,980,466 from exchange transactions and thirteen (13) universities had a shortfall totalling Kshs.553,403,285 from non-exchange transactions. In addition, thirty-two (32) universities realized an over collection of revenue amounting to Kshs.2,800,328,437 from both non-exchange transactions and own source revenue. This could be a pointer to possible budgeting challenges by the universities. The revenue budget performance is indicated in **Appendix 4**.

3.2.3. Expenditure Analysis

All the thirty-nine (39) universities reported total expenditure budget and actual of Kshs.90,450,836,023 and Kshs.90,473,213,191 respectively, resulting to net over expenditure of Kshs.22,377,168. This was further analysed as an over expenditure of Kshs.3,784,230,926 by twenty-one (21) universities and under expenditure of Kshs.3,856,020,854 by seventeen (17) universities as indicated in **Appendix 5**.

The universities that had underspent their budget might have faced challenges in carrying out the planned activities, thus negatively impacting on service delivery to the students, staff and the general public. The universities that overspent may have spent funds without the relevant approvals.

3.3. Presentation of Financial Statements

3.3.1 Presentation and Disclosure of Financial Statements

Review of the annual report and financial statements revealed that four (4) universities did not comply with the Public Sector Accounting Standards Board (PSASB) reporting template for universities, as indicated in Table 2 below:

Table 2: Non-Compliance with Universities Reporting Template

No.	Name of University
1	Technical University of Kenya
2	Egerton University
3	Moi University
4	Bomet University College

3.3.2 Inaccuracies in the Financial Statements

Review of the financial statements revealed inaccuracies totalling Kshs.2,691,698,172 as detailed in **Appendix 6**. The variances were attributed to the following major reasons:

- i. Misstatements in employee costs - Kshs.955,073,999
- ii. Misstatements in reserves - Kshs.649,463,655
- iii. Misstatements in cash flows - Kshs.284,754,849
- iv. Misstatements in revenue from exchange transactions - Kshs.237,921,915
- v. Misstatements in trade and other receivables - Kshs.165,121,299
- vi. Misstatements in trade and other payables - Kshs.157,245,455
- vii. Misstatements in inventories - Kshs.123,494,823
- viii. Misstatements in depreciation and amortization expenses - Kshs.45,160,660
- ix. Misstatements in property, plant and equipment - Kshs.36,330,430

- x. Misstatements in domestic and foreign travelling expenses - Kshs.28,134,077
- xi. Misstatements in legal fees expenses - Kshs.8,997,000.

Failure to prepare accurate financial statements is a breach of Section 81(3) of the Public Finance Management Act, 2012 which provides that the Accounting Officer shall prepare the financial statements in a form that complies with the relevant accounting standards prescribed and published by the Accounting Standards Board from time to time.

Further, failure by the Management of universities to address the noted variances casts doubt on the accuracy and authenticity of the reported balances and expenditure. It is also an indication of weak internal controls and governance in the affected entities.

3.3.3 Unsupported Expenditure and Balances

The audit raised several findings about unsupported balances in the financial statements presented for audit. During the year under review, unsupported expenditure and balances totalling Kshs.13,964,924,670 were noted as detailed in **Appendix 7**.

Failure to support or provide requisite documents for audit is a breach of Section 62 of the Public Audit Act, 2015 which states that 'a person who without justification, fails to provide information required under this Act or without justification fails to provide information within reasonable time or submit false or misleading information commits an offence and is liable on conviction to a fine not exceeding five million shillings or to imprisonment for a term not exceeding three years, or to both'.

Further, failure by the entities to fully support payments casts doubt on the authenticity of the reported expenditure. It is also an indication of weak internal controls and governance in the affected universities.

3.3.4 Uncertainty Related to Sustainability of Services

During the year under review, thirty-one (31) out of thirty-nine (39) public universities or 79% were faced with uncertainty in relation to sustainability of services delivered and were operating on goodwill and support from Government.

3.3.4.1 Negative Working Capital

Eighteen (18) universities had negative working capital of Kshs.42,680,055,914 as indicated in **Appendix 8** indicating that current liabilities and payables were significantly higher than the current assets. This is an indication that these universities were not in a position to meet their short-term obligations as and when they fall due.

3.3.4.2 Long Outstanding Receivables

The public universities reported trade and other receivables totalling Kshs.6,171,330,185 that were long outstanding and were carried forward to the 2022/2023 financial year as detailed in **Appendix 9**.

The significant balance of outstanding debtors is an indication of Management's inability to manage the receivables which may result in bad debts and inability to deliver services.

Further, failure to collect amounts receivable contravenes Regulation 83(2)(g) of the Public Finance Management (National Government) Regulations, 2015 which states that, for purposes of this regulation sound cash management includes pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the government are collected and banked promptly.

3.3.4.3 Long Outstanding Trade and Other Payables

The public universities had long outstanding payables due to suppliers of goods and services totalling Kshs.13,421,393,675 and un-remitted statutory deductions which include National Social Security Fund (NSSF), National Health Insurance Fund (NHIF) and Pay-As-You-Earn (PAYE) totalling Kshs.28,635,431,107 as detailed in **Appendix 10**.

3.3.5 Imprest Management

The audit raised several weaknesses in management of imprest as summarized below;

- i. Multimedia University of Kenya and Jomo Kenyatta University of Agriculture and Technology had irregularly issued imprest amounting to Kshs.5,144,591.
- ii. Five (5) universities had long outstanding imprest amounting to Kshs.141,806,724 as indicated in Table 3 below:

Table 3: Imprest Management

No.	Name of University	Outstanding Imprest in Kshs.
1.	Egerton University	107,167,608
2.	Masinde Muliro University	19,491,150
3.	Technical University of Kenya	8,574,009
4.	University of Eldoret	4,492,107
5.	Bomet University College	2,081,850
	Total	141,806,724

- iii. The imprest register maintained by Kenyatta University was incomplete while Technical University of Kenya had items like purchase of uniforms, students' data bundles, assorted chemicals and other items amounting to Kshs.5,933,896 purchased through imprest, contrary to Regulation 92 of the Public Procurement and Asset Disposal Regulations, 2020 which states that, 'a procuring entity may use low value procurement method under Section 107(b) of the Act where the estimated cost of the goods works or services being procured per item per financial year is as per the threshold matrix in the Second Schedule'.

3.3.6 Weaknesses in Cash Management

The audit revealed various weaknesses in cash management as summarized below:

- i. Laikipia University and Masinde Muliro University did not post in the cash book a total expenditure of Kshs.9,934,914.
- ii. Kenyatta University did not prepare bank reconciliation statements while Mama Ngina University College did not appoint a Board of Survey to confirm the reported cash balance of Kshs.95,663,982.
- iii. Jomo Kenyatta University of Agriculture and Technology and Egerton University had unauthorized bank overdrafts totalling Kshs.277,362,905 while University of Kabianga had Kshs.529,715 in undisclosed bank accounts and Kshs.45,310,312 bank overdraft offset against positive balances.
- iv. Maasai Mara University had an unexplained variance between the cash book balances and the financial statements amounting to Kshs.65,713,596. In addition, the University had liquidated cash amounting to Kshs.13,000,000 that was not disclosed where it was transferred to or how it was spent.
- v. Seventeen (17) certificates of bank balances and bank reconciliation statements for Technical University of Kenya were not provided for audit verification. Other information that was not provided include a list of all bank accounts operated by the University, dates they were opened, purpose of opening and the approval for opening and maintaining the bank accounts. Further, fixed deposit account which was an investment was not disclosed.
- vi. Kisii University failed to deposit retention monies amounting to Kshs.9,142,000.

Failure to support cash and cash equivalents balances was in breach of Regulations 90(1) and 100 of the Public Finance Management (National Government) Regulations, 2015 which stipulate that the Accounting Officer shall ensure that bank accounts reconciliations are completed for each bank account every month and cash books showing receipts and payments are kept. In addition, Regulation 90(3) requires Accounting Officers to ensure any discrepancies noted during bank reconciliation exercise, are investigated immediately and appropriate action taken including updating the relevant cash books. Weaknesses in cash management are detailed in **Appendix 11**.

3.3.7 Exceptions on Revenue

Review of revenue from exchange and non-exchange transactions revealed the following anomalies:

3.3.7.1 Shortfall in Exchequer Releases

During the year under audit, Cooperative University of Kenya had a shortfall in Exchequer releases amounting to Kshs.7,205,855 while Multimedia University of Kenya received excess Exchequer funding amounting to Kshs.2,595,892. In addition, Jomo Kenyatta University of Agriculture and Technology had long unutilized research grants amounting to Kshs.40,825,077.

3.3.7.2 Unsupported Revenue from Exchange Transactions

Analysis of the financial statements revealed that four (4) public universities had unsupported revenue from exchange transactions, totalling Kshs.2,765,584,227, as indicated in Table 4 below:

Table 4: Unsupported Revenue from Exchange Transactions

No.	Name of University	Amount (Kshs.)
1	Maseno University	1,188,156,641
2	Moi University	460,000,000
3	Tharaka University College	121,967,792
4	Technical University of Kenya	995,459,794
	Total	2,765,584,227

3.3.8 Weaknesses in Asset Management

During the year under audit, the following weaknesses in asset management were identified.

3.3.8.1 Lack of Ownership Documents

The audit revealed that nine (9) universities out of the thirty-nine (39) universities either had disputed ownership or did not have ownership documents (title deeds) for various parcels of land and shares cumulatively valued at Kshs.6,517,630,190. Additionally, the audit revealed that four (4) universities had motor vehicles cumulatively valued at Kshs.54,416,486 that were not registered in the names of their respective entities as indicated in **Appendix 12**.

Further, South Eastern Kenya University had not valued three (3) parcels of land in Nairobi, Kitui and Emali with no title deeds while Kenyatta University had recognized work-in-progress balance of Kshs.214,995,255 relating to Kenyatta University Teaching, Referral and Research Hospital (KUTRRH) which is a different state corporation.

3.3.8.2 Unaccounted for Assets

Analysis of the financial statements revealed that two (2) universities, as illustrated in Table 5 below, had unaccounted for assets totalling Kshs.299,009,809.

Table 5: Unaccounted for Assets

Name of University	Amount (Kshs.)
Kenyatta University	298,471,809
Moi University	538,000
Total	299,009,809

3.3.8.3 Lack of or Incomplete Fixed Assets Register

The audit revealed that three (3) universities out of the thirty-nine (39) universities, either possessed incomplete fixed assets registers or failed to maintain the same for the buildings, motor vehicles, office equipment, furniture and fittings, and other assets they owned. The collective value of these assets amounted to Kshs.8,704,162,995 as summarised in Table 6 below;

Table 6: Lack of or Incomplete Fixed Assets Register

Name of University	Amount (Kshs.)
Technical University of Kenya	5,365,859,656
South Eastern Kenya University	3,329,727,728
Mama Ngina University College	8,575,611
Total	8,704,162,995

3.3.8.4 Goods and Services Paid for but not Delivered

The audit revealed that Jomo Kenyatta University of Agriculture and Technology paid for seats valued at Kshs.3,383,900 which were yet to be delivered.

