

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY
Transforming Procurement

FINAL REPORT

KENYA INSTITUTE OF ADMINISTRATION

PROCUREMENT REVIEW

OCTOBER 2011

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ACRONYMS

AO	Accounting Officer
BOM	Bills of Material
BOQ	Bills of Quantity
CA-Kenya	Crown Agents Kenya Limited
COW	Clerk of Works
FY	Financial Year
GOK	Government of Kenya
GRN	Goods Receipt Note
HQTS	Headquarters
IA	Internal Auditor
IAC	Inspection and Acceptance Committee
ICT	Information, Communications and Technology
ISO	International Standardisation Organisation
KES	Kenya Shilling
KNAO	Kenya National Audit Office
KIA	Kenya Institute of Administration
LPO	Local Purchase Order
LTA	Long Term Agreement
LSO	Local Service Order
N/A	Not Applicable
ONT	Open National Tender
PC	Procurement Committee
PE	Procuring Entity
PO	Procurement Officer
PPDA	Public Procurement and Disposal Act
PPDGM	Public Procurement and Disposal General Manual 2009
PPDR	Public Procurement and Disposal Regulations
PPOA	Public Procurement Oversight Authority
PR	Procurement Review
PU	Procurement Unit
RFP	Request for Proposal
RFQ	Request for Quotation
RT	Restricted tender
RPPSII	Reforming Public Procurement Systems II
SP	Satisfactory Performance
SPRF	Standard Procurement Requisition Form
TC	Tender Committee

EXECUTIVE SUMMARY

This report presents the findings of the procurement review of the Kenya Institute of Administration (KIA), carried out from 14 February to 18 March 2011. The main objective of the exercise was to review the status of the PE's procurement, contracting and implementation processes and systems, in order to determine the Institute's level of compliance with the Public Procurement and Disposal Act 2005 (PPDA) and the associated Public Procurement and Disposal regulations (PPDR), circulars and directives issued by Public Procurement Oversight Authority (PPOA), and generally accepted principles of good practice. Consideration was also given to the relationship between procurement and overall service objectives of KIA.

The review considered performance of procurement functions for the period 1 July 2009 - 30 June 2010. The review procedures performed included the examination of selected samples of open tenders, restricted tenders, direct procurement, request for proposals and request for quotations. The review also considered the disposal proceedings undertaken by KIA during the period.

The scope of the review encompassed 27 key performance indicators of KIA's procurement and disposal cycle from planning to completion. The review expected the Procurement Entity (PE) to have reached a satisfactory level of compliance (60% and above) with the requirements of the PPDA, PPDR and all directives issued by PPOA in their procurement, disposal and contracting.

The fieldwork included an examination of the files and documents pertaining to KIA's procurement systems and processes and, where appropriate, was supplemented by discussions with the key persons involved in the functions related to procurement. The work was then finalized in consultation with the Accounting Officer (AO), members of standing committees, Head of Procurement Unit (PU) and other persons involved in management and oversight of the procurement functions.

The team also reviewed the implementation of the findings and recommendations of prior internal audit reports, external audit reports and the International Standardisation Organisation (ISO) 9000:2000 series evaluation reports. The team observed that the PE is not adequately implementing some of the recommendations of these prior assessments and audit reports that relate to procurement functions.

Key general findings and recommendations as they relate to each of the areas considered in this review are provided in Chapter 3 of the report. An action plan for implementation of the recommendations is provided in Chapter 6 at the end of this report. PPOA will review the implementation of the recommendations in the action plan in Chapter 6 after a three-month period from the date of the final report.

Satisfactory compliant practices

The review team noted the following satisfactorily compliant practices from the samples that were examined:

- Most of the standard and specific committees have been established;
- The functions of the Committees as set out in PPDR 14 and Chapter 4.4 of the PPDGM are mostly complied with;
- Contracts signed have been countersigned by AO;

- Evaluation committees have prepared reports analysing the tenders received and final ratings assigned to each tender and submitted the report to the Tender Committee (TC);
- The PU verifies that the available stock levels warrant initiation of the procurement process;
- Where tender advertisements have been issued, they indicate the closing date, time and invitation to attend bid opening;
- Fair and impartial procedures were in place in relation to receiving and opening of tenders;
- A secure facility for the receipt of tenders has been provided by KIA;
- The PU undertook one market survey in the period under review as required by PPDR 8(3)(z); and,
- The PE is ISO 9000:2000 Certified;

Non compliance

The review team noted the following areas that need immediate attention of the Accounting Officer, Procurement Unit or user department:

- Some structures are not appointed and operationalised e.g. Disposal Committee as per PPDA 128(1). However, the team noted that instead a Board of Survey was appointed that was not meeting as stipulated in PPDR 92(3);
- The PE has appointed a standing committee for Evaluation contrary to PPDR 16(a) and 61(1);
- A Council Member is involved in the management of most of the works contracts contrary to PPDR 20(5);
- Some contracts have been countersigned by the Chairman of the Council;
- KIA has utilized the services of the Ministry of Public Works (MOPW) Clerk of Works (COW) in his private capacity to develop estimates including bill of quantities, evaluate and issue certificates for payment purposes contrary to PPDA 26(c) requirement. (Detailed findings in Chapter 4.2) ;
- The key procurement officials are not members of Kenya Institute of Supplies Management;
- Tender minutes and agenda not prepared as per the PPDA and PPDR. In some instances there was no evidence of award by TC, furthermore some minutes lacked key signatures;
- External observers not invited for large contracts of over Kenya Shillings 50 million as per PPDR 12 (8);
- Negotiations are entered into before the TC has successfully approved the supplier contrary to PPDA 58 (2);
- Contract Variations are not referred to TC contrary to PPDA 47;
- The Procurement Committee (PC) evaluates and awards quotations beyond the KES 500,000.00 threshold allowed in the First Schedule of the PPDA.
- There was no annual disposal plan as per PPDR 92(1);
- The PE has appointed persons in the TC to conduct evaluation contrary to PPDR 16 (4);
- The evaluation criterion used for quotation is not detailed in the bid document;
- In some instances, the tender evaluation period exceeded the time set out in the PPDR16(4) in several reviewed tenders;
- Quotations are evaluated beyond their bid validity of 30 days.

