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COUNTY GOVERNMENT OF BUNGOMA

COUNTY ASSEMBLY OF BUNGOMA
(LPCS)
29 SEP 2026
TABLED
By: Hon. Godfrey Mukhwana

COUNTY ASSEMBLY OF BUNGOMA

OFFICE OF THE CLERK

COUNTY ASSEMBLY OF BUNGOMA
(LPCS)
29 SEP 2026
NOTICE ISSUED
By: Hon. Godfrey Mukhwana

THIRD ASSEMBLY

FIFTH SESSION

COMMITTEE ON FINANCE AND ECONOMIC PLANNING

REPORT ON THE DISASTER AND EMERGENCY FUND FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30TH JUNE, 2025

Clerks Chambers
County Assembly Buildings
P.O BOX 1886 - 50200
BUNGOMA, KENYA

MARCH, 2026

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CHAPTER ONE

1.1 PREFACE

This report presents the legal framework, financial performance, and governance status of the County Disaster and Emergency Fund for the period ended 30th June, 2025. It has been prepared in fulfillment of statutory requirements and in line with the principles of transparency, accountability, and prudent financial management as provided under Sections 110–115 of the Public Finance Management Act, 2012 as read together with article 201 of the Constitution of Kenya 2010.

The Emergency Fund is established to enable the County Government to respond promptly to urgent unforeseen events that threaten human life, public welfare, or the environment, and for which no prior legislative authority exists. The law sets out clear procedures for the establishment, administration, withdrawal, reporting, and oversight of the Fund. It further prescribes limits on expenditure, approval processes by the County Assembly, and annual reporting obligations to the Auditor-General to ensure compliance and safeguard public resources.

The report outlines the Fund's financial activities for the Financial Year 2024/2025, including budget allocation, receipts, expenditures, capital investments, and closing balances. It also provides analysis of budget performance, details of major infrastructure projects undertaken, and highlights key administrative and compliance matters observed during the period under review.

In addition, the report draws attention to governance issues relating to imprest management, expenditure classification, documentation gaps, and adherence to statutory provisions. The observations and recommendations herein are intended to strengthen internal controls, enhance accountability, and ensure that the Emergency Fund strictly operates within its legally defined mandate.

1.2 Establishment and Mandate of the committee

Hon. Speaker.

The Sectoral Committee on Finance and Economic Planning is constituted pursuant to the provisions of Standing Order No. 217 of the County Assembly of Bungoma Standing Orders and executes its mandate pursuant to Standing Order 217(5) which provides that the Committee functions shall be to:

a) Investigate, inquire into, and report on all matters relating to the mandate, management, activities, administration, operations, coordination, control and monitoring of budget;

b) Consider quarterly reports of the assigned departments and report to the House within twenty-one (21) sitting days upon being laid;

c) Study the programme and policy objectives of the effectiveness of the implementation;

d) Study and review all county legislation referred to it;

e) Study, access and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;

f) Investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;

g) To vet and report on all appointments where the constitution or any requires the House to approve, except those under Standing Order 209(Committee on Appointments); and

h) Make reports and recommendations to the House as often as possible, including recommendation of the proposed legislation

1.3 Committee membership

Hon. Speaker.

The Committee on Finance and Economic Planning is currently composed of the following

Members:

1.	Hon. Polycarp	Wandabusi	Chairperson
2.	Hon. Godfrey	Mukhwana	Vice /Chairperson
3.	Hon. Stephen	Wamalwa	
4.	Hon. Joan	Kirong'	
5.	Hon. Aggrey	Mulongo	
6.	Hon. Vitalis	Wangila	
7.	Hon. Anthony	Lusenaka	
8.	Hon. Grace	Sundukwa	
9.	Hon. George	Makari	
10.	Hon. Jack	Kawa	
11.	Hon. Miliah	Masungo	
12.	Hon. Violet	Makhanu	
13.	Hon. Tony	Barasa	
14.	Hon. Hentry	Nyongesa	
15.	Hon. Catherine	Kituyi	

1.4 **Legal Background**

The legal framework governing the establishment, administration, and reporting of County Emergency Fund is set out under Sections 110 to 115 of the Public Finance Management Act,2012.