3.3.8.5 Other Weaknesses in Asset Management

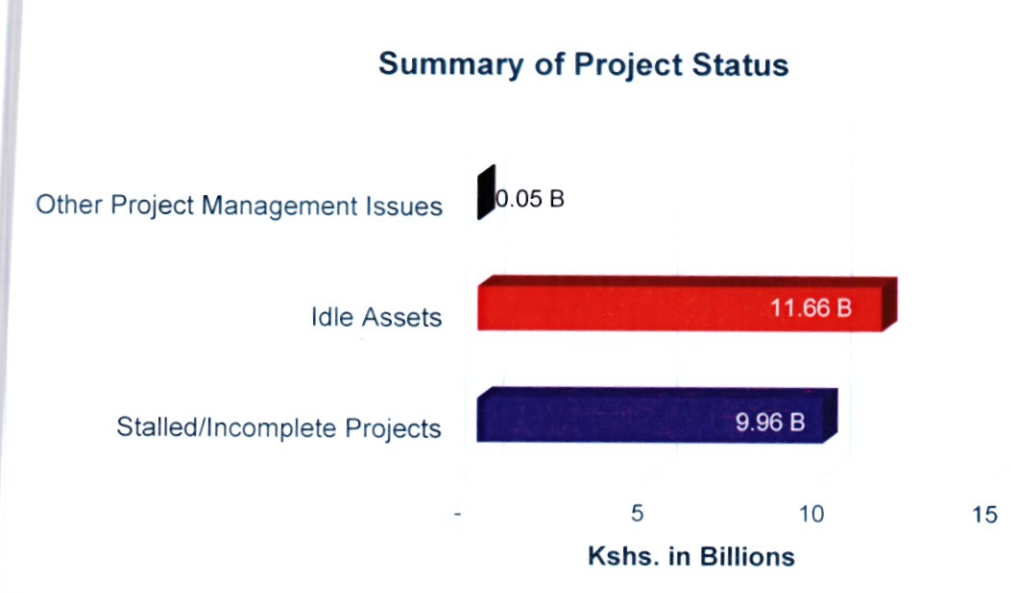
Other weaknesses related to asset management were highlighted in seven (7) universities as outlined in **Appendix 13**. These weaknesses include:

- i. Failure to tag university assets.
- ii. Failure to revalue fully depreciated assets that are still in use.
- iii. Non-disposal of assets already recommended for disposal.
- iv. Idle assets.

3.3.9 Weaknesses in Management of Projects

The figure below offers an overview of the funds utilized for projects that have stalled and assets that remained unutilized:

Figure 3: Summary of Project Status



3.3.9.1 Stalled/Incomplete and Delayed Projects

The audit revealed that twenty-five (25) universities as indicated in **Appendix 14**, continued to incur huge expenditure on various projects valued at Kshs.9,961,678,456 which had either stalled or had remained incomplete long after their completion dates had lapsed. These projects risk attracting cost escalations.

3.3.9.2 Idle Assets

Four (4) universities had idle assets valued at Kshs.11,656,699,150 as tabulated in Table 7 below:

Table 7: Idle Assets

Name of University	Amount (Kshs.)
Kenyatta University	10,804,651,150
Jomo Kenyatta University of Agriculture and Technology	817,792,200
Rongo University College	19,733,425
Maasai Mara University	14,522,375
Total	11,656,699,150

The amounts spent on these projects are a sunk cost as no development has been achieved from the stalled or incomplete projects. Further, the public did not obtain value for money spent on these projects.

3.3.9.3 Other Project Management Issues

Friends University College Kaimosi had completed a project worth Kshs.30,483,524 that was not handed over in time, while Maasai Mara University did an irregular variation of contract sum from Kshs.511,663,031 to Kshs.564,712,500.

3.4. Other Matter

Other matter is a matter other than that presented or disclosed in the financial reports that, in the auditor's judgement, is relevant to users' understanding of the audit process, the auditor's responsibilities or the auditor's report. This matter may not affect the opinion expressed on the financial statements but is important and require to be brought to the attention of users of the audit reports. The significant other matter is described below:

3.4.1 Unresolved Prior Year Audit Issues

The audit revealed numerous instances where prior year audit observations that had not been resolved. Instances were noted where the unresolved prior year issues were not disclosed under the progress on follow up of auditor's recommendations section of the financial statements as required by the financial reporting template issued by the Public Sector Accounting Standards Board (PSASB). There were also instances where no supporting evidence was provided to support the resolved issues.

Further, Section 68(2)(l) of the Public Finance Management Act, 2012 requires an Accounting Officer for a national government entity to take appropriate measures to resolve any issues arising from audit which may remain outstanding.

In addition, Section 53(1) of the Public Audit Act, 2015 requires an Accounting Officer of a state organ or public entity to within three months after Parliament has considered and made recommendations on the audit report –

- (a) Take the relevant steps to implement the recommendations of Parliament on the report of the Auditor-General; or
- (b) Give explanations in writing to Parliament on why the report has not been acted upon.

Further, Section 53(2) of the Public Audit Act, 2015 states that 'failure to comply with the provisions of Section 53(1), the Accounting Officer shall be in contempt of Parliament or County Assembly and upon determination by Parliament or relevant County Assembly, Parliament or relevant County Assembly may recommend administrative sanctions such as removal as the Accounting Officer, reduction in rank among others'. Further, failure to resolve audit issues may result in loss of public funds where the issues involve irregular use of public resources.

It was noted that fourteen (14) out of the thirty-nine (39) universities still had unresolved prior year issues as summarised in Table 8 below:

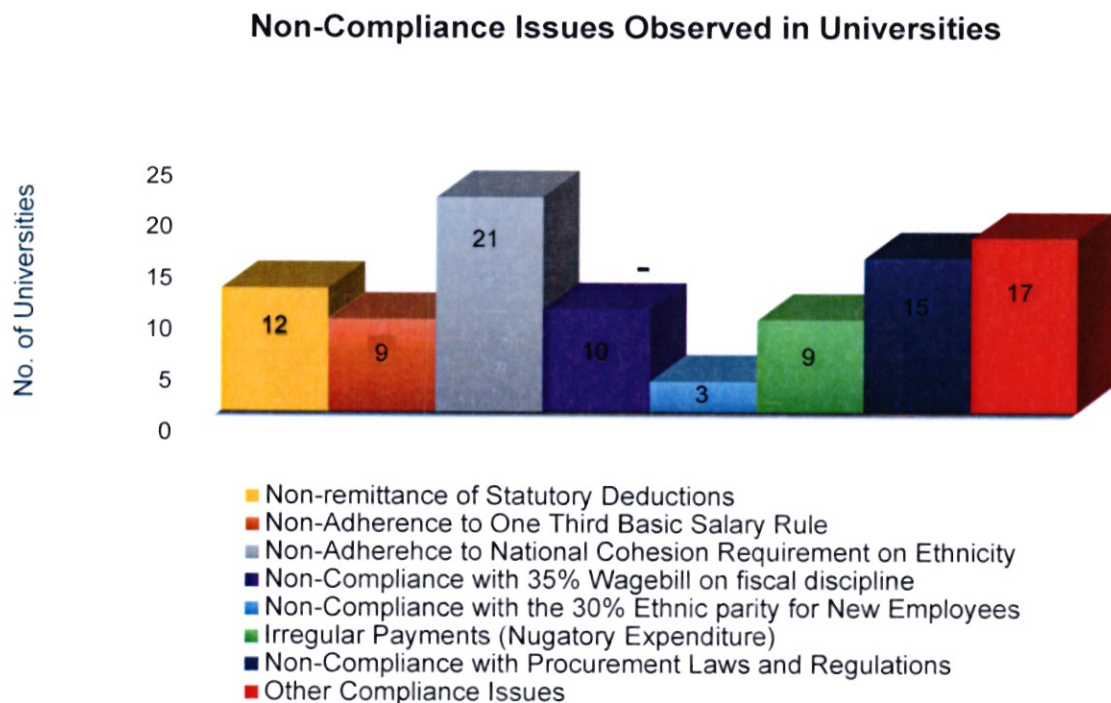
Table 8: Universities with Unresolved Prior Year Issues

No.	Name of University
1	Koitaleel Samoei University College
2	Laikipia University
3	Jomo Kenyatta University of Agriculture and Technology
4	Kibabii University
5	Tharaka University College
6	Kenyatta University
7	Turkana University College
8	The Technical University of Kenya
9	Meru University of Science and Technology
10	Kisii University
11	Maasai Mara University
12	Moi University
13	Garissa University
14	Masinde Muliro University of Science and Technology

3.5. Lawfulness and Effectiveness in Use of Public Resources

The figure below illustrates various non-compliance exceptions across the thirty-nine (39) universities.

Figure 4: Analysis of Compliance Issues



3.5.1 Non-Remittance of Statutory Deductions

The audit revealed that twelve (12) universities did not remit statutory deductions amounting to Kshs.39,181,782,107 as summarized below:

- i. Withholding tax and Pay-As-You-Earn deductions not remitted to Kenya Revenue Authority amounted to Kshs.108,870,243 and Kshs.11,990,671,064, respectively. This was contrary to Section 37(1) of the Income Tax Act, CAP 470 (Revised 2021) which states that, 'an employer paying emoluments to an employee shall deduct therefrom, and account for tax thereon, to such extent and in such manner as may be prescribed'.
- ii. National Social Security Fund deductions not remitted amounted to Kshs.120,546. This was contrary to Section 27(1) of the National Social Security Fund Act, 2013 which stipulates that if any contribution for which a contributing employer is required to pay to the Fund is not paid on or before the prescribed day on which the payment in respect of any month is due, a sum equal to five percent (5%) of the amount of that contribution shall be added to the contribution for each month or part of a month that the amount due remains unpaid, and any such additional amount shall be recoverable at the same time and in the same manner as the contribution to which it is added.
- iii. National Health Insurance Fund deduction not remitted amounted to Kshs.5,602,585. This was contrary to Section 16(1) of the National Hospital Insurance Fund Act, 2012 which states that 'a person liable to pay a standard contribution under Section 15 shall pay such contribution through monthly deductions from his salary or other remuneration and the employer of such person shall be liable to deduct and to pay the contribution to the Board on behalf of and to the exclusion of that person'.
- iv. Pension and provident deductions not remitted to various pension funds amounted to Kshs.12,854,910,781. This was contrary to Section 53A(1) of the Retirement Benefits Act, 1997 which requires an employer, having with the agreement of an employee who is a member of a scheme, made a deduction from the employee's emoluments for remittance to the scheme, fails to remit the deduction within fifteen days of the deduction, the scheme may, after giving such employer not less than seven days' notice, institute proceedings for the recovery of the deduction.

Further, there were deductions totalling Kshs.233,703,998 that were not remitted to banks and SACCOs by Kenyatta University. There were also six (6) universities that had not categorized unremitted deductions amounting to Kshs.13,987,902,890. **Appendix 15** details the unremitted deductions.

Failure to remit these deductions was irregular and the contravening universities stand the risk of avoidable expenditure in form of fines and penalties for non-remittance of employees' salary deductions.