- Each member of the technical evaluation committee does not evaluate the submissions independently from the other members prior to sharing his or her analysis, questions and evaluation including his or her rating with the other members of the technical evaluation committee as required by PPDR 16(6);
- The Inspection and Acceptance Committee (IAC) do not inspect all goods, works and services procured by the PE contrary to PPDR First Schedule requirement;
- The PE does not have procurement procedures manual as per PPDR 30. The document provided by the PE for review was service charter that did not make any reference to the PPDA, PPDR and directives from PPOA;
- The PE does not place updated publications, directives, manuals, and standard documents prepared and distributed by PPOA in a central location that is accessible by all personnel handling procurement related functions;
- PE not adhering to the threshold matrix as per PPDR First Schedule, resulting in improper procurement procedures;
- The PE does not maintain individual procurement files as per PPDA 45 (2), PPDR 34 (3) and Record Management Manual Chapter 4;
- The PE should align ISO documentation for Procurement to the PPDA, PPDR and Public Procurement Records Management Procedures Manual;
- The consolidated procurement plan for the period under review is not updated to capture all the procurements undertaken, and is not as per the PPDA 26 (3);
- There are no individual procurement plans for the complex and specialized procurement proceedings as set out in PPDR 22 (5) and PPDGM Chapter 6.5;
- KIA does not analyse their recurrent or ongoing requirements for medium to long-term needs with a view to making framework contracts. Many common user goods and services currently being procured on RFQ (currently 43% total number of procurement proceedings) should be placed under framework contracts in order to obtain better prices associated with large volume procurements and to reduce administrative costs;
- The PE does not use purchase requisition to initiate procurement proceedings in accordance with PPDR 22 (1). It was noted that the PE initiates procurement proceedings using Bills of Material and others through management meetings. It was further noted that the procurement requisitions are not approved by the person specified in the First Schedule, prior to initiation as per PPDR 22(3).
- The estimates used to initiate procurement proceedings are neither realistic nor based on up-to-date information on economic and market conditions;
- The purchasing requisitions are not linked to the consolidated procurement plan as there no budget lines endorsed on the requests. Furthermore, budgets and procurement plans are not adhered to;
- Tenders/quotations have not been invited from only pre-qualified firms as per PPDR 25(3);
- The PE has not ensured a fair and equal rotation amongst the persons on the standing list of registered suppliers in respect of requests for quotations;
- It was noted that some contracts were awarded outside the approved list of suppliers as per the requirement of PPDR 25(3);
- The list of Pre-qualified firms is not updated annually as per PPDR 25(2);
- In some instances, description of goods, works or services in the bid document was not adequate as per PPDA 34(1) ;
- The PE main method of procurement is not open tenders as recommended in PPDA 29 (1);

- Where direct and restricted procurement are the selected procurement procedures, there was no justification/Authorization for applying the method as per PPDA 29(3);
- The PE has not applied preferences and reservations as provided in of the PPDA 39;
- The PE does not utilize standard tender documents as per PPDR 29 (1);
- It was noted that the PE failed to advertise bid opportunities for contracts above certain value thresholds as per PPDA 54(2);
- Lack of notice of invitation of expressions of interest and preparation of shortlists for RFPs;
- Tender opening is carried out by the TC contrary to PPDA 60(1).
- It was noted that the successful bidders did not reply in writing within 14 days that they had accepted the award as per the requirement of PPDA 89 (5) (b). The review team did not see replies in the procurement files;
- There was no documented evidence that the termination of reviewed procurement proceedings was in accordance with Section 36 (2) of the PPDA;
- The PE does not file some procurement and disposal reports with PPOA as stipulated in the PPDR;
- The PE did not report the 35 reviewed terminated procurement proceedings of open tenders to PPOA in accordance with PPDA 36(7);
- There is no documented complaints mechanism for handling bidders' enquiries and complaints;
- It was noted that some procurements were split contrary to PPDA 30(1);
- The PE does not maintain contract files as required by the PPDGM ;
- Contracts variations are endorsed beyond the allowable limits and without contract amendments contrary PPDR 31;
- It was noted that the PE did not have a copy of performance bonds in the contract files;
- Bid securities for unsuccessful tenderers are not returned as per PPDR 66(1);
- There are insufficient documented procedures in place for contract management progress monitoring and conformity with the terms of contract; and
- Anti corruption mechanisms neither are defined nor published;

Recommendations

- Members of the Council should confine their role to that of oversight and not involvement on procurement proceedings as assigned under the Act. (i.e. approval of the Procurement Plan as set out under PPDR 20(5));
- The Accounting Officer should ensure that the PU is manned by qualified procurement personnel as per PPDA 26 (8);
- The Accounting Officer should put in place the remedial action that will address all deviations identified in this report including periodic reporting to PPOA.
- The Accounting Officer should appoint a Disposal Committee that undertakes all functions as set out in the Section 128(2). PPDR 92, PPDR 8(3) (p-q) and PPDGM
- The PE should organize a sensitization, advanced and specialized training for senior management, procurement staff and other officers involved in the procurement process in matters relating to the PPDA and associated regulations
- PE should upgrade the record keeping in line with the requirements of PPDA sec 45 and PPDR 34(3) that require the PE's to maintain comprehensive file for each procurement activity and have a central registry for easy retrieval;

- The PE should prepare procurement and supplies manual and initiate consultations with PPOA to ensure that it conforms to the requirements of the PPDA and PPDR; and
- The PE should conclude the prequalification of firms for common user items and complex procurements and enter into framework contracts to reduce on administrative costs;
- The PE should prepare individual procurement plans as provided in the PPDGM Chapter 6 for any new procurement;
- The PE should ensure that the purchase requisitions forms are developed and used by all user departments;
- The PE should engage the services of a qualified registered professional for the on-going construction works;
- The PE should establish internal rules and procedures to include direct procurements which are urgent or emergencies to provide for efficiency, authorization and accountability;
- The PU should not commence any procurement activity, until all the requirements are met and activity is budgeted in the procurement plan as per PPDA 26(3) requirement.
- The PE should implement recommendations for improvement highlighted in this report.

As specified in the Terms of Reference, we used the sample of procurement and disposal proceedings to evaluate the level of compliance with the Public Procurement and Disposal Act, associated regulations and directives issued by PPOA. In sampling the team utilized materiality and hence considered all procurement above Kenya Shilling Five Hundred Thousand, all tenders, direct procurements, terminated procurements and low value procurements. In so doing, we carefully considered the implications and the significance of individual ratings of the key performance indicators. It is clear that some instances of non-compliance have greater significance than others. This factor has been considered in determining the final compliance level.

The team's overall assessment of the compliance level for Kenya Institute of Administration is calculated to be 31% for the period reviewed. This is below the target of 60% compliance set in the Performance Monitoring Plan under RPPS II. Thus, the overall performance of the PE in procurement and disposal is unsatisfactory and there are some weaknesses that need to be addressed.

The mandate of the team was to review KIA as a Class B entity in accordance to the First Schedule of PPDR. KIA management clarified that they were a state corporation as KIA was established by an Act of Parliament (Act No. 2 of 1996) and hence acquired parastatal status. The issue was referred to PPOA who gave a go ahead to the review the Institute as Class A.

Finally, we would like to take this opportunity to thank KIA staff for their co-operation and assistance during this review.

INTRODUCTION

1.1 Purpose

This procurement review is one of three to be conducted by Crown Agents Kenya Ltd under its contract with the PPOA. The Kenya Institute of Administration (KIA) was one of the entities selected by Public Procurement Oversight Authority (PPOA) for review under the current phase of the project. KIA was classified under Class B according to the PPDA and PPDR and is therefore governed by the various thresholds reflected in the regulations. However, since the entity was established by an Act of Parliament (Act No. 2 of 1996) and hence acquired parastatal status. The issue was referred to PPOA who authorised the PE to be reviewed as Class A.

An entry meeting with the PE's management team was held on 26 January 2011 to discuss the scope of the review, the review plan, the reviewers' expectations, access to documentation and other administrative issues. Mrs Jane Njoroge, the General Manager Technical Services, PPOA, led the joint Crown Agents Kenya Limited/PPOA review team to the entry meeting.