1.4.1 Establishment of the Emergency Fund

Section 110(1) of the PFMA,2012 provides that a County Executive Committee may, with the approval of the County Assembly, establish an Emergency Fund for the County Government under the name "County Emergency Fund."

Pursuant to Section 110(2)of the PFMA,2012 the purpose of the Emergency Fund is to enable payments to be made in respect of urgent and unforeseen expenditure for which no specific legislative authority exists.

1.4.2 Administration of the Fund

Under Section 111(1) of the PFMA,2012 the County Executive Committee Member for Finance is responsible for administering the County Government Emergency Fund in accordance with a framework and criteria approved by the County Assembly.

Section 111(2) of the PFMA,2012 further requires the County Executive Committee Member for Finance to establish and maintain a separate account into which all monies appropriated to the Emergency Fund shall be deposited.

1.4.3 Power of County Executive Committee member to payments from emergency fund

Section 112(1) of the PFMA,2012 provides that, subject to Section 113,the County Executive Committee Member for Finance may make payments from the County Government Emergency Fund only if he/she is satisfied that there exists an urgent and unforeseen need for expenditure for which there is no legislative authority and shall be in accordance with operational guidelines made under regulations approved by Parliament and the applicable law relating to disaster management.

Section 112(2) stipulates that an urgent and unforeseen need arises where the County Executive Committee Member for Finance, guided by relevant regulations and laws, determines that—

a) the payment was not budgeted for and cannot be delayed until a later financial year without prejudicing the public interest;

b) the payment is intended to alleviate damage, loss, hardship, or suffering directly caused by the

event; and

c) the damage caused by the event is small in scale and limited to the county.

Section 112(3) further provides that an unforeseen event is one which—

a) threatens damage to human life or welfare; or

b) threatens damage to the environment.

1.4.4 Limitation on power of County Executive Committee Member for Finance to make payments from emergency fund

Section 113 restricts withdrawals from the Emergency Fund during a financial year to a maximum of two per cent of the total County Government revenue as reflected in the audited financial statements of the previous Financial Year, except during the first year of establishment.

Section 114(1) requires the County Executive Committee Member for Finance to seek approval from the County Assembly within two months after a payment has been made from the Emergency Fund.

Where the County Assembly is not sitting within the period specified under subsection (1), Section 114(2) requires that approval be sought within fourteen days after the Assembly next sits.

Further, pursuant to Section 114(3), as soon as practicable after the County Assembly has approved the payment, the County Executive Committee Member for Finance shall introduce a draft Appropriation Bill in the County Assembly to appropriate the amount paid and to replenish the Emergency Fund accordingly.

1.4.5 County Treasury to submit a report to Auditor General in respect to emergency fund

Section 115(1) provides that where an Emergency Fund has been established under Section 110, the County Treasury shall, not later than three months after the end of each financial year, prepare and submit to the Auditor-General financial statements relating to the Emergency Fund for that year.

In accordance with Section 115(2), the financial statements shall include—

a) the date and amount of each payment made from the Fund;
b) the person to whom each payment was made;
c) the purpose for which each payment was made;
d) confirmation as to whether the recipient has spent the funds for the intended purpose, including a statement to that effect;
e) where the funds have not been spent, a statement specifying the reasons for the failure to do so; and
f) a statement demonstrating how each payment conforms to the requirements of Section 112 of the Act.

1.5 Acknowledgement
Hon. Speaker.

The Committee is grateful to the Offices of the Speaker and the Clerk of the County Assembly for the logistical support provided in the discharge of its mandate. I also thank the Members of the Committee for their commitment during the examination of the Disaster and Emergency Fund Financial Statements for the period ended 30th June, 2025, and the departmental response thereto.