3.5.2 Non-Adherence to One-Third Basic Salary Rule

During the year under review, nine (9) universities failed to adhere to the one-third rule of the basic pay, contrary to provisions of Section 19(3) of the Employment Act, 2007 which states that 'public officers shall not over-commit their salaries beyond two thirds (2/3) of their basic salaries and Heads of Human Resource Units should ensure compliance'. The public universities that failed to comply with the law are indicated in Table 9 below:

Table 9: Non-Adherence to One-Third Basic Salary Rule

No.	Name of University	No. of Staff Earning Less than 1/3 of Basic Salary
1	Dedan Kimathi University of Technology	46
2	Multimedia University	25
3	Kirinyaga University	23
4	Kenyatta University	22
5	Taita Taveta University	21
6	Alupe University College	15
7	Technical University of Kenya	13
8	Garissa University	9
9	Maasai Mara University	5

The over-commitment of salaries by employees indicates failure by the universities to enforce the internal controls on salary payments and is a violation of the law.

3.5.3 Non-Adherence to National Cohesion Requirement on Regional Balancing

Review of staff records revealed that twenty-one (21) universities had more than one-third of the total employees from the local dominant ethnic community. This was contrary to Section 7(2) of the National Cohesion and Integration Act, 2008 which requires that no public establishment shall have more than one-third of its staff from the same ethnic community. This is detailed in Table 10 below:

Table 10: Non-Adherence to National Cohesion Requirement on Regional Balancing

No.	Name of University	% of Employees from the Local Dominant Community
1.	Kibabii University	75%
2.	Rongo University College	73%
3.	Kirinyaga University	71%
4.	Kisii University	70%
5.	Dedan Kimathi University of Technology	67%
6.	Friends University College Kaimosi	67%
7.	Tom Mboya University College	66%
8.	Meru University of Science and Technology	65%
9.	Maseno University	64%
10.	Moi University	62%

No.	Name of University	% of Employees from the Local Dominant Community
11.	Machakos University	60%
12.	Garissa University	60%
13.	Murang'a University of Technology	60%
14.	University of Eldoret	57%
15.	Jomo Kenyatta University of Agriculture and Technology	45%
16.	Bomet University College	45%
17.	Kenyatta University	42%
18.	Alupe University College	38%
19.	Taita Taveta University	37%
20.	Maasai Mara University	35%
21.	Turkana University College	35%

In the circumstances, Management of the twenty-one (21) universities were in breach of the law.

3.5.4 Non-Compliance with 35% Wage Bill on Fiscal Discipline

During the year under review, ten (10) universities recorded a wage bill above the allowable 35% of the revenue, contrary to Regulation 26(1)(a) of the Public Finance Management (National Government) Regulations, 2015 which states that 'the National Government's expenditure on the compensation of employees (including benefits and allowances) shall not exceed 35 percent of the national government's equitable share of the revenue raised nationally plus other revenues generated by the national government pursuant to Article 209 (4) of the Constitution'.

The details of the non-compliance are illustrated in Table 11 below:

Table 11: Non-Compliance with 35% Wage Bill on Fiscal Discipline

No.	Name of University	Revenue (Kshs.)	Employee Cost (Kshs.)	% Wage Bill
1.	Maasai Mara University	1,527,538,891	1,272,987,013	83%
2.	Laikipia University	1,234,537,397	983,360,407	80%
3.	Kibabii University	1,107,533,675	883,659,546	80%
4.	Rongo University College	925,155,562	692,469,637	75%
5.	Masinde Muliro University of Science and Technology	3,167,450,549	2,287,560,365	72%
6.	Embu University	1,056,527,735	744,074,615	70%
7.	Machakos University	1,531,420,332	1,055,222,318	69%
8.	Kirinyaga University	767,854,047	527,070,247	69%
9.	Garissa University	584,185,000	397,231,000	68%
10.	Friends University College Kaimosi	612,000,000	376,541,887	62%

3.5.5 Non-Compliance with the 30% Ethnic Parity for New Employees

Review of staff records revealed that three (3) universities as summarized in Table 12 below had more than 30% of newly recruited employees as being from the local dominant ethnic community. This was contrary to Part B.5 of the Human Resource Policies and Procedures Manual for the Public Service, 2016 which states that 'recruitment will be undertaken on the basis of fair competition and merit; representation of Kenya's diverse communities; adequate and equal opportunities to all gender, youth, members of all ethnic groups, persons with disabilities and minorities'.

Table 12: Non-Compliance with the 30% Ethnic Parity for New Employees

No.	Name of University	%
1	Koitaleel Samoei University College	100%
2	Jomo Kenyatta University of Agriculture and Technology	50%
3	Kenyatta University	41%

3.5.6 Irregular Payments (Nugatory Expenditure)

During the year under review, nine (9) universities had paid a total of Kshs.559,706,237 in respect to irregular allowances, overpayments, penalties and legal costs as indicated in **Appendix 16**. Thus, the amount of Kshs.559,706,237 was a wasteful charge to the public funds or nugatory.

3.5.7 Non-Compliance with Procurement Laws and Regulations

Review of the procurement documents for fifteen (15) universities revealed irregularities in the procurement of goods and services amounting to Kshs.135,863,258. These included:

- i. Irregular awards of supplier contracts, contrary to Section 53(2) of the Public Procurement and Asset Disposal Act, 2015,
- ii. Irregular procurement of goods, works and services, contrary to Section 53(8) of the Public Procurement and Asset Disposal Act, 2015, and,
- iii. Procurements that exceeded the approved budget estimates.

The details of the above issues are described in **Appendix 17**.

3.5.8 Other Non-Compliance Issues

The audit review revealed that seventeen (17) universities had other non-compliance issues relating to recruitment of staff, management of human resources as well as financial management. There were also instances of non-compliance with policies and procedures. Details of other non-compliance issues are as outlined in **Appendix 18**.

3.6. Internal Controls, Risk Management and Governance

The figure below summarizes the number of universities found to have issues related to internal controls, risk management and governance:

Figure 5: Analysis of Internal Controls Issues



3.6.1. Weaknesses in Corporate Governance

The governance of universities is vested in the University Councils. The audit revealed instances where University Councils did not put in place systems necessary to direct and control universities as follows:

- i. Kisii University and Cooperative University of Kenya (CUK) had not appointed Chancellors since 2007 and 2017, respectively.
- ii. Garissa University did not have a substantive Vice Chancellor for over five (5) years. The positions of the Vice Chancellor (VC) and Deputy Vice Chancellors (DVCs) were advertised on 30 July, 2019 and interviews conducted on 3 December, 2019. The process was however halted by a court order and the case is still active in court.
- iii. Minutes of ten (10) meetings out of thirteen (13) by the University of Nairobi Council were not provided for audit.
- iv. The Budget for Garissa University was approved by three (3) Council members instead of nine (9) required under Section 36 of the Universities Act, 2012.

3.6.2. Lack of ICT Policies and Procedures

Review of the documents and records revealed that four (4) universities, as indicated in Table 13 below, did not have ICT policies which detail standard procedures and practices that help in protecting ICT resources and the network environment. The absence of an

approved ICT policy makes it impossible to assure the confidentiality and integrity of data and information systems.

Table 13: Lack of ICT Policies and Procedures

No.	Name of University
1	Multimedia University of Kenya
2	Cooperative University of Kenya (CUK)
3	Koitaleel Samoei University College
4	Kibabii University

3.6.3. Lack of Internal Audit and Audit Committee Functions

During the year under review, it was observed that, Tom Mboya University College and Maasai Mara University did not have Internal Audit Committees and had not established internal audit functions, contrary to the provision of Section 155(1)(a) of the Public Finance Management Act, 2012.

In the absence of the internal audit function and internal audit committees, the efficiency and effectiveness of the universities' internal controls and risk management could not be confirmed.

3.6.4. Lack of Risk Management Policies

During the year under review, three (3) universities did not have approved risk management policies clearly showing the purpose of the policy, the scope, those who are involved in risk management, risk management process, risk categories and reporting of risks. In addition, Management did not carry out risk assessment on key areas. These universities are indicated in Table 14 below.

Table 14: Lack of a Risk Management Policies

No.	Name of University
1	Cooperative University of Kenya (CUK)
2	Koitaleel Samoei University College
3	Maasai Mara University

In the circumstances, it was not possible to confirm whether or how risks were identified and mitigated.

3.6.5. Other Weaknesses in Internal Controls

Other internal control weaknesses that were noted are summarized below:

- i. Weak internal controls on payroll management
- ii. Lack of business continuity and disaster recovery plans
- iii. Weak internal controls on user access management

- iv. Weak controls on stores management
- v. Lack of human resource management policies
- vi. Weaknesses in the universities fees policies
- vii. Gaps in the ICT control environment
- viii. Lack of staff establishments

Details of the other weaknesses in internal controls are indicated in **Appendix 19**.

Appendices

Appendix 1: University with Unmodified Opinion

No.	Name of University
1.	Embu University
2.	Kirinyaga University
3.	Machakos University
4.	Mama Ngina University College
5.	Tom Mboya University College
6.	Turkana University College

Appendix 2: University with Qualified Opinion

No.	Name of University
1.	Alupe University College
2.	Bomet University College
3.	Chuka University
4.	Cooperative University of Kenya (CUK)
5.	Dedan Kimathi University of Technology
6.	Egerton University
7.	Friends University College Kaimosi
8.	Garissa University
9.	Jaramogi Oginga Odinga University of Science and Technology
10.	Jomo Kenyatta University of Agriculture and Technology
11.	Karatina University
12.	Kenyatta University
13.	Kibabii University
14.	Kisii University
15.	Laikipia University
16.	Maseno University
17.	Masinde Muliro University of Science and Technology
18.	Meru University of Science and Technology
19.	Multimedia University of Kenya
20.	Murang'a University of Technology
21.	Pwani University
22.	Rongo University
23.	South Eastern Kenya University
24.	Taita Taveta University
25.	Technical University of Mombasa
26.	Tharaka University College
27.	University of Eldoret
28.	University of Kabianga
29.	University of Nairobi

Appendix 3: University with Adverse Opinion

No.	Name of University
1.	Koitaleel Samoei University College
2.	Maasai Mara University
3.	The Technical University of Kenya
4.	Moi University

Appendix 4: Revenue Budget Performance

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Alupe University College	University Own Revenue (Revenue from exchange Transactions)	51,732,039	51,828,407	96,368	-
Alupe University College	Revenue from Non-Exchange Transactions	183,053,330	183,053,330	-	-
Bomet University College	University Own Revenue (Revenue from exchange Transactions)	51,374,269	69,122,690	17,748,421	-
Bomet University College	Revenue from Non-Exchange Transactions	312,249,432	312,249,416	-	16
Chuka University	University Own Revenue (Revenue from exchange Transactions)	766,500,000	779,228,458	12,728,458	-
Chuka University	Revenue from Non-Exchange Transactions	1,372,201,160	1,372,201,160	-	-
Cooperative University of Kenya (CUK)	University Own Revenue (Revenue from exchange Transactions)	704,050,000	711,244,978	7,194,978	-
Cooperative University of Kenya (CUK)	Revenue from Non-Exchange Transactions	310,686,431	474,850,900	164,164,469	-
Dedan Kimathi University of Technology	Revenue from Non-Exchange Transactions	1,023,425,997	1,023,425,992	-	5
Dedan Kimathi University of Technology	University Own Revenue (Revenue from exchange Transactions)	658,524,023	634,836,733	-	23,687,290
Egerton University	Revenue from Non-Exchange Transactions	2,785,406,660	2,970,459,419	185,052,759	-
Egerton University	University Own Revenue (Revenue from exchange Transactions)	1,164,044,554	1,140,625,444	-	23,419,110
Embu University	Revenue from Non-Exchange Transactions	719,595,334	656,564,209	-	63,031,125