Mr Osman Ibrahim, the Deputy Director Finance and Administration, led the PE management team that included Head of the PU and other senior staff.

1.2 Mandate of PPOA

The Mandate of the PPOA is to ensure that in line with Section 9 (a) of the PPDA procurement procedures provided for under the Act are complied with, and in line with Section 9(b) of the Act to ensure that it monitors the public procurement system and report on its overall functioning in line with Section 20(3)(b) of the PPDA and present to the Minister such other reports and recommendations for improvement as the DG considers advisable. The Authority's procurement review function is derived from Section 49 (1) (a) of the Act, which states that the Director-General or anyone authorized by him may inspect at any reasonable time the records and accounts of a procuring entity, and the procuring entity and the contractor shall cooperate with and assist whoever does such an inspection.

1.3 Role of the PE

Section 27(1) of the Public Procurement and Disposal Act 2005 provides that a public entity shall ensure that this Act, the Regulations, and any directions of the PPOA are complied with respect to each of its procurements;

- Section 27 (2) of the Act provides that the Accounting Officer shall be primarily responsible for ensuring that the procuring entity fulfils its obligations in the implementation of the provisions of the Act;
- Section 27 (3) of the Act provides that each employee of the procuring entity and each member of board or committee of the entity shall ensure, within the areas of responsibility of the employee or member, that the Act, Regulations or any directions of PPOA are complied with; and
- Section 101 of the Act provides that a public entity shall provide the Authority with such information relating to procurement as the Director-General may require in writing.

1.4 Objectives

The overall objective of this assignment was to conduct a thorough review of the practices and procedures in KIA and

- (i) Examine and establish the degree of compliance to applicable procurement procedures and PPDA and PPDR; Circulars and any of the directives issued by PPOA, and
- (ii) Propose recommendations for remedial measures against weaknesses identified, institutional arrangements, and/or irregularities in procurement practices, and capacity.

The specific objectives of this procurement review were:

- Reviewing contract administration and management;
- Reviewing the capacity of implementing agencies in handling procurement efficiently, comment on the quality of procurement and contracting; and identify reasons for delays, if any;
- Determining whether adequate systems are in place for procurement planning, implementation and monitoring and documentation are maintained as per required standards;
- Determining whether the required institutional arrangement is in place;
- Confirming that all necessary supporting documents, records and reports are kept in respect of all relevant procurements;
- Comparing and rating cost of key items across the various PEs with prevailing market prices.
- Verifying whether Goods, Works and Services contracted were supplied/completed according to the required specifications and technical standards;
- Verifying whether there has been any disagreement, either between the AO and the TC, or between the TC and the PU; and how such disagreements were handled and eventually disposed of;
- Verifying whether there are any reasons given for Direct Procurements. Indicate whether these reasons would suffice (are genuine) as provided for in the PPDA, PPDR and Guidelines;
- Verifying whether there are any cases where a member of the PE, involved in the procurement and disposal process, has ever declared his/her interest in any contract, to avoid conflict of interest; and whether such a member's interest was eventually awarded the contract, or not;
- Reviewing Inventory Management;
- Preparing a report on the findings of the procurement review ; and
- Providing recommendations that will remedy any weaknesses identified by the reviews.

1.5 Expectations

The review expected:

- The PE to have achieved a satisfactory level of compliance (60% and above) with the requirements of the PPDA, PPDR and all directives issued by PPOA in their procurement, disposal and contracts;
- Adequate systems and procedures put in place by the PE for implementation of the procurement law, regulations and directives;
- The PE to have adequate capacity and training to implement the procurement law; and
- Essential procurement records to be maintained with adequate safeguards for procurement records.

1.6 Scope of procurement expenditure

1.6.1 Procurement Profile

KIA made available to the team a summary of 146 procurement proceedings (out of which 27 were deferred and 1 direct proceeding during the period under review. The PE provided to PPOA, procurement spend of KES 33,923,942.76 for the year. However on hitting the ground, on 14 February 2011, the review team was provided with a modified list of proceedings that amounted to KES 71,413,333.65. The new list had 146 procurement proceedings (which included 21 terminated procurements and one direct procurement).

On the other hand the review team was presented with the procurement plan for the year under review that amounted to KES 504,292,000.00. Due to the glaring discrepancies between the figures, the review team decided to build up the proceedings from other available sources by reviewing among others; payment to suppliers, payments on projects, cash and advance payments.

Summary of reviewed proceedings from the foregoing:

Table 1: Initial list to provided to PPOA

Procurement Method	Number	Value (KES)
ONT	-	-
RFQ	145	33,923,942.76
LTA	-	-
DP	1	-
RFP	-	-
Total	146	33,923,942.76

Table 2: List presented to the review team on commencement of review

Procurement Method	Number	Value (KES)
ONT	4	23,760,742.00
RFQ	141	47,486,032.49
LTA	-	-
DP	1	166,560.00
RFP	-	-
Total	146	71,413,334.25

The team reconstructed the procurement proceedings by reviewing the Tender Register, Quotation Register, Trade Payables, Prepayments, and Payments on projects and Cash Payments that increased the procurement proceedings to 251 valued at KES 351,566,237.19 the figure excluded an amount of low value proceedings purchased. The review covered a sample of transactions selected from the population of transactions executed by the PE from 1 July 2009 to 30 June 2010 period including works, goods, and services, to the extent possible (Procurement Proceedings which were initiated in the preceding year but opened in the year under review were also included).

Table 3: Summary of reconstructed procurement proceedings

Procurement Method	Number	Value (KES)
ONT	10	222,378,278.52
RFQ	108	46,775,517.21
LTA	-	-
DP	76	60,759,068.77
RT	22	21,653,372.69
Terminated (RFQ)	35	-
RFP	-	-
Total	251	351,566,237.19

As per reconstructed Procurement Proceedings

1.6.2 Sampled procurement and disposal proceedings

The procurement review initially preselected 25 procurement proceedings, 1 direct procurement proceeding carried out by KIA during 1 July 2009-30 June 2010 period, as set out in section 1.6.1. The team also requested for files for the terminated procurement cases as the percentage was so high compared to the total proceedings (19%). The terminated procurement files were requested to ascertain that PPDA 36(2) and 36(8) and PPOA Circular No. 4/2009 were being complied with. The list did not include disposals, however the team later confirmed that one disposal was carried out in the year under review. Another one that started in the preceding year was completed in the year under review. The team further requested for the procurement file for the KIA/30/2008-2009-tuition block whose procurement started in the preceding year but was budgeted in the year under review. The effective date of the contract was 1 July 2009 and was valued at KES 209,497,019.76. These proceedings have been included in the selected sample. The Low Value Procurements (LVP) amounting to KES 3,605,142.8 reviewed are not included in the selected sample.

Table 4: Sampled procurement and disposal proceedings

Description	No of proceedings	Value of proceedings (KES)
Total procurement proceedings (reconstructed)	251	351,566,237.19
Sample of procurement	34	264,469,503.90
Ratio of sample to total	14%	75.23%
Total on disposal proceedings	2	-
Sample of disposal proceedings	2	-
Percentage of sample to total disposal	100%	-

1.6.3 List of procurement proceedings selected for review

The list of the sampled procurement proceedings is as shown below.