On behalf of the Committee on Finance and Economic Planning, it is my honour and privilege to present this report on the Disaster and Emergency Fund Financial Statements for the period ended 30th June, 2025 before this Honourable House for consideration.

Sign..... **Date**.....14.7.2026

HON. POLYCARP KIMETA–MCA WEST NALONDO WARD
CHAIRPERSON, COMMITTEE ON FINANCE AND ECONOMIC PLANNING

CHAPTER TWO

2.1 Statement of Financial performance for the period ended 30th June 2025

The fund had a budget of Kshs.100m allocated in the Financial Year 2024/2025. During the period ending 30th June, 2025, Kshs.92,791,739 was received from the County Government(Kshs.53,873,171 was received in the year while Kshs.35,953,608 was received on 8th July, 2025). Kshs.2,964,960 was used to train committee members and conducting field visits, while Kshs.89,826,780 was utilized on capital projects broken down as ; Kshs.86,976,680 utilized on roads and other civil works while Kshs.2,850,100 on purchase of ICT equipment.
The fund had an opening balance of Kshs. 507,519 brought forward on 1st July, 2024. Kshs.152,481 was on KCB account and Kshs.355,038 on CBK account. The closing bank balance was Kshs.365,961. Kshs.10,923 was held on KCB account and Kshs.355,038 on Central Bank of Kenya account as shown below.

Description	**Period ended June 2025**	**FY 2024/2025**
	Kshs	Kshs.
Revenue from none exchange transactions		
Transfer from County Government	92,791,739	10,000,000
Total Revenue	**92,791,739**	**10,000,000**
Expenses		
Emergency expenses		9,645,000
Use of goods	3,106,518	2,054,335
Depreciation and amortization	9,916,559	6,887,112
Total expenses	**13,023,077**	**18,586,447**
Surplus/(deficit) for the period	**79,768,662**	**- 8,586,447**

Total expenses in the period were Kshs.92,933, 298.Major expenses were on construction of :

i. Kibochi –Nasaka box culvert at Kshs.8,191,390
ii. Milele Kitanda bridge at Kshs.23,005,824
iii. Pius Mukhebi Sitabicha box culvert at Kshs.13,700,024
iv. Kimabole Kapkoto bridge at Kshs.21,499,885
v. Matafali box culvert Kshs.7,916,713
vi. St .John Nakholo classroom renovation Kshs.808,658
vii. ICT Equipment Kshs.2,800,960
viii. VAT 1,483,247
ix. Withholding income tax Kshs. 3,035,008
x. Retention money at Kshs.5,121,926

Breakdown of expenses in the period is as shown below;

Project	**Contractor**	**Amount**
Contractors Retention Money	Ewoi Building And Contractors Limited	960,575.50
Kibochi-Nasaka box culvert-*Luuya /Bwake ward*	Ewoi Building And Contractors Limited	8,191,390.40
Milele Kitinda bridge-*West Sang'alo/Khalaba*	Superior Products Africa Limited	7,347,051.95
Contractors Retention Money	Superior Products Africa Limited	861,562.90
Cllr.Pius Mukhebi Sitsbicha box culvert-*Kimilili/Kibingei*	Navitas Construction Limited	13,700,024.30
Kimabole Kapkoto bridge-*Cheskaki ward*	Ambe General Merchants ltd	14,439,204.00
Contractors Retention Money	Navitas Construction Limited	1,606,553.60
Contractors Retention Money	Ambe General Merchants ltd	1,693,234.60
Musembe –sikhendu box culvert – *Maeni ward*	Milili limited project	2,263,141.20