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Embu University	University Own Revenue (Revenue from exchange Transactions)	406,988,836	405,683,131	-	1,305,705
Friends University College Kaimosi	University Own Revenue (Revenue from exchange Transactions)	132,667,000	156,232,000	23,565,000	-
Friends University College Kaimosi	Revenue from Non-Exchange Transactions	455,769,000	455,769,000	-	-
Garissa University	Revenue from Non-Exchange Transactions	442,531,000	442,531,000	-	-
Garissa University	University Own Revenue (Revenue from exchange Transactions)	152,678,000	147,624,000	-	5,054,000
Jaramogi Oginga Odinga University of Science and Technology	University Own Revenue (Revenue from exchange Transactions)	577,810,281	558,902,481	-	18,907,800
Jaramogi Oginga Odinga University of Science and Technology	Revenue from Non-Exchange Transactions	2,122,112,488	2,063,269,687	-	58,842,801
Jomo Kenyatta University of Agriculture and Technology	University Own Revenue (Revenue from exchange Transactions)	4,696,724,977	3,267,632,321	-	1,429,092,656
Jomo Kenyatta University of Agriculture and Technology	Revenue from Non-Exchange Transactions	3,028,415,190	3,028,415,190	-	-
Karatina University	University Own Revenue (Revenue from exchange Transactions)	314,179,000	295,680,942	-	18,498,058
Karatina University	Revenue from Non-Exchange Transactions	800,080,203	760,204,331	-	39,875,872
Kenyatta University	Revenue from Non-Exchange Transactions	6,858,664,570	6,868,943,693	10,279,123	-

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Kenyatta University	University Own Revenue (Revenue from exchange Transactions)	3,457,315,273	3,301,220,891	-	156,094,382
Kibabii University	University Own Revenue (Revenue from exchange Transactions)	391,506,590	433,645,577	42,138,987	-
Kibabii University	Revenue from Non-Exchange Transactions	672,113,312	673,888,098	1,774,786	-
Kirinyaga University	University Own Revenue (Revenue from exchange Transactions)	306,528,152	407,962,137	101,433,985	-
Kirinyaga University	Revenue from Non-Exchange Transactions	359,891,910	359,891,910	-	-
Kisii University	University Own Revenue (Revenue from exchange Transactions)	940,000,000	1,034,434,000	94,434,000	-
Kisii University	Revenue from Non-Exchange Transactions	1,185,470,000	1,185,470,000	-	-
Koitaleel Samoei University College	University Own Revenue (Revenue from exchange Transactions)	42,583,821	32,886,283	-	9,697,538
Koitaleel Samoei University College	Revenue from Non-Exchange Transactions	108,466,853	145,966,853	37,500,000	-
Laikipia University	University Own Revenue (Revenue from exchange Transactions)	337,421,607	339,950,310	2,528,703	-
Laikipia University	Revenue from Non-Exchange Transactions	894,349,307	894,587,087	237,780	-
Maasai Mara University	Revenue from Non-Exchange Transactions	1,396,932,524	1,527,538,891	130,606,367	-
Maasai Mara University	University Own Revenue (Revenue from exchange Transactions)	342,096,000	472,702,367	130,606,367	-

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Machakos University	Revenue from Non-Exchange Transactions	1,088,362,930	1,072,321,442	-	16,041,488
Machakos University	University Own Revenue (Revenue from exchange Transactions)	538,396,928	506,121,111	-	32,275,817
Mama Ngina University College	Revenue from Non-Exchange Transactions	185,533,578	60,266,789	-	125,266,789
Mama Ngina University College	University Own Revenue (Revenue from exchange Transactions)	3,097,062	916,450	-	2,180,612
Maseno University	Revenue from Non-Exchange Transactions	1,943,625,586	1,930,966,083	-	12,659,503
Maseno University	University Own Revenue (Revenue from exchange Transactions)	1,254,563,661	1,404,605,626	150,041,965	-
Masinde Muliro University of Science and Technology	University Own Revenue (Revenue from exchange Transactions)	1,265,195,789	1,371,421,763	106,225,974	-
Masinde Muliro University of Science and Technology	Revenue from Non-Exchange Transactions	2,161,805,553	2,154,109,168	-	7,696,385
Meru University of Science and Technology	University Own Revenue (Revenue from exchange Transactions)	404,476,315	535,971,452	131,495,137	-
Meru University of Science and Technology	Revenue from Non-Exchange Transactions	718,494,940	718,494,940	-	-
Moi University	Revenue from Non-Exchange Transactions	3,667,899,000	4,367,513,000	699,614,000	-
Moi University	University Own Revenue (Revenue from exchange Transactions)	3,934,233,000	1,955,323,000	-	1,978,910,000
Multimedia University of Kenya	University Own Revenue (Revenue from	622,550,756	558,650,388	-	63,900,368

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
	exchange Transactions)				
Multimedia University of Kenya	Revenue from Non-Exchange Transactions	617,024,826	659,620,719	42,595,893	-
Murang'a University of Technology	University Own Revenue (Revenue from exchange Transactions)	316,999,652	320,622,133	3,622,481	-
Murang'a University of Technology	Revenue from Non-Exchange Transactions	535,114,143	535,114,143	-	-
Pwani University	Revenue from Non-Exchange Transactions	1,228,333,000	1,280,951,000	52,618,000	-
Pwani University	University Own Revenue (Revenue from exchange Transactions)	444,175,000	496,793,000	52,618,000	-
Rongo University	University Own Revenue (Revenue from exchange Transactions)	-	-	-	-
Rongo University	Revenue from Non-Exchange Transactions	1,008,332,467	995,261,562	-	13,070,905
South Eastern Kenya University	University Own Revenue (Revenue from exchange Transactions)	264,958,280	257,404,081	-	7,554,199
South Eastern Kenya University	Revenue from Non-Exchange Transactions	944,189,868	941,668,663	-	2,521,205
Taita Taveta University	Revenue from Non-Exchange Transactions	590,590,419	581,193,228	-	9,397,191
Taita Taveta University	University Own Revenue (Revenue from exchange Transactions)	160,650,587	124,549,935	-	36,100,652
Technical University of Kenya	University Own Revenue (Revenue from exchange Transactions)	1,751,988,478	995,459,794	-	756,528,684
Technical University of Kenya	Revenue from Non-Exchange Transactions	2,033,490,378	2,036,785,025	3,294,647	-

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Technical University of Mombasa	Revenue from Non-Exchange Transactions	961,990,433	961,990,433	-	-
Technical University of Mombasa	University Own Revenue (Revenue from exchange Transactions)	739,412,371	989,308,172	249,895,801	-
Tharaka University College	Revenue from Non-Exchange Transactions	543,363,096	543,363,096	-	-
Tharaka University College	University Own Revenue (Revenue from exchange Transactions)	232,832,901	236,589,810	3,756,909	-
Tom Mboya University College	Revenue from Non-Exchange Transactions	408,022,214	203,022,214	-	205,000,000
Tom Mboya University College	University Own Revenue (Revenue from exchange Transactions)	204,209,085	205,927,884	1,718,799	-
Turkana University College	University Own Revenue (Revenue from exchange Transactions)	256,359,419	239,621,031	-	16,738,388
Turkana University College	Revenue from Non-Exchange Transactions	196,487,392	196,487,392	-	-
University of Eldoret	Revenue from Non-Exchange Transactions	1,973,108,226	2,295,350,433	322,242,207	-
University of Eldoret	University Own Revenue (Revenue from exchange Transactions)	514,279,915	192,037,708	-	322,242,207
University of Kabianga	Revenue from Non-Exchange Transactions	901,015,007	904,061,889	3,046,882	-
University of Kabianga	University Own Revenue (Revenue from exchange Transactions)	355,058,991	370,510,182	15,451,191	-
University of Nairobi	Revenue from Non-Exchange Transactions	5,724,440,000	5,724,440,000	-	-

Name of University	Item	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
University of Nairobi	University Own Revenue (Revenue from exchange Transactions)	10,562,199,000	8,658,406,000	-	1,903,793,000
Total		91,782,999,369	87,223,944,055	2,800,328,437	7,359,383,751

Appendix 5: Expenditure Analysis

Name of University	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Alupe University College	409,785,369	338,570,387	71,214,982	0
Bomet University College	363,623,701	373,014,470	0	9,390,769
Chuka University	3,264,359,179	3,255,355,894	9,003,285	0
Cooperative University of Kenya (CUK)	979,000,000	974,858,638	4,141,362	0
Dedan Kimathi University of Technology	1,583,950,020	1,588,365,549	0	4,415,529
Egerton University	3,836,101,594	5,648,041,655	0	1,811,940,061
Embu University	1,110,854,170	113,277,066	997,577,104	0
Friends University College Kaimosi	588,435,000	576,037,000	12,398,000	0
Garissa University	595,209,000	575,628,000	19,581,000	0
Jaramogi Oginga Odinga University of Science and Technology	2,914,922,769	2,758,707,764	156,215,005	0
Jomo Kenyatta University of Agriculture and Technology	7,724,028,593	7,313,251,753	410,776,840	0
Karatina University	1,114,259,204	1,077,131,881	37,127,323	0
Kenyatta University	9,211,960,329	8,746,963,115	464,997,214	0
Kibabii University	1,063,619,902	1,165,448,455	0	101,828,553
Kirinyaga University	655,548,050	653,631,255	1,916,795	0
Kisii University	2,125,470,000	2,250,130,000	0	124,660,000
Koitaleel Samoei University College	258,410,602	205,700,827	52,709,775	0
Laikipia University	1,179,918,745	1,221,559,998	0	41,641,253
Maasai Mara University	1,391,009,524	1,421,595,602	0	30,586,078
Machakos University	1,626,759,858	1,413,069,535	213,690,323	0
Mama Ngina University College	123,630,640	21,446,763	102,183,877	0
Maseno University	3,170,420,669	3,343,310,507	0	172,889,838
Masinde Muliro University of Science and Technology	3,427,001,342	3,353,763,022	73,238,320	0
Meru University of Science and Technology	1,122,613,055	1,408,523,355	0	285,910,300
Moi University	7,602,132,000	6,917,871,000	684,261,000	0

Name of University	Budgeted Amounts (Kshs.)	Actual Amounts (Kshs.)	Over (Kshs.)	Under (Kshs.)
Multimedia University of Kenya	1,231,174,027	1,283,129,687	0	51,955,660
Murang'a University of Technology	852,113,795	905,308,715	0	53,194,920
Pwani University	1,257,988,000	1,265,404,000	0	7,416,000
Rongo University	1,008,332,467	984,229,425	24,103,042	0
South Eastern Kenya University	1,209,148,148	1,229,248,193	0	20,100,045
Taita Taveta University	751,241,006	715,516,420	35,724,586	0
Technical University of Kenya	3,741,411,048	3,481,525,938	259,885,110	0
Technical University of Mombasa	1,682,505,804	1,807,077,763	0	124,571,959
Tharaka University College	776,195,997	696,402,708	79,793,289	0
Tom Mboya University College	692,231,299	667,524,919	0	24,706,380
Turkana University College	452,846,811	379,154,117	73,692,694	0
University of Eldoret	2,424,731,307	2,424,731,307	0	0
University of Kabianga	1,256,063,999	1,385,615,508	0	129,551,509
University of Nairobi	15,671,829,000	16,533,091,000	0	861,262,000
Total	90,450,836,023	90,473,213,191	3,784,230,926	3,856,020,854