Table 5: List of sampled procurement and disposal

	Tender/ Quotation No.	Item	Method	Value (KES)
1	1/9/2010	Supply of Rice Mwea Pishori	RFQ	803,248.00
2	8/9/2010	Supply of Eggs (Tender/Quotation)	RFQ	596,160.00
3	104/09-10	Hiring charges for tents	RFQ	850,188.00
4	106/09-10	Supply of Gas LPG	RFQ	2,049,951.68
5	131/09-10	Quote for construction of KIA Chapel as per BQ	RFQ	5,434,045.60
6	135/09-10	Quote for construction of nursery school as per BQ	RFQ	650,000.00
7	136/09-10	Quote for supply of chicken capon	RFQ	650,000.00
8	19/09-10	Hire of 2 heavy duty photocopying machine	RFQ	663,000.00
9	20/09-10	Supply of kitchen equipments	RFQ	1,443,274.00
10	22/09-09	Supply of Chicken Capon	RFQ	2,921,280.00
11	29/09-10	Supply, Deliver/Install Configure, Test and Commission	RFQ	3,145,800.00
12	30/09-10	To quote for supply, deliver and mounting of LCD	RFQ	2,123,728.00
13	31/09-10	To quote for supply delivery, installation, configuration, testing and commissioning of computing devices	RFQ	3,145,880.00
14	34/09-10	Supply of Bed Devan Wooden Head Board	RFQ	999,000.00
15	53/09-10	To supply deliver and installation of Motorised Screens	RFQ	509,000.00
16	60/09-10	To cost for renovations to washrooms at Wamalwa and Sawe Hostels	RFQ	968,900.00
17	61/09-10	Supply of Fish	RFQ	2,315,400.00
18	62/09-10	To cost of outsourcing outside catering service for 170 PAX	RFQ	994,120.00
19	74/09-10	Supply of eggs	RFQ	750,000.00
20	76/09-10	Rehabilitation and improvements of existing masonry water tank	RFQ	926,480.00
21	77/09-10	Supply of Stationery	RFQ	672,567.10
22	87/09-10	Quote for the services of providing KIA Documentary	RFQ	696,000.00
23	96/09-10	Supply of plastic files	RFQ	825,000.00
24	15/10-11	Rehabilitation of sewerage treatment plant	ONT	8,091,128.76
25	16/2010-11	Supply Delivery installation of Laundry equipment	ONT	4,790,130.00
26	35/08-09	Lift installation	ONT	7,958,203.00
27	KIA-30/08-09	Proposed Erection and completion of Tuition Block-Main works	ONT	159,404,321.76
28	KIA-30/08-09	Consultancy services for Job Evaluation and Analysis	ONT	2,000,000.00
29	KIA-31/08-09	Proposed Erection and completion of Tuition Block-Plumbing , Internal ,Drainage, Water reticulation and Fire fighting works-Sub contract	ONT	7,396,940.00
30	KIA-32/08-09	Proposed Erection and completion of Tuition Block-Electoral installation works-Sub contract	ONT	23,999,814.00
31	KIA-33/08-09	Proposed Erection and completion of Tuition Block-Split Air Conditioning /ventilation system-Sub contract	ONT	1,620,000.00

	Tender/ Quotation No.	Item	Method	Value (KES)
32	KIA-34/08-09	Proposed Erection and completion of Tuition Block-Fire suppression works-Sub contract	ONT	1,432,600.00
33	KIA-35/08-09	Proposed Erection and completion of Tuition Block-Lift Installation works -Sub contract	ONT	7,998,204.00
34	KIA-36/08-09	Proposed Erection and completion of Tuition Block-Structured cabling-Sub contract	ONT	5,645,140.00
		TOTAL	KES	264,469,503.90

1.7 Methodology

The review procedures included the examination of selected samples of the open tenders, restricted tenders, direct procurement, request for quotations and disposal proceedings.

1.7.1 Key documents and data collection

Key procurement and disposal documents and data related to the terms of reference were reviewed. The information collected was analyzed to provide an overall picture of the level of compliance in the various stages of the procurement process. The overall risk rating and scoring systems for the procurements handled by KIA over the review period were assessed using the criteria in Chapter 5 of this report.

Other background documents used by the team included but were not limited to the following: PPDA 2005, PPDR 2006, PPDGM, Circulars, prior internal and external audit reports and ISO reports. The review team received list of KIA staff that had undergone sensitization training organised by PPOA, on aspects of public procurement management including the implementation of PPDA and PPDR.

Discussions were held with the following staff/officials of KIA who are directly involved in the procurement process.

Table 6: Interviewed Staff Members

	Name	Title
1	Dr. Margaret Kobia	Accounting Officer
2.	Mr. Elijah. k. Wachira	Chairman of PC
3.	Mr. Osman Ibrahim	Chairman of Disposal Committee
4.	Mr. Zablon Neriko	Member of Inspection & Acceptance (IAC)
5.	Mr. Joshua Ochuka	Chairman of TC
6.	Ms. Eva line Wahome	Internal Auditor
7.	Ms. Veronica Karanja	Head of PU
8	Ms. Leah Mwai	Acting Principal Procurement Officer
9	Mr. Festus Kitui	Head of the ICT department
10	Mr. Nicholas Iko	Human Resources and Administration Manager (in-charge of management of construction project)
11.	Mr. Gerard Wandera	Chairman of the Evaluation Committee
12	Mr. Obilo Obara	Procurement Officer –warehouse and general stores

Through discussions with KIA officials, the review team recorded general and specific information concerning the procurement/disposal processes, procedures and existing capacity at KIA.

1.8 Key Performance Indicators and rating criteria

Procurement review was based on risk assessment methodology that focuses on the issues that pose the greatest threat to the compliance with the procurement law and regulations.

The reviewed procurements are categorized according to the procurement/disposal key performance indicators. These consist of three categories of a risk level assigned to each performance indicator, namely:

- **High Risk (3)** - Procurements where serious weaknesses could cause material financial, regulatory or reputational risks warranting immediate attention by senior management;
- **Moderate Risk (2)** - Procurements where weaknesses, although less likely to lead to material financial, regulatory or reputational risk, warrant timely management action using the existing framework;
- **Low Risk (1)** Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency and promote best practice. Deviations from laid down procedures would normally be graded “low”, provided that there is sufficient evidence of management action to rectify the deviation and to monitor compliance.

Once a risk level had been assigned to each key performance indicator, review tests were devised to ascertain whether the compliance was working as indicated in the risk assessment. More emphasis, time and tests will be focused on those items with the highest risk.

When assigning compliance scores, the review team considered the extent to which compliance procedures were in place for each aspect of the law and regulations. Whole numbers for each item are used:

- 3 indicates full compliance with the stated requirement;
- 2 is for cases in which the system exhibits less than full compliance and needs some improvements in the area being assessed;
- 1 is for those areas where substantive work is needed to bring them into compliance; and
- 0 is the residual indicating a complete failure to comply with the proposed standard.

Each compliance assessment is multiplied by the risk factor to obtain the overall score for each performance indicator. In cases where there are several requirements being evaluated, the scoring was based on the performance range:

61-100%	3
41-60%	2
21-40%	1
0-20%	0

The scores obtained for each performance indicator were then added to arrive at the total score, which was then shown as a percentage of the maximum possible score.