kapkota kimabole bridge	Bungoma County government	741,078
kapkota kimabole bridge-*Cheskaki*	Ambe General Merchant Limited	6,319,603
milele kitinda bridge	Bungoma County government	1,643,519.30
milele kitinda bridge-*West Sang'alo/Khalaba*	Superior Products Africa Limited	14,015,252.50
matifali box culvert	Bungoma County government	830,925
matifali box culvert-Naitiri/Kabuyefwe	Fleriama Ventures Limited	7,083,295
matifali box culvert	Public Procurement Regulatory Authority	2,493
Renovation of classroom at st. John Nakholo-*South Bukusu*	Webmac General Contractors Ltd	808,658
purchase of ICT Equipment	Kayside Limited	2,800,960
Total VAT	VAT	1,483,247.00
Total income tax	Income Tax	3,035,008.00
Total		**89,826,778**

The purpose of an Emergency Fund is to enable payments to be made in respect of a County when an urgent unforeseen need for expenditure for which there is no specific legislative authority arises. The Emergency fund has over the years been used for normal infrastructure projects that can be planned for through the budget. These include bridges that should be planned for under the department of Roads, Infrastructure and Public Works .There is need to establish clear emergency criteria to prevent infrastructure projects from being misclassified as emergency expenditures. The fund's governance framework requires urgent restructuring to align with its intended emergency response mandate as none of the projects undertaken above was an emergency .

2.2 Budget Vs Actual amounts for the period

Kshs.92, 791,739 was received in the period, which is 93% absorption of the budget as shown in the table below.

	Final budget	Actual on comparable basis	variance	% utilisation
Revenue	**Kshs**	**Kshs**	**Kshs**	
Budget carry overs from the previous year	355,038.20	355,038.20	-	100%
Transfers from County Government	100,000,000	92,791,739	7,208,261	93%
Total income	**100,355,038**	**93,146,777**	**7,208,261**	**93%**
Expenses				
Use of Goods	3,355,038	3,106,518	248,520	93%
Total expenditure	**3,355,038**	**3,106,518**	**248,520**	93%
Surplus for the period	**97,000,000**	**90,040,259**	**6,959,741**	**93%**
Capital Expenses				
Capital Expenses	97,000,000	89,826,780	89,826,780	93%
Surplus/(deficit)	-	**213,479**	**- 82,867,039**	**0%**

Kshs.2,850,100 was utilized on purchase of ICT equipment. The equipment include:

Description	Quantity	Unit price	Total
desk top computers	8	162,000	1,296,000

canon camera	1	298,500	298,500
desktop volp phones	6	43,000	258,000
mobile phone	1	60,000	60,000
hard disks	2	23,000	46,000
50 inch TV screens	3	120,000	360,000
power extension cables	4	3,800	15,200
colloured printer	1	241,400	241,400
Shredder	1	35,000	35,000
Laptops	2	120,000	240,000
Total			**2,850,100**

The committee sought to understand who approved setting up of the Emergency Centre, the staff establishment of the centre and if the Disaster and Emergency committee confirmed availability of an office before purchase of the equipment but did not get the response. The process of purchasing the ICT equipments started in October 2023 yet the ICT equipments are still in a store because the office is not yet ready.

Money set aside for Administration expenses as per the PFMA,2012 is 3% of the total allocation of Kshs.100,000,000 compared to 5% provided for in Regulation 10 (5) of the Bungoma County Emergency and Disaster Management Regulations, 2021.

Kshs.2.85 million was used on purchase of ICT equipments and 2.9million was spent on training and conducting field visits, the total expense in the year is above the 3% and 5% allowed. Further, the chairperson of the Emergency fund committee also chaired the evaluation committee for the purchase of the ICT equipments (see attached evaluation committee report) which pauses a conflict of interest.

The committee also noted that the Disaster and Emergency committee was gazzeted on 5th June, 2025 for a period of 3 years effective 30th June 2023.The term ends on 30th June, 2026.Training of the committee members was done between 23rd-27th June at Divine Homes Resort Kisumu with a total of 16 people in attendance. However, the attendance register submitted shows the training was still on up to 28th June,2023 a total of 6 days and not 5 days as stated in the

training report.