Appendix 6: Inaccuracies in the Financial Statements

Name of University	Amount in (Kshs.)	Description
Koitaleel Samoei University College	370,323,306	<p>i) Inaccuracies in the property, plant and equipment - Kshs.36,330,430</p> <p>ii) Inaccuracies in the reserves balance 322,320,377</p> <p>iii) Inaccuracies in the statement of cash flows Kshs.11,672,499</p> <p>iv) Lack of a trial balance</p>
South Eastern Kenya University	1,208,234,601	<p>i. Misstatement of employee costs Kshs.943,746,290</p> <p>ii. Misstatement of revenue from exchange transactions Kshs.232,242,856</p> <p>iii. Overstated claims for part time lecturers Kshs.32,245,455</p>
Jomo Kenyatta University of Agriculture and Technology	290,121,299	<p>i. Inaccuracies in trade and other receivables balance and deferred income</p> <p>ii. Omitted trade and other payables - Kshs.125,000,000</p>
Taita Taveta University	5,679,059	Inaccuracies in the receivables from exchange transactions
Friends University College Kaimosi	45,160,660	Inaccuracies in the depreciation and amortization expenses, current and non-current provisions and movement in revenue reserves
Technical University of Kenya	28,134,077	The expenditure includes an amount of Kshs.17,921,156 and Kshs.10,212,921 in respect of domestic travel and foreign travel respectively which were supposed to have been charged under use of goods and services.
Meru University of Science and Technology	273,082,350	i. The statement of cash flows reflects net cash flow from operating activities amount of Kshs.105,085,517 in respect of 2020/2021 which differs with the audited financial statements for 2020/2021 balance of Kshs.136,541,017. The statement reflects net cash flows from financing activities balance of Kshs.265,046,833 in respect of 2020/2021 which differs with the audited

Name of University	Amount in (Kshs.)	Description
		2020/2021 financial statements amount of Kshs.233,591,333.
Maasai Mara University	450,638,111	i. Inaccuracies in the revaluation reserves Kshs.327,143,288, ii. Unexplained inventory balances 123,494,823,
Moi University	20,324,709.00	i. Misclassification of apple farm employee wages - Kshs.11,327,709 ii. Omitted amounts on legal fees payable - Kshs.8,997,000
Total	2,691,698,172	

Appendix 7: Unsupported Expenditure and Balances

Name of University	Exception	Amount in (Kshs.)	Description
Technical University of Mombasa	Unsupported Balances/Unreconciled Variances including Variances in their analysis	36,321,678	i. Unsupported other creditors ii. Unsupported students caution money
Koitaleel Samoei University College	Unsupported Balances/Unreconciled Variances including Variances in their analysis	370,617,732	i. Unsupported revenue from non-exchange transactions Kshs.45,000,000 ii. Variance of reported additional furniture and equipment Kshs.36,330,430 iii. Variance in financial statements and prior year comparative figures Kshs.198,653,469 iv. Unsupported work in progress Kshs.90,633,833
Maseno University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	1,987,999	Variances between Financial statements and General Ledger
South Eastern Kenya University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	19,499,346	Unsupported and irregular prior year adjustments
Karatina University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	58,888,900	Unsupported contingent liability
Kibabii University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	80,035,250	Unsupported work-in-progress
Tharaka University College	Unsupported Balances/Unreconciled Variances including Variances in their analysis	12,132,713	Inaccuracies in the property, plant and equipment balance of Kshs.385,664,840 does not agree to the Note balance of Kshs.397,797,553 resulting to a variance of Kshs.12,132,713

Name of University	Exception	Amount in (Kshs.)	Description
University of Nairobi	Unsupported Balances/Unreconciled Variances including Variances in their analysis	387,400,000	i. Unsupported staff gratuity expense resulting to an unreconciled variances Kshs.182,700,000. ii. Revaluation not supported balance of Kshs.204,700,000
Kenyatta University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	835,833,972	Unsupported and ineligible capital work in progress - Kshs.835,833,972
Technical University of Kenya	Unsupported Balances/Unreconciled Variances including Variances in their analysis	1,093,309,050	i. Employee costs amounted to Kshs.3,000,688,256. However, the note to the financial statements reflects an amount of Kshs.2,996,671,577 resulting to an unexplained variance of Kshs.4,016,679. ii. The referenced Note is 6(a) instead of Note 9. iii. Unsupported Work-In-Progress (WIP) balance of Kshs.1,089,292,371 has remained the same from the previous year.
Technical University of Kenya	Unsupported Expenditure	2,098,611	Unsupported payments totalling Kshs.2,098,611 on purchase of food stuff.
Murang'a University of Technology	Unsupported Expenditure	4,983,140	Unsupported servicing or shifting of a 750KVA Generator set and a new L.V. Main Switch Board
Meru University of Science and Technology	Unsupported Expenditure	14,378,921	Unsupported rent and rates expenditure
Jaramogi Oginga Odinga University of Science and Technology	Unsupported Balances/Unreconciled Variances including Variances in their analysis	29,043,849	Fixed asset register revealed undisclosed impaired and obsolete assets with a historical cost of Kshs.29,043,849.
Jaramogi Oginga Odinga University of Science and Technology	Unsupported Expenditure	799,100,600	Unsupported expenditure on Kshs.799,100,600 on research and other related expenses.
Egerton University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	1,606,224,204	Unsupported prior year adjustment

Name of University	Exception	Amount in (Kshs.)	Description
Kisii University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	131,221,000	Long outstanding unsupported fee balances of Kshs.131,221,000.00
Maasai Mara University	Unsupported Expenditure	113,945,503	<ul style="list-style-type: none"> i. Unsupported councils foreign travel Kshs.5,961,231, ii. Unsupported goods and services Kshs.55,315,360, iii. Unsupported repairs and maintenance Kshs.12,888,131, iv. Unsupported contracted services Kshs.13,305,471.
Maasai Mara University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	3,015,152,122	<ul style="list-style-type: none"> i. Unexplained variance property, plant and equipment balance of Kshs.65,450,463 ii. Unsupported receivables from non-exchange transaction of Kshs.215,175,241 iii. Unsupported Mpesa balances of Kshs.202,315 iv. Unreconciled variance of Kshs11,018,978 research grants v. Unsupported Work-In-Progress (WIP) balance of Kshs.1,089,292,371 has remained the same from the previous year. vi. Kshs.7,114,808 unsupported students' payables, vii. Kshs.641,727,966 unsupported trade payables, viii. Unexplained variance under PPE of Kshs.65,461,228 ix. Variances between financial statement and Ledger Kshs.287,061,534 x. Variances between financial statements and trial balance Kshs.155,133,852 xi. Variances between ledger and trial balance Kshs.131,927,682

Name of University	Exception	Amount in (Kshs.)	Description
			<p>xii. Unreconciled opening balances adjustments Kshs.192,693,951</p> <p>xiii. Unreconciled variance between approved fees structure and invoiced amount Kshs.2,522,250</p> <p>xiv. Unexplained variance between inventory and stores balance Kshs.123,894,173</p> <p>xv. Unsupported adjustments on tuition income Kshs.26,475,310</p>
University of Kabianga	Unsupported Balances/Unreconciled Variances including Variances in their analysis	877,542,552	<p>i. Variances between the retention register and the financial</p> <p>ii. Statements of retention money on WIP Kshs.19,508,270.</p> <p>iii. Unreconciled student data with tuition fees Kshs.223,100,742</p> <p>iv. Unsupported WIP Kshs.634,933,540</p>
Moi University	Unsupported Expenditure	1,591,841,730	<p>i. Unsupported accommodation and catering services payable – Ksh.12,746,447</p> <p>ii. Unsupported expenditure for field courses - Kshs.46,821,902</p> <p>iii. Unsupported student welfare services paid to KUCCPS - Kshs.7,350,200</p> <p>iv. Unsupported payments to casuals – Kshs.262,187,181</p> <p>v. Unsupported tuition fees - Kshs.1,262,736,000</p>
Moi University	Unsupported Balances/Unreconciled Variances including Variances in their analysis	1,535,116,000	<p>i. Unsupported WIP - Kshs.62,200,000</p> <p>ii. Unsupported capital works - Kshs.89,424,000</p> <p>iii. Unsupported general trade payable Kshs.1,152,242,000</p>

Name of University	Exception	Amount in (Kshs.)	Description
			iv. Unsupported borrowing - GoK loan Kshs.231,250,000
Bomet University College	Unsupported Expenditure	1,424,930	<p>i. Unsupported expenditure amount of Kshs.1,424,930 was not supported since the University Council was not constituted.</p> <p>ii. The aging analysis for trade and other payables from exchange transactions and non-current liabilities balance of Kshs.85,403,027 and Kshs.74,364,569, respectively were not provided for audit review.</p>
Bomet University College	Unsupported Balances/Unreconciled Variances including Variances in their analysis	307,607,863	<p>i. Variances between Financial Statements and General Ledger on Revenue from Exchange, Depreciation and Amortization, Cash and Cash Equivalents and Inventories variance of Kshs.1,674,000, Kshs.10,591,910, Kshs.10,023,363 and Kshs.2,146,248, respectively.</p> <p>ii. The statement of cash flows reflects an increase in payables totalling Kshs.132,621 which varies with the recomputed amount of Kshs.45,833,991 resulting to an unexplained variance of Kshs.45,701,370.</p> <p>iii. Unsupported general provisions amounting to Kshs.21,883,267 relating to commitments for goods and services that had not been supplied as at end of the year.</p> <p>iv. Unsupported provision for doubtful debts of Kshs.1,119,630 which has been netted off from receivables from exchange transactions balance.</p> <p>v. Unreconciled increase in payables of Kshs.45,701,370</p>

Name of University	Exception	Amount in (Kshs.)	Description
			<p>vi. Unexplained variance of Kshs.4,500,000 on asset addition</p> <p>vii. Purchase of property, plant and equipment cost of Kshs.30,432,604 which varies with the additions, totalling to Kshs.25,932,604 resulting to an unexplained variance of Kshs.4,500,000.</p>
Garissa University	Unsupported Expenditure	37,854,420	<p>i. An amount of Kshs.32,116,878 paid to the part-time lectures was not supported by records</p> <p>ii. An expenditure of Kshs.1,949,502 paid in respect to Council expenses had not been supported</p> <p>iii. Unsupported training amount of Kshs.3,047,000 and an expenditure of Kshs.741,040 not approved by the University Council.</p>
Garissa University	Unsupported Balances/ Unreconciled Variances including Variances in their analysis	37,772,897	<p>i. Revenue and expenses of Kshs.590,155,000 and Kshs.575,628,000 respectively differs with the statement of financial performance amounts of Kshs.584,185,000 and Kshs,584,428,000 respectively, resulting to unexplained variance of Kshs.5,970,000 and Kshs.8,800,000 respectively.</p> <p>ii. General provisions amounting to Kshs.21,883,267 for goods and services not supplied by end of financial year, and unsupported provision for doubtful debts of Kshs.1,119,630.</p>
Masinde Muliro University	Unsupported Balances / Unreconciled Variances including Variances in their analysis	510,011,663	<p>i. Unsupported prior year adjustment Kshs.490,829,932</p> <p>ii. Unsupported revenue reserves Kshs.19,181,731</p>

