



**MOI UNIVERSITY
OFFICE OF THE VICE - CHANCELLOR**

INTERNAL MEMO

FROM: Vice – Chancellor

DATE: 24th June, 2019

TO: Center Leader - ACE II PTRE

REF: MU/VC/IAC/51

**SUBJECT: ACTION ON RESOLUTIONS OF THE AUDIT, RISK AND COMPLIANCE
COMMITTEE OF COUNCIL**

The Audit, Risk and Compliance Committee held a Regular meeting on 30th May and 31st May, 2019.

Internal Audit's Reports on Financial and Procurement Audit of ACE II PTRE World Bank Project for the Period July to December, 2018 was tabled and discussed.

1. Report on Financial Audit

NOTED:

- a. Discrepancies between cash book and ledger balances identified during audit were being reconciled by the Center to establish why the cashbook posting did not process to the ledger. The project Accountant was working with the general ledger team and cash office to ensure the problem is resolved.
- b. The Center had not attached a boarding pass during accounting for money advanced to travel out of the country for a research workshop. Though it was provided later for verification.

RECOMMENDED: The Center should be advised to demand for clearance to travel outside the country.

- c. World Bank had not disbursed funds during the period under review, and the Center was implementing activities that were outstanding from the previous budget. The delay was occasioned by the IUCEA who had challenges in the appointment of the Independent Verifier who was supposed to verify results achieved as per the Direct Link Indicators. This has however been resolved and the Center reported that it had received disbursement for DLI's achieved.
- d. Explanations provided for significant variations in regards to procurement challenges were general and the Center had unutilized balance of Kes. 36,337,025.

The Center leadership reported that they were working closely with the procurement unit to assist in procurement processing of its requests and to assist in the improvement of the overall absorption of resources.



- e. Assets that were acquired during the half year have been posted to the University Register
- f. The Center Leadership is keenly following up with the process of absorbing the funds balance brought forward from the previous financial year and has accelerated the utilization of this year's funding in order to meet the threshold of percentage provided in accordance with the memorandum of understanding.

2. Report on Procurement Audit

NOTED:

- a. The Center has prepared the Procurement Plan for the year 2018-2019 as required by the law;
- b. Evaluation Committee used criteria during evaluation that was not included in prequalification document for Quotation Q/2018-19/ACE II PTRE/10, and influenced evaluation outcome for Quotation Q/2018-2019/ACE II PTRE/138.

The Center reported that henceforth they will be guided on adhering to procurement procedures.

- c. Evaluation Committee did not request for clarification in writing from bidder while evaluating Quotation Q/2018-2019/ACE II PTRE/131.

FURTHER NOTED:

The Center had not reprimanded the Evaluation Committee as recommended, and Management was yet to give its comments on the reports.

The Audit, Risk and Compliance Committee's Resolution:

Project Leader needs to implement activities to ensure absorption level is raised to at least 50%.

Council should consider appreciating the Center Leadership for the commendable work.

Please submit your progress report to the undersigned and a copy to the Audit, Risk and Compliance Committee Secretariat by 11th July, 2019.



Prof. Isaac S. Kosgey, Ph.D.
VICE - CHANCELLOR