The key performance indicators and the corresponding risk levels used are set out in Chapter 5.

1.9 Limitation of scope

Our scope was limited by the following:

- Some procurement records, data and documentation relating to the procurement processes selected were not made available and others took time to retrieve;
- Incomplete procurement files, whereby Bills of Material (Requisition), LPO's, Quotations/Tenders, Contracts, Communication relating to the Procurement were all kept in different files and not collated to each other. Tracing the procurement cycle was impossible and we had to rely on the payment vouchers. This resulted in several gaps to the extent that their accuracy was compromised.
- Lack of schedule of duties that sets out operations of Third Schedule; and
- Lack of documented internal control manuals relating to initiation, certification and approvals at various levels.

ORGANIZATION OF KIA

2.10 Mandate

The KIA act (No. 2 of 1996) section 4 states that the functions of the institute are as follows:

To Provide training, Consultancy and research services, designed to promote national development and standards.

2.11 Vision of KIA

To be a model Institution of excellence in management, development and capacity building in the public sector.

2.2. Mission of KIA

To improve service delivery in the Public Sector by providing quality training research & consultancy services.

2.3. The organisation of KIA

The Organization of KIA was not provided to the team.

The Accounting Officer for KIA, Dr. Margaret Kobia, is responsible for ensuring that the PPDA, Regulations and the PPDGM are adhered to. In this respect, her duties (PPDA Section.27, PPDR 7 and PPDGM Chapter 4.2) include:

- Ensuring that Heads of Procuring Entities within the purview of the public entity shall comply with the provisions under the PPDA and the PPDR;
- Ensuring that Procuring Entities establish committees in accordance with the PPDA and the PPDR;
- Ensuring that Procuring Entities establish a Procurement unit staffed to an appropriate level with procurement professionals;
- Signing contracts for the Public Procurement and Disposal activities on behalf of the Procuring Entity for contracts entered into in accordance with the PPDA and the PPDR;
- Ensuring that the procurement plans are approved and reviewed as necessary;
- Any other functions provided for in the PPDA, PPDR or as may be directed by the PPOA.

FINDINGS, OBSERVATIONS AND RECOMMENDATIONS

3.1. Functions of Accounting Officer

Findings

The AO is carrying out her responsibilities satisfactorily under PPDA Section.27, PPDR 7 and PPDGM Chapter 4.2. However, there are some weaknesses having regard to her responsibility in accordance with the Act, Regulation, PPDGM and Circulars as follows:

- She has established a Procurement Unit, however, the unit is not manned by procurement professionals as none of the staff is a member of a recognized institute of purchasing and supply as per PPDA Sec 26 (2) (c) nor have professional qualifications as per PPDA Sec 26 (a);
- She has not appointed all the standard committee such as the Disposal Committee and specific committees such as Tender Opening Committees and Evaluation Committee for each procurement as required by PPDR 16(1) but instead has established Evaluation Committee as a standing committee.
- Has delegated Authority to the Deputy Director Finance and Administration to sign Local Purchase Order in accordance to the act (no letter to this effect was provided to the review team) that she is required to sign.
- Has not appointed alternate members to the TC as stipulated PPDR 12(1).
- Has not approved purchase requisition as per PPDR 22(3) which requires the person specified in the First Schedule to approve prior to the initiation of procurement proceedings.
- Has not ensured that the PE properly documents procurement proceedings and manages the records as per PPDA, PPDR and the Records Management Manual. Documents are maintained in different files.
- Has engaged the services of a non registered professional in construction work procurements. The Clerk of Works (COW) who has been seconded by the Ministry of Public Works to the institute to oversee the Tuition Block and Administration Block construction has been engaged in his private capacity and paid by KIA for the services. The engagement letter and terms of reference were not availed to the review team. The services rendered by the COW in his private capacity are the drafting of the bills of quantities, evaluation and certification of completion of the projects (Quotation No. 131/09-10, 76/09-10, 60/09-10) contrary to PPDA 26 (3) (c). This is risky to the organization as the officer is not a registered professional to undertake in totality the management of the projects without guidance from a qualified registered Architect, Structural engineer and Quantity Surveyor. The assurance that the buildings have been carried out as per the professional requirements cannot be guaranteed and may result in loss of life and property in case the building collapsed (specific findings contained in Chapter 4.2 and 4.4);
- The AO does not sign all contract agreements as seen in the contract agreement for Quotation No. 131/2009-2010 that was signed by the Chairman of the Council contrary to PPDR 7(c) -which stipulates that the AO will be signing contracts for the procurement and disposal activities on behalf of the procuring entity for contracts entered into in accordance with the PPDA and PPDR;
- Evaluation Committees are appointed by entities outside the PE (Tender No. KIA/1/2009-2010, KIA/30/2008-09-Tuition Block Main Tender and Sub Contracts), with no delegated authority as by PPDR 18 (4);

- Has not adhered to the 14 days notification period as stipulated in PPDA 68(2). Letter of notification of Award for Quotation No. 131/09-10 indicated acceptance within 7 days;
- AO has not ensured that the procurement plans are updated for all procurement proceedings undertaken by the PE. The unfavourable variance between the planned procurements in the procurement plan and the actual procurement expenditure made available to the review team could not be explained;
- AO has not ensured that Contract agreements are prepared for all tenders/quotations above KES 500,000.00 as required by Section 7.5. (r) of the Public Procurement and Disposal Manual. Out of the sample only six contracts were availed; and
- Has not issued appropriate Administrative Guides to clarify and implement Circulars issued by the PPOA as set out in the PPDGM Chapter 4.2(b) (viii) including maintaining names and specimen signatures of all of the persons authorized to make approvals within the procurement process irrespective of if the person has direct or delegated approval authority (PPDGM Chapter 2(d)).

Recommendations

- The members of the Council should abstain from participating in the procurement processes as set out in the PPDA and PPDR;
- Organize a sensitization, advanced and specialized training for senior management, procurement staff and other officers involved in the procurement process in matters relating to the PPDA and associated regulations;
- The AO should engage professional advice on the on-going construction work projects that have not been referred to Ministry of Public Works as a matter of urgency;
- The AO should ensure that the PU is manned by qualified officers as per PPDA 26 (8) requirement; and
- The AO should ensure that the weaknesses identified are addressed.

Response

- *The Council member is an experienced architect and thus, the council passed a resolution to involve him in monitoring and report to the Council on project matters. He is however not involved in procurement process.*
- *We will look forward to do a specialized training for all staff.*
- *We will request the Ministry of Public Works to advice on the progress of the chapel and the sewerage works.*
- *The Institute is intending to outsource a procurement agent to carry out the procurement activities.*

3.2. Number of trained persons and sensitized on the Procurement Procedures

Findings

The PE has not organized sensitization training for the staff involved in procurement related functions;

Recommendations

The PE should come up with a training policy, strategy and work plan to ensure continued development of knowledge and skills in procurement functions.

The procuring entity should prioritise their training to include the following:

- Sensitization of new personnel of the PE in requirements of the procurement law and regulations;
- Advanced training to improve skills of senior procurement practitioners in
 - Procurement planning;
 - Writing specifications;
 - Qualifying potential suppliers for complex and specialized services;
 - Evaluating bids; and
 - Contract management;
- Specialized aspects of procurement in areas of:
 - Records management;
 - Framework contracting;
 - ICT Manual;
 - Consultancy manual; and
 - Works manual.