Name of University	Exception	Amount in (Kshs.)	Description
University of Eldoret	Unsupported Balances	327,507,708	i. Student debtors balance of Kshs.234,564,771 not supported by student debtor's movement schedule ii. Tuition fees received but not credited to the students accounts totalling Kshs.62,270,832 iii. Unsupported revenue reserves with negative adjustments of Kshs.20,160,713 described as opening balances and Kshs.6,622,970 as prior year adjustments. iv. Ageing analysis for general debtors amounting to Kshs.3,888,422 was not provided for audit review
Total		13,838,854,353	

Appendix 8: Negative Working Capital

No.	Name of University	Amount (Kshs.)
1.	University of Nairobi	8,615,768,000
2.	Kenyatta University	7,941,482,914
3.	Egerton University	6,873,034,047
4.	Embu University	6,873,034,047
5.	Jomo Kenyatta University of Agriculture and Technology	4,511,370,788
6.	Technical University of Kenya	3,950,683,785
7.	Moi University	1,645,141,000
8.	Kisii University	571,448,000
9.	University of Kabianga	465,917,003
10.	Rongo University	220,568,036
11.	Taita Taveta University	210,230,922.00
12.	Laikipia University	202,721,624
13.	Dedan Kimathi University of Technology	143,677,468
15.	Meru University of Science and Technology	136,112,016
16.	Murang'a University of Technology	117,346,161
17.	Maasai Mara University	75,090,535
18.	South Eastern Kenya University	63,706,568
19.	Pwani University	62,723,000
Total		42,680,055,914

Appendix 9: Long Outstanding Receivables

Name of University	Amount in (Kshs.)	Description
Technical University of Kenya	1,496,769,730	<p>i. Long outstanding student fee balances receivable from exchange transactions totalling to Kshs.1,495,602,879 not collectible.</p> <p>ii. Previous years long outstanding balances receivables from non-exchange transactions totalling Kshs.1,166,851</p>
University of Nairobi	1,036,949,605	Long outstanding student debtors Kshs.867,078,610 and long outstanding staff debtors Kshs.169,870,995
Egerton University	848,321,383	Long outstanding student debtors Kshs.848,321,383
Masinde Muliro University of Science and Technology	829,644,658	<p>i. Long outstanding students' debtors Kshs.811,365,269</p> <p>ii. Outstanding bank debt Kshs.18,279,389 as a result of reversals effected by the bank on 2012.</p>
Jaramogi Oginga Odinga University of Science and Technology	265,174,102	Long outstanding students debtors
Kenyatta University	228,108,369	<p>i. Long outstanding staff debtors for car loans to former employees (Kshs.1,421,445).</p> <p>ii. Long outstanding fee balances (Kshs.226,686,924)</p>
Multimedia University of Kenya	203,682,644	<p>i. Student debtors outstanding for over five years Kshs.7,140,3586</p> <p>ii. Long outstanding accounts from exchange transactions Kshs.132,279</p>
University of Eldoret	183,162,464	Students debtors with a balance of Kshs.183,162,464 has been outstanding for a period of over 4 years
Dedan Kimathi University of Technology	168,668,015	Student debtors that have been outstanding for more than one year
Embu University	131,221,000	Long outstanding students fee balances

Name of University	Amount in (Kshs.)	Description
Laikipia University	129,034,323	i. Receivables from exchange transactions ii. Outstanding receivables relating to closed University campuses
Meru University of Science and Technology	114,696,875	Long outstanding students debtors
Maasai Mara University	108,128,202	Long outstanding from exchange transactions students debtors
Jomo Kenyatta University of Agriculture and Technology	94,363,840	i. Long outstanding receivables in respect to staff housing scheme cooperative, guarantee deposits and Kimathi Institute which have been due for more than ten (10) years ii. Students graduating with unsettled fee balances
Karatina University	92,514,964	Outstanding students debts for over 730 days
Cooperative University of Kenya (CUK)	92,376,559	Long Outstanding accounts receivables from exchange transactions
Rongo University	58,798,397	Overdue student debtors
Murang'a University of Technology	36,189,986	Long outstanding students debtors
Garissa University	18,266,000	i. Trade and other receivables balance of Kshs.18,266,000 in respect of student receivables (outstanding fees), had no ageing analysis done ii. There was no evidence of action taken by the University to recover same.
Friends University College Kaimosi	17,672,374	The receivables relate to student debtors and sundry debtors-insurance which have been outstanding for more than one year
South Eastern Kenya University	14,000,000	Long outstanding receivables from the County Government of Kitui
Kibabii University	3,440,695	The receivables relate to staff debtors which have been outstanding since year 2020.
Turkana University College	146,000	Graduates with outstanding Balances
Total	6,171,330,185	

Appendix 10: Long Outstanding Payables

Name of University	Issue/Exception	Amount in (Kshs.)	Description
University of Nairobi	Non-remitted statutory deductions	10,546,351,000	Unremitted Pension Kshs.5,533,486,000 and PAYE Kshs.5,012,865,000
University of Nairobi	Long outstanding payables	9,701,157,000	Long outstanding payables
Kenyatta University	Non-remitted statutory deductions	7,142,442,134	Unremitted PAYE (Kshs.3,651,509,954), VAT (Kshs.98,748,442), pension deductions (Kshs.2,576,713,316), Sacco deductions (Kshs.233,703,998, insurance deductions (Kshs.2,301,773), NHIF (Kshs.1,908,735), NSSF (Kshs.120546) and other deductions (Kshs.577,435,370)
Egerton University	Non-remitted statutory deductions	6,811,683,565	i. Interest on delayed remittances of payroll deductions Kshs.706,456,019 ii. Unremitted staff deductions Kshs.6,105,227,546 salary deductions and pension contributions
Moi University	Non-remitted statutory deductions	6,086,512,946	i. Unfunded provident fund contribution from FY 2010 to 2021 - Kshs.1,335,688,946 ii. Failure to remit statutory deductions - Kshs.4,375,287,000 iii. Unremitted pension benefits payments - Kshs.375,537,000
Jomo Kenyatta University of Agriculture and Technology	Non-remitted statutory deductions	5,089,203,499	Non remittance of pension contributions Kshs.2,419,170,872, PAYE Kshs.2,666,338,777 (current year Kshs.230,443,581) and NHIF Kshs.3,693,850
Technical University of Kenya	Long outstanding payables	2,502,804,999	Long outstanding unremitted employee

Name of University	Issue/Exception	Amount in (Kshs.)	Description
			benefits amounting to Kshs.2,502,804,999.
Technical University of Kenya	Non-remitted statutory deductions	1,982,621,700	Unremitted statutory deductions
Maasai Mara University	Non-remitted statutory deductions	768,800,536	Non remittances of statutory deductions Kshs.768,800,536 (PAYE Kshs.659,930,293, WT Kshs.108,870,243
Kenyatta University	Long outstanding payables	700,500,878	Long outstanding payables in respect of Commissioner of VAT (Kshs.95,298,725), Doctors (Kshs.2,113,535), drug suppliers (Kshs.6,210,931), hospitals (Kshs.24,219,678), general creditors (546,622,832) and Commissioner of Domestic Taxes (26,035,178)
Kisii University	Non-remitted statutory deductions	453,794,000	Non remittance of staff and statutory deductions (Pension)
Rongo University	Non-remitted statutory deductions	137,336,978	Unremitted employee deductions for pension fund (Kshs.130,830,357) and provident fund (Kshs.6,506,621)
University of Kabianga	Non-remitted statutory deductions	132,503,149	Payables outstanding since 2021 February statutory deductions
Dedan Kimathi University of Technology	Long outstanding payables	122,699,131	Trade and other payables that have been outstanding for more than one year
Taita Taveta University	Long outstanding payables	83,642,304	Long outstanding trade and other payables and unpaid audit fees
Embu University	Long outstanding payables	81,560,000	Long outstanding CBA refund
University of Eldoret	Long outstanding payables	58,041,251	The payables balance has been pending for over 90 days with the bulk of payables being medical bills owed to health services providers amounting to Kshs.33,369,628.
Alupe University College	Long outstanding payables	54,462,776	Salaries paid by Moi University which are long outstanding

Name of University	Issue/Exception	Amount in (Kshs.)	Description
Garissa University	Long outstanding payables	37,695,000	Unsettled Trade and Other Payables balance of Kshs.7,370,000 were settled in the subsequent financial year resulting to outstanding bills of Kshs.37,695,000
Rongo University	Long outstanding payables	26,518,261	Long outstanding salaries for part-time lecturers
Cooperative University of Kenya (CUK)	Long outstanding payables	23,708,663	Construction retentions
Dedan Kimathi University of Technology	Non-remitted statutory deductions	23,210,709	i. Pension arrears for period between FY 2010/2011 to 2016/2017 - Kshs.23,183,669 ii. Failure to remit Income tax (PAYE) - Kshs.27,040
Multimedia University of Kenya	Long outstanding payables	10,120,000	Audit services outstanding for six (6) years
Murang'a University of Technology	Long outstanding payables	7,334,566	Long outstanding payables on wages and gratuity of Kshs.418,466 and Kshs.6,916,100, respectively
Koitaleel Samoei University College	Non-remitted statutory deductions	7,321,891	i. Unremitted tax deductions ii. Non-deduction and remittance of withholding tax
Karatina University	Long outstanding payables	7,290,000	Outstanding part time Lecturer's dues more than 5 years
Pwani University	Long outstanding payables	3,858,846	Overpayments by different sponsors of students who have since left the University.
Total		52,603,175,782	

Appendix 11: Weaknesses in Cash Management

Name of University	Amount (Kshs.)	Description
Laikipia University	7,694,265	Direct deposit receipts not posted in cash book
Kenyatta University	573,572,427	Failure to prepare and submit for audit bank reconciliation statements for all bank accounts
Masinde Muliro University of Science and Technology	2,240,649	i. Kshs.339,506 not entered in cash book ii. Kshs.1,901,143 not recorded in cash book
Jomo Kenyatta University of Agriculture and Technology	15,762,125	Unauthorized overdrawn bank accounts
Technical University of Kenya	26,135,736	i. Seventeen (17) bank accounts certificates of bank balances and bank reconciliation statements were not provided for audit verification. ii. List of all Banks accounts under its operation, date they were opened, purpose of opening and the approval for opening and maintaining the bank accounts were not provided. iii. Fixed deposit account, which was an investment was not disclosed as so.
Egerton University	261,600,780	Unauthorized bank overdraft
Kisii University	9,142,000	Retention monies not deposited in account
Maasai Mara University	65,713,596	Unexplained variances between the cash book balances and the financial statements of Kshs.1,920,702, Kshs.57,778,563, Kshs.6,014,331
Maasai Mara University	13,000,000	Liquidated cash not disclosed where it was transferred to or how it was spent
University of Kabianga	529,715	Undisclosed bank account
University of Kabianga	45,310,312	Bank Overdraft offset against other positive balances
Mama Ngina University College	95,663,982	Failure to appoint board of survey on cash
Total	1,116,365,587	