The training facilitators were Lt.Col.Luke Nandasaba, Francis Emathe and CPA chrispinus Barasa. The training was aimed at building the capacity of committee members in disaster risk reduction and emergency management. It is not clear to what extent the above named trainers qualified to take the members through the said training.

In the response, it has been mentioned that representatives from Kenya Red cross, Civil society, National police service ,faith Based organizations, learning institutions, chamber of Commerce ,County Commissioner and County Government of Bungoma were present although none of these representatives signed the training register.

Purchase of fire fighters uniform as detailed in the minutes(annexed) had its own budget and should therefore not be included in emergency fund expenses.

The Disaster and Emergency committee conducted a site visit between 8th and 10th June to assess the status of key community infrastructure projects. The primary aim of the visit was to evaluate project viability, engage with local stakeholders and generate actionable recommendations for sustainable development. Point to note is that the visit was done after the projects were completed and even paid for,the visit was not necessary at this point.

2.3 Imprest

The fund has a total of Kshs. 10,107,956 in un-surrendered imprest, some of which dates back to July 2019 as shown in the table below;

Date	Name of officer	Amount taken	Particulars	Outstanding amount	Surrendered amount	balance
24.7.2019	Peter Cheworei	2,675,000		750,000		750,000
24.7.2019	Mathew Tsuma	1,925,000		1,925,000		1,925,000
2.8.2019	Diana simiyu	832,550		50		50

20.9.2019	Lydia Amoit	600,000	Facilitation to CS	600,000		600,000
26.9.2019	Lydia Amoit	740,000	Imprest to be paid from Tsuma	740,000		740,000
3.10.2019	Lydia Amoit	780,000	Office operations	780,000		780,000
30.4.2020	David Khaemba	350,000	CS-media engagement in public sensitization on Covid -19	350,000		350,000
30.4.2020	Tim Machi	300,000	CS-media engagement in public sensitization on Covid -19	300,000		300,000
30.4.2020	Bonface Nyongesa	300,000	CS-media engagement in public sensitization on Covid -19	300,000		300,000
30.4.2020	Wilberforce Manali	302,500	CS-media engagement in public sensitization on Covid -19	300,000		302,500
9.8.2023	Joan Wangia	4,000,000	GVN-international trip	4,000,000	2,239,594	1,760,406
21.12.2023	Imprest account	2,300,000	Transfer to imprest account	2,300,000		2,300,000
TOTAL				**12,345,050**	**2,239,594**	**10,107,956**

An officer Joan Wangia was issued Kshs.4million for an international trip and only accounted for Kshs. 2,239,594 leaving a balance of Kshs.1.7m.It was noted from the response provided that the money was borrowed and used by the H.E the Governor on a foreign trip, he surrendered the Kshs.2.3m on return from safari, to date, the remaining balance has not been returned to the fund account.

2.3.1 Staff still in service

Imprest recovery for serving employees started in October, 2025 as detailed below, but there is no pay slip attached to confirm deduction and bank statement as evidence that the recovered money had been deposited in the Emergency Fund bank account.

Name	Amount owing	Recovery	Balance
Peter Cheworei	750,000	40,000	710,000
Lydia Amoit	2,120,000	40,000	2,080,000
David Khaemba	350,000	20,000	330,000

2.3.2 Staff who have exited service

The fund administrator wrote a letter to the County Attorney to initiate legal action to recover imprest from staff who had exited service, namely Timothy Makokha Kshs.300,000, Boniface Nyongesa Kshs.300,000 and Wilberforce Manali Kshs.302,500 on 9th October 2025. To date, no response has been received .