The PE should improve liaison with PPOA to link the PE’s training strategy with PPOA training priorities.

Response

Training policy, strategy and work plan will be developed. The Institute will liaise with PPOA to link the Institute's training strategy with PPOA.

3.3. Functions of Procurement Unit

Findings

KIA has established a Procurement Unit in accordance with the PPDA and PPDR with a total staff of nine officers. Ms Leah Mwai was acting as the Head of PU responsible for day-to-day management of the PU and is the Secretary to the TC in the period under review.

However, KIA had hired on contract a new Principal Procurement Manager with effect from 7 February 2011. The manager was recruited with the help of the parent ministry for KIA. She hold a BA Enomics degree (1981) and various certifications notably supplies & materials management (KIA) and Stock control & Warehousing Management –ESAMI. The review team noted that she is neither a member of KISM as per PPDA 26 (8) (c) nor does she possess professional qualifications as per PPDA 26 (8) (a).

The PU’s key officials possess qualifications awarded by various Government Training Institutes. None of the staff are members of KISM.

Table 7: Procurement Unit Staff

	Name	Title	Procurement section	Professional
1.	Leah N Mwai	Acting - Principal Procurement Officer	General Officer	-Bachelor of commerce (Business Administration Option)
2.	Obilo Obara	Procurement Officer I	Warehouse General Stores	-Diploma in Supplies management -Advanced Certificate in store Keeping
3.	Jane Kinyanjui	Procurement Officer II	Stock control	-Diploma in supplies management
4.	Gladys Sawe	Procurement Assistant I	Stationery stores	-Copies of certificate not provided

	Name	Title	Procurement section	Professional
5.	Samuel M. Nderitu	Procurement Assistant I	Purchasing	-Certificate in supplies management
6.	Mary King'ola	Procurement Officer II	Purchasing	-Diploma in Supplies Management -Advanced Certificate in storekeeping
7.	B.Njenga	Procurement Assistant II	Perishable Stores	Copies of certificate not provided
8.	D. Lemayan	Procurement Assistant II	Stock control	-Diploma in purchasing & Supplies management -Advanced certificate in Business Management
9.	Ouda	Kitchen Stores	Kitchen stores	Copies of certificate not provided

The team noted the following weaknesses in the PU:

- Whereas the PPDA Sec 29 (1) provides for open tender as the preferred method of procurement, it was noted that the PU mostly utilize RFQ's and direct procurement.
- During the period under review 30% of the procurement proceedings utilized direct procurements and were inconsistent with the PPDA 74 (1). No contracts were established as per PPDA 75 (c) except for the Resource Persons.
- Does not propose the membership of Evaluation Committee for each procurement within the TC threshold to the Accounting Officer for approval as per PPDR 16(1);
- Does not advise the PE on aggregation of common user items and economies of scale in accordance with PPDR 8(3) (x), 10(2)(f) and PPDGM Chapter 6.3 Example is food stuff, LCD projectors and Screens, HP toners, Printers, etc.
- In conducting its functions, the PU does not at all times liaise with the PPOA and other oversight bodies, to share appropriate information;
- The PU has not implemented a training strategy and work plan;
- The Consolidated Procurement Plan is not as per PPDR 21(1) format.
- The PU does not link the requisition with the procurement plan contrary to PPDA 26(6) which has resulted in procurements being undertaken without appropriate budgets and planning e.g.

Table 8: Procurements exceeding budget /not budgeted.

Quotation/Tender	Description	Method	Budgeted Amount (KES)	Lowest Bid (KES)
Quotation. No. 131/2009-2010	Chapel	Quotation	3,000,000.00	7, 650,968.00
KIA 15/ 2009-2010	Sewerage	Tender	5,000,000.00	8,108, 288.90
Quotation. No. 34/09-10	Devan bed and Mattresses	Quotation/ Direct Procurement	None	2,127,396.95
Quotation. No. 60/ 09-10	Renovation to wash rooms at Sawe and Wamalwa	Quotation	None	968,900.00
Quotation. No. 76/09-10	Rehabilitation and Masonry Works	Quotation	(budget was for a water tank)	926,480.00
KIA/30/2008-2009	Tuition Block	Tender	163,000,000.00	209,497,019.76
Quotation No. 36/09-10	Chicken Capon	Tender/ Quotation	1,600,000.00	3,916,170.00
		Direct		381,220.00
	LPG Gas	Direct	780,000.00	2,373,440.60
	Water	Direct	956,900.00	2,369,671.28
	Laundry expenses	Direct	200,000.00	1,238,55.23

- Does not prepare and issue rejection and debriefing letters to non successful vendors except for the Ministry of Works supervised Tenders contrary to PPDA 67 (1);
- PU does not maintain a register for contracts and does not monitor contract management by User Department as per PPDR 8(3)(t);
- The PU does not require that those participating in a tender, quotation and proposal to include a statement verifying that the person is not debarred from participating in procurement proceedings and also a declaration that the person will not engage in any corrupt practices as per PPDA sec 35;
- Does not prepare contracts for procurements above KES. 500,000.00 as per the PPDGM Chapter 7.5 (r).
- Does not prepare contract variations and modifications as per requirement of PPDR 8 (3) (m) and PPDA 47;
- The PU invites tenders/quotations from persons who have not been prequalified contrary to PPDR 25(3) example Quotation No. 1/2009-2010.
- While the unit maintains standing lists of registered tenderers for some of the required needs of the PE, the list has not been updated annually as provided in PPDR 8(3)(a);
- The PU does not ensure a fair and equal rotation amongst the persons on the standing list of registered suppliers in respect to giving the requests for quotations as required by PPDR 59(2)(c);
- Does not act as secretariat to the procurement committee; the procurement committee opens quotations and prepares a price comparison schedule, whereby they endorse “award to the lowest” contrary to PPDR 15 (7) and PPDR 8 (3) (q);
- PU is not taking substantive remedial actions on various observations and recommendations made in various Internal Audit Reports touching on the procurement processes that violate the requirements of PPDA and PPDR. The defects in the procurement processes therefore continue to recur in following areas which had been highlighted in the internal audit reports:
 - The IAC does not verify services procured by the PE;
 - Signing of TC minutes
 - Evaluation of bids within 30 days
 - Disposal committee meetings every quarter
 - Budget variances vis-à-vis actual expenditure
 - Prepayment to vendors; and
 - Pre-qualification of vendors;
- Does not prepare procurement plans for each individual procurement requirement in accordance with PPDGM Chapter 6; and
- Does not update consolidated procurement plans to include changes;

Recommendations

- PU should improve on the all deficient areas in functions of the PU.
- Although, the Authority is yet to issue a comprehensive definition of a procurement professional, KISM in their presentation to the conference ‘Towards Procurement Professionalism in Eastern Africa’ on 15th – 17th September 2010 at the Whitesands Hotel, Mombasa, Kenya gave the following guidelines:

Academic & professional qualification

- Formal educational qualifications:
 - PhD & MSc B.Sc Procurement
- Professional exams and certifications:
 - Graduate Diploma in PSM (CIPS UK)

- Certified Professional in Supply Management (CPSM), ISM,USA)
- o Be registered as members of professional Institution e.g. KISM

Response

The Institute will engage a procurement agent to develop the internal capacity and systems in place. We will encourage the PU staff to register with KISM.