Appendix 12: Lack of Ownership Documents

Name of University	Amount in (Kshs.)	Description
Technical University of Mombasa	130,000,000	Disputed land ownership
South Eastern Kenya University	15,324,812	Motor vehicle with no logbook Kshs.15,324,812
Laikipia University	547,088,000	Parcels of land with inappropriate registration
Jomo Kenyatta University of Agriculture and Technology	1,330,000	Donated motor vehicle without ownership documents
University of Nairobi	3,877,849,835	107.9 acres of land had no ownership documents
Kenyatta University	123,281,555	Encroachment of University's land by informal settlers and lack of land ownership documents (Kshs.123,281,555).
Murang'a University of Technology	810,282,972	<p>i. Lease hold land measuring 30.95 hectares located within Murang'a Town with a name of Murang'a University College. It was noted that Murang'a University College and Murang'a University of Technology are separate and different entities.</p> <p>ii. Twelve (12) parcels of land have no records at Lands Office and title deeds have been issued to unidentified persons who have encroached and erected permanent structures as established.</p> <p>iii. Logbooks for five (5) motor vehicles were in the Name of Murang'a College of Technology and six (6) motor vehicles in the name of Murang'a University College, all valued at Kshs.34,964,172. However, Murang'a College of Technology and Murang'a University College are different and separate entities from Murang'a University of Technology.</p> <p>iv. Motor vehicle registration number KAY 095V, an ISUZU bus, has a joint ownership between Murang'a College of Technology and Consolidated Bank of Kenya.</p> <p>v. Long-term investments 126,594 shares held in Bamburi Cement registered in the names of the trustees</p>

Name of University	Amount in (Kshs.)	Description
		of the Murang'a Technical College at inception of the University.
Meru University	108,292,000	Land with a value of Kshs.108,292,000 based on a valuation done in 2009 over thirteen (13) years ago. The land ownership documents provided for audit indicates that one parcel of land is registered under Meru University College of Science and Technology while the other parcel is in the name of Meru College of Technology.
Maasai Mara University	0	4 motor vehicles excluded from fixed assets record, 2 motor vehicles registered in the name of private entities.
Chuka University	25,000,000	Lack of land ownership documents
Bomet University College	930,800,000	four (4) parcels of land owned by the College valued at Kshs.930,800,000 without ownership documents.
University of Eldoret	2,797,502	ownership documents for forty-three (43) vehicles recorded in the assets register were not provided for verification.
Total	6,572,046,676	

Appendix 13: Other Weaknesses in Asset Management

Name of University	Amount in (Kshs.)	Description
Cooperative University of Kenya (CUK)	43,701,167	Untagged assets
South Eastern Kenya University	610,223,704	Office and tuition block in Kitui and Wote Campuses respectively on un-registered land
Jomo Kenyatta University of Agriculture and Technology	358,000,000	Idle investment in subsidiary company - JKUAT Noodles (Nissin Holdings Ltd)
University of Nairobi	0	Dilapidated assets at Diani, Kibwezi field station and grounded motor vehicles
Kenyatta University	0	i. Failure to revalue fully depreciated furniture and equipment that are still in use ii. Untagged computer hardware accessories
Technical University of Kenya	9,683,510	three (3) grounded motor vehicles with a balance of Kshs.9,683,510 no indication whether the vehicles had been recommended for disposal as they were unserviceable.
Jaramogi Oginga Odinga University of Science and Technology	190,871,988	Failure to revalue fully depreciated assets in use and disclose obsolete assets balance of Kshs.190,871,988,
Total	1,212,480,369	

Appendix 14: Stalled/Incomplete Projects

No.	University Name	Amount in (Kshs.)	Description
1.	Machakos University	986,761,116	Delay in completion of tuition and office block
2.	Bomet University College	984,655,005	Inadequate funding for construction of phased administration and lecture halls
3.	University of Kabianga	834,523,967	Delayed completion of university library and irregular extension
4.		827,495,069	stalled construction of Library blocks and supply and installation of ERP whose contract sum was Kshs.1,391,982,469 and Kshs.16,544,932, respectively. However, liquidated damages for delayed performance have not been claimed from the contractor
5.	Jomo Kenyatta University of Agriculture and Technology	690,262,026	<ul style="list-style-type: none"> i. Stalled Boundary wall (Kshs.68,836,283) and water bottling plant(Kshs.19,337,991) ii. Stalled Construction of college of engineering tech. building Kshs.253,720,833, iii. Stalled extension works of administration Block (Kshs.348,366,919)
6.	Rongo University	657,794,614	Delay in completing the library by over 2 years putting in doubt value for money obtained by paying Kshs.639,482,852 out of the contract sum of Kshs.1,358,342,492. Further, a six-year stalled construction of a 3-storey hostel block despite an amount of Kshs.18,311,762 being paid.
7.	Koitaleel Samoei University College	628,504,063	Delay in completion of the Administration block in Nandi Hills
8.	Laikipia University	568,569,078	<ul style="list-style-type: none"> i. Delayed project completion for the gate, science complex building and tuition blocks ii. Delayed completion of ABN Unisol Project (contract for supply, installation, configuration, testing, training and commissioning of the University - Wide enterprise resource planning system)

No.	University Name	Amount in (Kshs.)	Description
9.	Multimedia University of Kenya	565,101,475	Stalled proposed construction of New university library
10.	Kenyatta University	556,578,214	12 stalled projects, some since 2018. Vandalism was observed on some sites.
11.	Taita Taveta University	492,707,588	<p>i. Incomplete installation and implementation of an Enterprise Resource Planning (ERP) system Kshs.15,856,424</p> <p>ii. Delay in completion of construction of two (2) administration blocks and construction and equipping of mines, fuel and mineral processing Kshs.467,260,157</p> <p>iii. Stalled construction of water treatment plant and two - classroom block totalling Kshs.9,591,007</p>
12.	Friends University College Kaimosi	454,697,725	Inadequate funding for construction of a library block and slow progression of the project
13.	Egerton University	435,545,277	Stalled Projects
14.	University of Eldoret	384,943,100	<p>i. Construction of School of Business Studies and Economics Complex amount of Kshs.241,640,240. However, the project still had some works/defects to be corrected.</p> <p>ii. Construction of Amphitheatre amount of Kshs.143,302,860. However, the works were at 65%, nine (9) months after the revised completion date of 21 April, 2022.</p>
15.	Meru University	171,537,625	Stalled project and contractor not on site. Documents or records not provided to confirm the overall completion level and reasons for the delay.
16.	University of Nairobi	163,733,506	<p>i. Stalled construction of school of pharmacy</p> <p>ii. An amount of Kshs.3,830,113 paid for a borehole not working.</p>

No.	University Name	Amount in (Kshs.)	Description
			iii. Stalled student accommodation hostels at lower Kabete Campus. iv. Stalled Project at school of pharmacy
17.	Kirinyaga University	155,467,607	i. Delayed construction of lecture theatre ii. Delayed project completion where the completed date has been revised 8 times.
18.	Embu University	111,855,533	Delayed Construction of Auditorium and Lecture Classroom
19.	Dedan Kimathi University of Technology	92,630,978	Delayed completion and cost escalation on construction of an academic block of Kshs.92,630,978 or 59% of the contract sum.
20.	Jaramogi Oginga Odinga University of Science and Technology	85,296,934	Incomplete projects with no contractors on the sites. Expected completion dates of the projects could not be ascertained.
21.	Masinde Muliro University of Science and Technology	37,725,177	Construction of Olympic Size Swimming Pool still incomplete despite extension of completion date by twenty-six (26) weeks
22.	Moi University	26,595,959	Delayed implementation of ERP system
23.	Maasai Mara University	23,316,000	Delayed implementation of Enterprise Resource Planning (ERP) System Kshs.23,316,000
24.	Cooperative University of Kenya (CUK)	18,450,070	Unutilized Enterprise Resource planning System
25.	Technical University of Mombasa	6,930,750	Stalled perimeter wall fencing in Kaloleni Mombasa County
Total		9,961,678,456	

Appendix 15: Non-Remittance of Deductions

No.	Name of University	Amount in (Kshs.)	Description
1	Koitaleel Samoei University College	7,321,891	i. Unremitted tax deductions ii. Non-deduction and remittance of withholding tax
2	Jomo Kenyatta University of Agriculture and Technology	5,089,203,499	Non remittance of pension contributions Kshs.2,419,170,872, PAYE Kshs.2,666,338,777 (current year Kshs.230,443,581) and NHIF Kshs.3,693,850
3	University of Nairobi	10,546,351,000	Unremitted Pension Kshs.5,533,486,000 and PAYE Kshs.5,012,865,000
4	Rongo University	137,336,978	Unremitted employee deductions for pension fund (Kshs.130,830,357) and provident fund (Kshs.6,506,621)
5	Kenyatta University	7,142,442,134	Unremitted PAYE (Kshs.3,651,509,954), VAT (Kshs.98,748,442), pension deductions (Kshs.2,576,713,316), Sacco deductions (Kshs.233,703,998), insurance deductions (Kshs.2,301,773), NHIF (Kshs.1,908,735), NSSF(Kshs.120,546) and other deductions (Kshs.577,435,370)
6	Technical University of Kenya	1,982,621,700	Unremitted statutory deductions
7	Egerton University	6,811,683,565	i. Interest on delayed remittances of payroll deductions Kshs.706,456,019 ii. Unremitted staff deductions Kshs.6,105,227,546 salary deductions and pension contributions
8	Kisii University	453,794,000	Non remittance of staff and statutory deductions (Pension)
9	Maasai Mara University	768,800,536	Non remittances of statutory deductions Kshs.768,800,536

No.	Name of University	Amount in (Kshs.)	Description
			(PAYE Kshs.659,930,293, WT Kshs.108,870,243
10	University of Kabianga	132,503,149	Payables outstanding since 2021 February statutory deductions
11	Dedan Kimathi University of Technology	23,210,709	i. Pension arrears for period between FY 2010/2011 to 2016/2017-Kshs. 23,183,669 ii. Failure to remit Income tax (PAYE) - Kshs.27,040
12	Moi University	6,086,512,946	i. Unfunded provident fund contribution from FY 2010 to 2021 - Kshs.1,335,688,946 ii. Failure to remit statutory deduction - Kshs.4,375,287,000 iii. Unremitted pension benefits payments - Kshs.375,537,000
Total		39,181,782,107	

Appendix 16: Irregular Expenditure

Name of University	Amount in (Kshs.)	Description
Kenyatta University	430,913,243	Nugatory expenditure on closed Kigali Campus (Kshs.420,749,207), irregular payment of salary and other benefits (Kshs.10,164,036)
Moi University	56,179,000	i. Overpayment of CBA agreement amount - Kshs.56,179,000 ii. Payment of acting allowance for a period of more than six months - Kshs.7,959,000
Maasai Mara University	51,402,985	Irregular payment of allowances Kshs.6,817,129, Legal services Kshs.13,305,471, Rent Kshs.900,000, Medical Kshs.30,380,385
Technical University of Kenya	7,478,208	Irregular expenditure on staff training amounting to Kshs.7,478,208
South Eastern Kenya University	5,748,000	Irregular payment of professional fees
Machakos University	3,472,183	i. Allowances to officers for attending a retreat Kshs.555,300 ii. Irregular cash payments on security expenses Kshs.2,916,883
Koitaleel Samoei University College	2,269,865	i. Irregular acting allowance ii. Unapproved council retreat
Bomet University College	2,139,033	Acting allowance expenditure amounting to Kshs.2,139,033 paid to twenty-three (23) employees for acting for more than six (6) months.
Friends University College Kaimosi	103,720	Penalties due to late remittance of NSSF deductions.
Total	559,706,237	