The Chief Officer Finance and Economic Planning wrote a letter to the County Secretary & Head of Public service on 26th September, 2025 requesting him to write to National treasury on imprest that was not surrendered by one Mathews Tsuma who is currently an employee of the National Treasury of Kshs.1,925,000.The County Secretary replied on 20th November,2025 requesting the Chief Officer Finance and Economic Planning to give valid reasons why recovery was not initiated while the employee worked for the County Government as per section 93(5) of the PFM Regulations 2015 and also give evidence demonstrating that the officer failed to account for the issued imprest before communicating with the National Treasury. As at the time of consideration of the Disaster and Emergency Fund Financial statements for the period ended 30th June,2025 the Chief Officer had not responded to the letter.

The committee noted that the Disaster and Emergency committee failed to hold requisite Committee Meetings. During the Financial Year under review, the disaster and emergency management committee held only two meetings. This was contrary to Regulation 44 (1) of the Bungoma County Disaster and Emergency Management Fund Regulations, 2021 which states that the committee shall schedule quarterly meetings with additional meetings being held with authorization of the County Executive member responsible for disaster/emergencies.

2.4 Stalled Construction of Musembe- Shikhendu Box Culvert

The Office of Auditor General's report FY 2023/2024 and 2024/2025 highlighted the Stalled Construction of Musembe- Shikhendu Box Culvert.

The Fund awarded a contract for emergency works for construction of the Musembe- Shikhendu Box Culvert to a local firm at a contract sum of Kshs.11,800,715.96. The contract period was to be three (3) months starting 25 February, 2024 with the expected date of completion of 25 May, 2024. A total of Kshs.2,653,906 had been paid to the contractor as at 30 June, 2025. However, review of project implementation records revealed that as of September 2025, the project had stalled with no active works on site, despite the contractual period having lapsed 15 months earlier. No explanation was provided by Management for the delay and a valid Project Manager's report on the status of works completed to date was not provided for verification.

Further, review of the contract file revealed lack of critical documentation necessary for monitoring and oversight, including site meeting minutes, progress reports, inspection and acceptance certificates and approvals for extension of time.

Physical verification of the project in September, 2025 revealed that several key construction components remained incomplete, namely back filling works, waterproofing to structures, installation of weepholes, stone pitching, gabion mesh for boxes and mattresses, and rockfill to gabions with an estimated value of Kshs.2,643,000.In the circumstances, the Fund may not have obtained value for money from the project.

2.5 Lack of Risk Management Policy, Diaster Management Policy and Risk Register

The Emergency Fund had not developed a risk management policy or documented strategies for identifying risks that may have potential effects on the operations of the Fund. In the absence of an active risk register and risk management framework, the Fund's operations are carried out

without structured risk identification, assessment, or mitigation strategies. This indicates lack of risk awareness and preparedness within the Fund.

In the circumstances, the Fund risks failing to control and mitigate against future risks.

Review of documents provided for by the Fund's Management revealed that the Fund did not have a documented disaster management policy to guide planning, response and utilization of resources during emergencies.

In absence of such a policy, the Fund is exposed to weak accountability, inefficient use of resources and delayed disaster responses.

CHAPTER THREE

3.1 Committee observations and recommendations

3.1.1 Committee observations

1. A conflict was observed between National and County laws :

a) Regarding the designated administrator of the Fund section 28(5) of the Bungoma County Emergency and Disaster Management Act,2019 designates the Chief Officer of Finance as the Fund Administrator while section 111 of the PFMA,2012 as read together with Regulation 10 of the Public Finance Management (Bungoma County Disaster Management Emergency Fund) Regulations, 2020 designates the County Executive Committee Member for Finance as the Administrator

b) Regarding the administration cost of the Fund, regulation 197 (1)(d)of the Public Finance Management (County Government) Regulations 2015 sets the administrative cost at 3% .However, Regulation 10 (5) of the Bungoma County Emergency and Disaster Management Regulations 2021 places this cost at 5%.

2. The fund has limited itself to equitable share funding when the Bungoma County Disaster Management Emergency fund Regulations 2020 Part II 4 (3) has guided that -The Fund shall also be financed through private sector, donor support and global climate change and disaster risks financing facilities.