3.4. Functions of the Tender Committee

Findings

The PE has established a TC in accordance with PPDA and PPDR as follows:

Table 9: TC Members

Name	Role
Mr. E. K. Wachira	Chairman
Mr. Osman Ibrahim	Deputy Chairman
Ms P. Itarichia	Secretary (since resigned)
Ms E. Njiru	Member
Mr.H. Mburu	Member
Mr.N.M. Iko	Member
Mr.J. Mwaniki	Member

The following specific weaknesses were found with the TC records and performance:

- The committee does not review, verify and ascertain that all procurement proceedings submitted have fulfilled all requirements of the Public Procurement and Disposal Act, Regulations, and the PPDGM e.g Quotation 131/09-1 Quote for construction of KIA Chapel as per RFQ for KES 5,434,045.60 and Quotation 34/09-10 for Supply of Bed Devan Wooden Head Board for KES 999,000.00 ;
- Alternative members to the TC have not been appointed as per the PPDR 12(1) requirement;
- There is no evidence that the TC verified the availability of funds set aside for the procurement activity before recommending the award of the contract as required by PPDR 10(2)(d);
- Does not request and review quarterly reports from the Procurement Committee PPDR 10(n);
- TC does not invite at least two observers to attend its meetings in cases where the value of contract is estimated to be above fifty million shillings as stipulated in PPDA 12(8) & (9) e.g. KIA/30/2008-2009- Tuition Block valued at KES 209,497,019.76;
- There is no evidence TC verified that market prices were not exceeded;
- TC does not approve negotiations as per PPDR 10(2) (l). 58(3) example Quotation. No. 34/2009-2010 and Quotation. No. 131/2009-2010; and
- Does not review variations to contracts as per PPDA 47 and PPDR 31 examples

Table 10: Contract Variations

Tender/Quotation No	Method	Item Description
Quotation No. 1/09-10	RFQ	Rice
KIA/30/08-09	ONT	Tuition Block
KIA/1/10-11	ONT	Rehabilitation of the Sewerage Plant

Recommendations

All weaknesses in TC operating procedures should be addressed and the PE should ensure that all members of the TC undergo training in procurement law and regulations.

Response

Training will be carried out for the TC in procurement law and regulations.

3.5. Functions of the Procurement Committee

Findings

The Procurement Committee is established as shown below in accordance with PPDR 13 and holds regular meetings to open quotations, price comparison and recommend award, however, they do not prepare minutes as per PPDR 15;

Table 11: Members of Procurement Committee

Name	Role
Mr. Joshua. Ochuka	Chairman
Ms Leah Nyachomba	Secretary
Ms P. Wamuyu	Member
Mr. S. Nderitu	Member
Mrs. M. Okinda	Member
Ms M. Kingola	Member

- The Procurement Committee recommends technical evaluation for the quotations to be undertaken by the Users. This is contrary to PPDR 61(1) example is Quotation No. 111/09-10 done by Library items, ICT and construction works RFQ;
- The Procurement Committee has deliberated on procurements above the threshold of the committee i.e. over KES 500,000.00, contrary to PPDR 13(2). Below are some of the procurements awarded by PC which are beyond their threshold;

Table 12: Procurement Committee awards beyond allowable threshold

Quotation No.	Item	Amount (KES)
1/2009-2010	Pishori Mwea Rice	990,000.00
8/2009-2010	Supply of Eggs	596,160.00
36/2009-2010	Supply of Eggs	800,000.00
61/2009-2010	Fish	2,160,000.00
62/2009-2010	Catering	994,120.00
74/2009-2010	Supply of Eggs	750,000.00
62/2009-2010	Catering	994,120.00
136/2009-2010	Chicken Capon	650,000.00

- On review of the Quotation Register, the Procurement Committee has opened quotations before the indicated closing date. Examples are Quotation No. 1/09-10;

Quotation No. 13/09-10; Quotation No. 57/09-10; Quotation 56/09-10; Quotation 61/2009-2010;

- In most of the quotations that the procurement committee has opened, the members do not append the date of opening on the individual quotations but rather only on the price comparison sheet;
- The Procurement Committee in several occasions have opened quotations 30 days after closing date which is past their validity period examples are Quotation No. 25/09-10; Quotation No. 100/09-10; Quotation 171/09-10; Quotation No. 120/09-10.

Recommendations

Remedial action should be taken on all the identified deficient areas.

Response

The Institute will engage a procurement agent to carry out procurement activities.

3.6. Functions of the Disposal Committee

Findings

- The Disposal Committee has not been constituted as per PPDA 128 (1) and PPDR 92 (1), though a board of survey has been appointed;
- The committee formed does not meet quarterly as required by PPDA 128(2) and PPDR 92 (3);
- No minutes were availed to show that the committee met 14 days after appointment as per PPDR 92(3) requirement;
- There is no annual disposal plan in place as stipulated in PPDGM Chapter 12 .4;
- The PE does not have written operational procedures that set out the valuation, existence and control mechanism and makes allowances for scrap, obsolete, unusable, and slow moving, or overstocked item;

Table 13: Members of Board of Survey (2009-2010)

Name	Role
Mr. Osman Ibrahim	Chairman
Ms P. Itarichia	Secretary
Mr. N. M. Iko	Member
Ms Wanjiru Kang'ara	Member
Mr. H. Mburu	Member
Mrs. E. Sitonik	Member
Ms G. Sawe	Member

- In the year under review two disposals were undertaken though not included in the procurement proceeding summary provided on 14 February 2011;

The following deficiencies were found in the review:

- There are no comprehensive individual files for each disposal proceeding
- The disposal for 108 beds and 108 Orthopaedic mattresses was disposed to staff for KES 500 each. The following was noted.
 - Internal Advert was issued from 12 January to 26 January 2010, within which time the buyers should have paid and collected the beds/mattresses. The price was set as KES. 500 for each bed and mattresses. The sale was to be on “first come first served basis”
 - The disposal did not require sealed bids as per the PPDGM Chapter 12, section 12.10 (b);

- There was no evaluation based on price as PE decided to fix a price of KES 500;
- The disposal was not adjudicated by the TC as per PPDGM Chapter 12, section 12.10 (b);
- The disposal was not reported to the PPOA as per PPDR 93(2);

Recommendations

- A disposal committee as per the act should be constituted immediately;
- A disposal plan should be prepared immediately for the current financial year;
- The PE should have written operational procedures;
- In future to enhance revenue, sale to public servants should be as per the Regulations.
- Record keeping should be as per the act and resulting regulations.
- PU should undertake remedial action to address the weaknesses identified.

Response

- *A disposal committee is in place. However, we will harmonize with the Procurement Act.*
- *A disposal plan will be prepared.*
- *Operational procedures are in place. However, they will be harmonized with the Procurement Act.*
- *The management will ensure that all disposals are done as per the Procurement Act and also ensure that they are reported to PPOA.*
- *Record keeping will be improved in line with the Procurement Act.*
- *The weaknesses identified will be resolved as soon as the Institute engages aprocurement agent.*

3.7. Functions of Evaluation Committee

Findings

The PE has constituted a standing committee as opposed to specific evaluation committee in accordance with PPDR 16(1).