Appendix 17: Non-Compliance with Procurement Laws and Regulations

University of Name	Amount in (Kshs.)	Description
Multimedia University of Kenya	7,608,276	<ul style="list-style-type: none"> i. Irregular procurement of cleaning contract ii. Irregular extension of contract to supply library books iii. Irregular supply of medical drugs
Koitaleel Samoei University College	4,616,256	<ul style="list-style-type: none"> i. Irregular award of contracts to staff ii. Irregular payment to the consultants
Jomo Kenyatta University of Agriculture and Technology	14,657,058	Irregular procurement of goods, works and services
University of Nairobi	888,590	Purchase of toners costing Kshs.888,590 from one supplier using framework contracting without providing a list of 6 other alternative suppliers to have seven vendors in total
Rongo University	0	Non implementation of the e-Procurement system
Kenyatta University	2,624,156	Irregular splitting of contracts, irregular payment of subscriptions, irregular payment of commission
Turkana University College	0	Non implementation of e-procurement
Technical University of Kenya	18,904,277	<ul style="list-style-type: none"> i. Irregular procurement of legal services amount of Kshs.10,184,689 ii. Irregular Procurement of water proofing for library roof works, upgrading of rooms D22 and D14 and construction works at South C Boundary amounting to Kshs.7,039,830, the quotations were opened on dates earlier than those indicated on the quotations. iii. Inspection and acceptance report on purchase of foodstuffs expenditure amounting to Kshs.1,679,758 not provided for audit. List of at least seven (7) bidders engaged through the framework agreement for supply of foodstuff was not provided for audit review.
Murang'a University of Technology	1,950,000	Provisional sum of Kshs.650,000 for electrical repair works, Kshs.300,000 for

University of Name	Amount in (Kshs.)	Description
		project documentation and management expenses and Kshs.1,000,000 for contingencies all totalling Kshs.1,950,000, not included in the initial contract. Further, the amounts were paid to the contractor without approval of the expenditure
Dedan Kimathi University of Technology	1,266,727	Failure to properly constitute inspection and acceptance committee
Machakos University	2,409,666	provision of legal services without Attorney General approval
Mama Ngina University College	6,835,150	Irregular procurement of audio visual equipment
Moi University	25,486,000	Irregular extension of insurance contracts
Bomet University College	22,300,102	Procurement of contracted services done outside the e-procurement system
Garissa University	26,317,000	<p>i. Irregular operationalizing of staff medical insurance amounting Kshs.17,396,000, whose contractual agreement covered only one hundred and forty-seven (147) employees, excluding fifty-seven (57) employees.</p> <p>ii. Amount of Kshs.8,921,000 incurred on refurbishment of buildings without Bill of Quantities prepared and no certificate of practical completion of the refurbished buildings.</p>
Total	135,863,258	

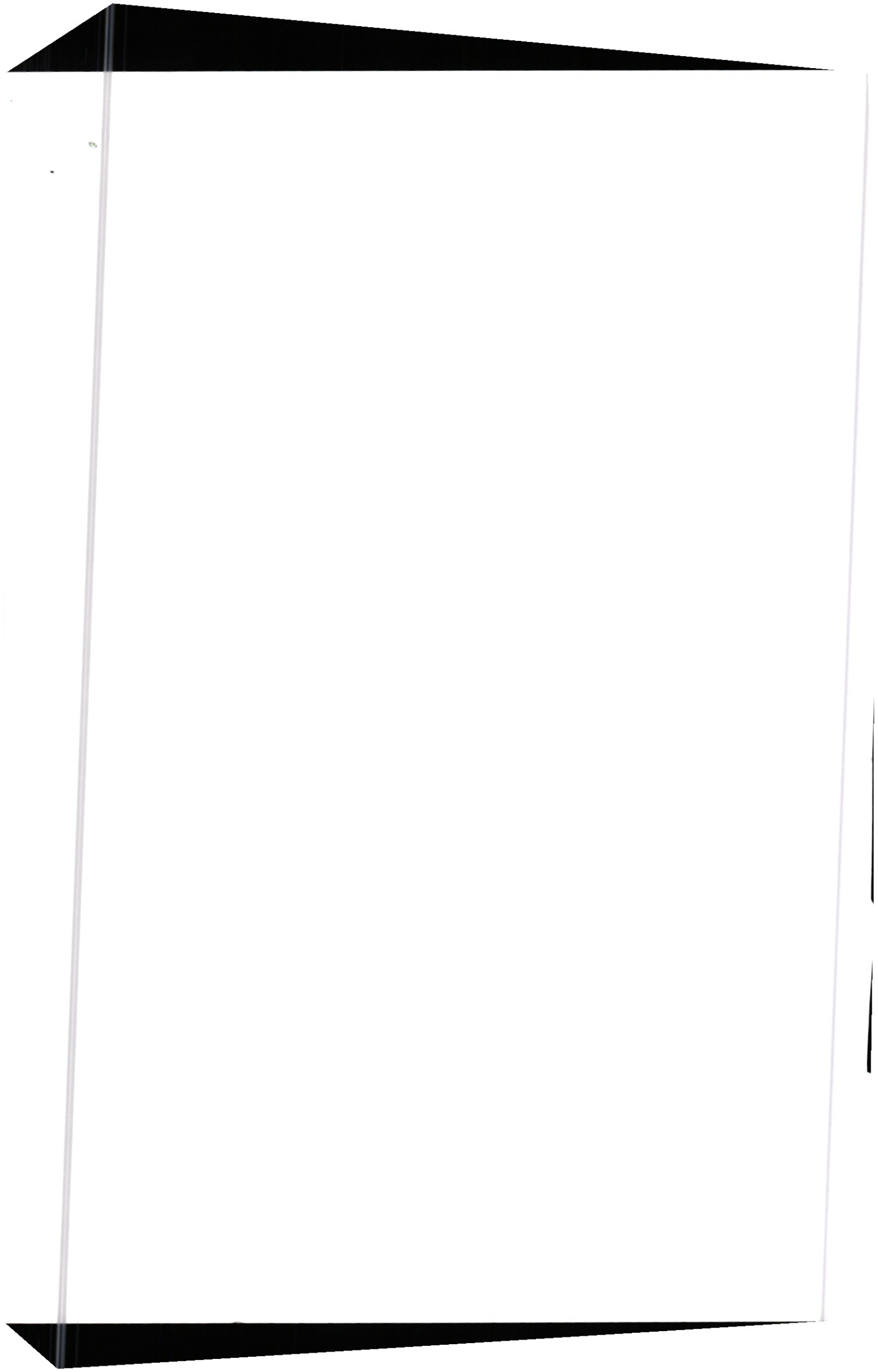
Appendix 18: Other Non-Compliance Issues

No.	Name of University	Amount in (Kshs.)	Description
1	Technical University of Mombasa	1,754,446	Failure to bond an officer sponsored for further studies
2	Multimedia University of Kenya	0	Officers working in acting capacity over three (3) years without approval
3	Koitaleel Samoei University College	0	Irregular hire of staff, Irregular acting allowances, council member's tenure
4	Cooperative University of Kenya (CUK)	0	Officers working beyond 60 years
5	Tom Mboya University	0	Non-adherence to regulations on acting appointment
6	South Eastern Kenya University	0	Failure to comply with the approved staff establishment and Incomplete Assets Register
7	Karatina University	1,670,296	Unrecovered rent deposit for Nairobi Liaison Office
8	Jomo Kenyatta University of Agriculture and Technology	3,202,402	Unauthorized over-expenditure for rent and rates
9	Kenyatta University	28,643,730	Unapproved commitment of funds (Kshs.1,266,241), members of staff working beyond mandatory retirement age, irregular payment of acting allowance (Kshs.6,486,435), non-compliance with staff establishment, Irregular issuance of imprest, long outstanding imprest, Irregular use of imprest on procurement of goods (Kshs.20,891,054)
10	Technical University of Kenya	0	<p>i. Management retained twenty-four (24) members of non-academic staff who had attained the mandatory retirement age of sixty (60) and two (2) members of academic staff who had attained the mandatory retirement age of seventy (70) years as at 30 May, 2022 on its payroll of June, 2022.</p> <p>ii. Thirty (30) new recruitments were undertaken in various departments and positions without vacancy announcements and interviews</p>

No.	Name of University	Amount in (Kshs.)	Description
11	Murang'a University of Technology	21,652,395	Unapproved expenditure amount of Kshs.18,402,395 for asbestos removal and replacement.
12	Meru University of Science and Technology	951,627	two staff members had acted for more than six (6) months
13	Kisii University	9,142,000	i. Acting appointment beyond 6 months 18 employees ii. Retention monies not deposited in retention account Kshs.9,142,000
14	Maasai Mara University	5,279,782	Non-Compliance with fees policy. Non adherence to budget process,
15	Bomet University College	968,765	i. Casual wages expenditure for seven (7) casual workers engaged for over twelve (12) months. ii. Twenty-three (23) officers on acting appointments for a period of over one year.
16	Garissa University	2,226,223	i. An amount of Kshs.2,226,223 was paid as acting allowances to employees acting for a period exceeding six (6) months without approval. ii. Three (3) employees with different payroll numbers but shared bank account numbers. iii. The University had two hundred and eight (208) staff in post against an approved staff establishment of three hundred and forty-five (345) employees, resulting to understaffing by one hundred and thirty-seven (137) staff members.
17	University of Eldoret	8,315,307	An amount of Kshs.8,315,307 was paid as acting allowance. However, some employees had acted for more than six months without being confirmed.
Total		83,806,973	

Appendix 19: Other Weaknesses in Internal Controls

No.	Name of University	Amount in (Kshs.)	Description
1	Technical University of Mombasa	363,283,301	Inadequacies in debt recoveries
2	Multimedia University of Kenya	0	Lack of human resource management policy
3	Cooperative University of Kenya (CUK)	0	Poor Stores Management
4	Tom Mboya University College	0	ERP system user accounts where a user is able to execute all functions within that module
5	Laikipia University	3,537,210	Lack of policy on external examiners
6	Jomo Kenyatta University of Agriculture and Technology	23,299,317	Weak controls on stores management and weaknesses in the University fees policy. Anomalies in part time department cost (part time lecturers)
7	Tharaka University College	121,967,792	No chronological order in invoicing students, multiple billing of four, three or two semesters done on the same day, invoicing year two student before year one is completed
8	Rongo University College	0	i. Gaps in the ICT Control Environment - no fire suppression systems, no stable antivirus software, ERP does not generate access or log reports and pirated software ii. Lack of an approved staff establishment
9	Kisii University	0	Lack of Business Continuity and Disaster Recovery Plan
10	Maasai Mara University	0	Weak internal controls on payroll management, students' fees and charges
11	Dedan Kimathi University of Technology	0	Delayed filling of acting position
12	Machakos University	0	Incomplete staff establishment which did not include the approved number of staff per job group and department
13	Masinde Muliro University of Science and Technology	0	Lack of controls over personnel and payroll data in management and administration of employee costs
Total		512,087,620	





Office of the Auditor-General Kenya



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