3. The County Disaster and Emergency Management Committee and the Fund Administrator flouted the provisions of Section 112 of the PFMA,2012 by authorizing expenditures on projects that are not emergency in nature .An urgent and unforeseen event is when;

a) Payment not budgeted for cannot be delayed until a later financial year without harming the general public interest

a) Payment is made to alleviate the damage, loss, hardship or suffering which may be caused directly by an event

b) The damage is on a small scale and limited to the County

4. The committee noted that the Fund Administrator and the Disaster Management Committee does not seek approval of the County Assembly within two months after payment is made from

the Emergency Fund pursuant to Section 114 of the PFMA,2012.

4. Kshs.2, 964,960 was utilized on training committee members and field visit. The training was carried out at Divine Homes Resort Kisumu between 23rd -28th June (6 days and not 5 as stated in the training report) a total of 16 persons attended being members of the committee and 3 secretariat not 14 as stated in the training report.
5. The chairperson of the Emergency Fund also chaired the evaluation committee for the purchase of the ICT equipment thus pausing a conflict of interest contrary to Section 30 of the Conflict of Interest Act, 2025 read together with section 30 of the Conflict of Interest Act,2025 which requires a public officer to recuse himself or herself from any discussion ,decision, debate or vote on any matter in respect of which the Public Officer would be in conflict of interest.

6. The administrative cost 3% allowed should be for administrative expenditures in relation to emergency fund activities. The description of the administrative or recurrent activities stated above are not related to emergency fund.

7. The Fund has a total of Kshs. 10,107,956 in un-surrendered imprest, some of which dates back to July 2019 in contravention with Regulation 93(5) (6) and (7) of Public Finance Management (County Governments) Regulations, 2015

8. Kshs.2,675,050 of the un-surrendered imprest has no activity attached to it. Broken down as Kshs.750,000 advanced to Peter Cheworei,Kshs.1,925,000 advanced to Mathew Tsuma

9. There was no proof of imprest recovery from the staff as alleged in the departmental response.

10. Some staff with outstanding imprest exited service and were cleared by the County Government

11. An officer Joan Wangia was issued Kshs.4m for an international trip and only accounted for Kshs. 2,239,594 leaving a balance of Kshs.1.7m

12. One staff member Lydia Amoit has several unsurrendered imprest contrary to PFM Regulations 2015 counties section 93 (3)-(10)

13. The County Treasury borrowed Kshs.2,300,000 transferred to the imprest account from the emergency fund account to finance operations with a promise to refund, this has not

been done to date.

14. It was noted that the disaster and emergency committee lacked a Risk Management Policy ,Risk Register and Disaster Management Policy .

3.1.2 Committee recommendations

1.**THAT,**the department of Finance and Economic Planning is hereby directed to scrutinize the Bungoma County Emergency and Disaster Management Act,2019 and the Bungoma County Emergency and Disaster Management Regulations 2021 with a view of identifying all provisions that conflicts with Public Finance Management Act,2012 and propose the necessary amendments within 60 days after the adoption of this report.

2. **THAT,** the County Government should operationalize the provisions of Part II Section 4(3) of the Bungoma County Disaster Management Emergency Fund Regulations, 2021 by actively pursuing additional funding streams beyond the equitable share allocation. This can include mobilizing resources from the private sector, development partners, humanitarian organizations, and international climate and disaster risk financing facilities.

3. THAT, the Fund Administrator and the County Disaster and Emergency Management Committee should henceforth ensure that withdrawals and utilization of the Emergency Fund strictly comply with Section 112 of the Public Finance Management Act, 2012.

4.**THAT,** the County Disaster Management Committee and the Fund Administrator should strictly follow the procedure laid down in section 114 of the PFMA,2012 by seeking approval of the County Assembly within two months after payment is made from the Emergency Fund .

5. THAT, the Fund Administrator and the County Disaster and Emergency Management Committee should enforce compliance with section 66 of the Public Procurement and Asset Disposal Act, 2015 as read together with section 30 of the Conflict of Interest Act,2025 by ensuring that any officer with a potential conflict declares the conflict and recuses themselves from the procurement process.

6. THAT, the Internal Audit directorate should conduct a value-for-money review and verification of the Kshs. 2,964,960 spent on training at Divine Homes Resort between 23rd–28th June and investigate the discrepancies in the number of participants and training duration as recorded in the report .Where irregularities are confirmed, recovery be made of any ineligible expenditure from the responsible officers in accordance with article 226(5) of the Constitution of Kenya,2010 and submit a report to the County Assembly within 60 days after the adoption of this report.

7. **THAT,** the chief Officer Finance and economic planning who was the Fund Administrator for period under review should be personally held responsible and make good the loss of Kshs. 10,107,956 for failing to recover imprest from staff who are still in service and clearing staff who have exited service contrary to Regulation 93 (6) and (7) of Public Finance Management (County Governments) Regulations, 2015 .The County Secretary is hereby directed to ensure full recovery of Kshs 10,107,956 from the chief officer and submit compliance report to the County Assembly within 60 days from the adoption of this report.

8. THAT, the Fund Management Committee should ensure that the 5% administrative cost permitted under the Bungoma County Disaster Management Emergency Fund Regulations, 2020 is used strictly for administrative expenses directly related to the management and operations of the Emergency Fund. All unrelated administrative or recurrent expenditures should be charged to the appropriate departmental budget lines and the then Fund administrator should be surcharged the Kshs. 800,000spent above the amount permitted by law.

9. **THAT,** the County Treasury should maintain documentary evidence of imprest recovery, including payroll deductions, deposit slips, or clearance records. All recoveries should be banked in the emergency fund account and the bank statement provided to the Finance and Economic Planning committee for verification as an appendix to the subsequent quarterly financial statements .

11. **THAT,** the County Public Service Board and County Treasury should ensure that staff clearance procedures include mandatory confirmation from the Finance Department that an officer has no outstanding imprest or financial liabilities before exit clearance is granted, in line with Regulation 93 of the Public Finance Management (County Governments) Regulations, 2015.

12. **THAT,** the County Treasury should immediately refund the Kshs. 2,300,000 borrowed from the Emergency Fund and cease any further borrowing from the Fund for operational expenses. Such borrowing contravenes the intended purpose of the Fund under Sections 110–112 of the Public Finance Management Act, 2012, which restricts the Fund strictly to emergency interventions.

13. **THAT,** the County Treasury should ensure the development, approval, and operationalization of a Disaster Management Policy, Risk Management Policy, and a comprehensive Risk Register to guide the identification, assessment, mitigation, and monitoring of disaster and emergency risks within the County.

ADOPTION SCHEDULE

We, Members of Finance and Economic Planning Committee hereby append our signatures adopting this report with its recommendations.

S/NO.	NAME	DESIGNATION	SIGNATURE
1.	Hon. Polycarp Wandabusi		
2.	Hon. Godfrey Mukhwana	V/Chairperson	
3.	Hon. Stephen Wamalwa	Member	
4.	Hon. Joan Kirong	Member	
5.	Hon. Aggrey Mulongo	Member	
6.	Hon. Vitalis Wangila	Member	
7.	Hon. Grace Sundukwa	Member	
8.	Hon. Anthony Lusenaka	Member	
9.	Hon. Miliah Masungo	Member	
10.	Hon. George Makari	Member	
11.	Hon. Tony Barasa	Member	
12.	Hon. Jack Kawa	Member	
13.	Hon. Violet Makhanu	Member	
14.	Hon. Hentry Nyongesa	Member	
15.	Hon. Catherine Kituyi	Member	

Annexures

1. Disaster and Emergency fund financial statement for the period ended 30th June 2025.