Table 13b: Members of Technical Evaluation committee (2009-2010)

Name	Role
Mr. Gerald Wandera	Chairman
Mr. Kennedy Yegon	Deputy Chairman
Ms Linet Okoth	Member
Mr. John Kamande	Member
Mr. Obilo Obara	Secretary

For the tenders reviewed, the following general weaknesses were observed:

- The PU did not propose the membership of evaluation committee to the AO for approval in accordance with PPDR 8(3)(g);
- In the construction works tenders, the evaluation committees were appointed by the Ministry of Works; there was no evidence that the Accounting Officer had delegated authority to Ministry of Works as per PPDR 18(4).
- The evaluation was carried out by one person who prepared the report for discussion by the committee contrary to PPDR 16(6) examples ICT and construction works RFQ's.

- There was no evidence (including lack of individual marking sheets and consolidated summary sheet) that each member of the technical evaluation committee evaluated the submissions independently from the other members prior to sharing his or her analysis, questions and evaluation including his or her rating with the other members of the technical evaluation committee as required by PPDR 16(6);
- Evaluation has been carried out in some cases by person(s) appointed to the TC which is contrary to PPDR 16(4) example is Quotation No. 34/2009-2010; Quotation No. 80/2010; Quotation 29/2009-2010, KIA/12/2010-2011, KIA/4/2010-2011; KIA/7/2010-2011, KIA/8/2010-2011.
- The Evaluation Committee in most cases had evaluated quotations based on compliance and evaluation criteria not set out in the tender/quotation documents contrary to PPDA 66(2) and PPDR 16(5(a) example Quotation No. 29/2009-2010, Quotation No. 13/2009-2010, Quotation No. 34/2009, Quotation No. 76/2009-10, Quotation No. 60/2009-2010;
- In some cases members of the evaluation committee had entered into direct communication with tenderers contrary to PPDR 16(8) example is Quotation No. 34/2009-2010; Quotation. No. 30/2009-2010, Tender KIA/30/08-09.
- In some instances the Evaluation Committee had formed sub-committees with an intention of changing/modifying the substance of the bidding documents contrary to PPDA 62 (2) example is Quotation 131/09-10 which was substantially varied at 29% from the engineers estimate. (sec 66)
- In some cases the evaluation committee had noted prices quoted in the quotation were higher than prevailing market prices, members of staff had been engaged in negotiations and had not adhered to PPDR 62(2) which requires that the quotation be reissued afresh example Quotation. No. 34/2009-2010.
- The Evaluation Committee reports are not as stipulated in PPDA16 (9) and PPDR51.
- The following tender evaluation period exceeded the time set out in the PPDR 16(5(b) & PPDR 46.

Table 14 Evaluations that exceeded 30 days

Tender	Method	Evaluation Period
Tender No KIA/010/2009-2010	ONT	37 days
Quotation 29/2009-2010	RFQ	32 days
Quotation 34/2009-2010	RFQ	32 days
Tender No. KIA/1/2010-2011 to KIA/11/2010-2011 for pre-qualification for restricted tender	Prequalification	49 weeks

Recommendations

- The PU must nominate the members of the evaluation committees in accordance with the requirements of the PPDA, PPDR and PPDGM;
- Each individual team member must evaluate the tender independently before sharing the analysis;
- Evaluation must be carried out as per the compliances and criteria's set out in the bidding documents, and;
- Procurement should ensure that before a bid is sent out, the compliances and criteria's are clearly stated in the bidding documents.
- All tenders and quotation must be evaluated within the time limits set out in the Regulations.
- The identified weaknesses in procedures should be addressed

Response

- *Evaluation committee is in place however, we will ensure that it is harmonized with the procurement Act.*
- *The evaluation committee will be advised to carry out independent evaluations and share the analysis with the other committee members.*
- *A criterion is normally set for evaluating various bidders. However, the Institute will ensure that the criterion is included in the bidding document*

3.8. Functions of Inspection and Acceptance committee

Findings

- The PE stated that it had established a standard Inspection and Acceptance Committees as set out in PPDR 17 which provides that a procuring entity shall establish an Inspection and Acceptance committee composed of a chairman and at least two other members appointed by the Accounting Officer or the head of the procuring entity on the recommendation of the PU. However, the appointing letters were not availed to the team for the period under review; except, a file with a few minutes availed to the team;
- The IAC did not inspect and verify all procurement, goods, works and services except for some ICT and construction works projects. Dry food stuff and non perishables are received by the warehouse staff while fresh products were being received by Chief Chef, Stores Officer and at times Security Officer.
- The IAC does not issue interim and completion certificates as per PPDR 17(4) (e). The Goods Received Notes are generated and signed by the store department. The review team found this to be risky areas since there were no checks and balances as per PPDA 26 (3) (c). The risk may be compounded since in some cases the functions of requisition, processing and receipt of goods are handled by procurement unit.

Recommendations

- The Inspection and Acceptance Committees should inspect all procurement of goods, works and services and issue a certificate; The Accounts department should not make any payment for goods, works and services without the certificate issued by the designated committee; and
- The PE must make sure that the said committee is up and running as per the requirement of the Act.

Response

Inspection of goods and services is done and minutes taken. However, the committee will ensure that inspection certificate is issued out. Payments will be made upon duly signed certificate.

3.9. Systems and Procedures for Implementation of the Procurement Law and Regulations

Findings

- The PE did not have a procurement and supplies operational manual prepared by the PU; the document availed to the team is more of a service charter as it has no reference to the act or the related regulations.

- The PE does not maintain specimen signatures to serve as a security reference basis for authenticating the authority of procurement documentation in accordance with PPDGM Chapter 2.11(iv);
- The review team did not find any schedules of duties in the PE outlining separation of functions. It is therefore difficult to determine whether there is clear separation of powers for those undertaking initiation, processing, and receipt;
- The updated publications, directives, manuals, and standard documents prepared and distributed by PPOA in accordance with Section 9(c) (i) of the PPDA to be used by procuring entities are not placed in a centralised location accessible by all those involved in the procurement related functions;
- The majority of the staff involved in the procurement related functions that the team spoke to did not know the existence of the following manuals published by PPOA:
 - PPDGM;
 - ICT Manual;
 - Insurance Manual;
 - Non-Intellectual Services Manual;
 - Projects Manual;
 - Works Manual;
 - Directive Circular No 4/2009 which outline the requirements for the notifications to PPOA;
 - Procurement Record Management Procedures Manual; and
 - User Guide.

Recommendations

- The PE should put in place appropriate systems and procedures that distribute procurement information including manuals, guidelines and directives from PPOA to the appropriate people, at the necessary level of detail, on a timely basis and that is accessible to all those involved in procurement related functions.
- Prepare written operational procedures and systems that set out the initiation and approval of the procurement activity in accordance with First Schedule of PPDR.

Response

- *All section heads have been issued with the procurement procedures and manuals as well placed in the library for ease of access by all members of staff. However, the Institute will enforce compliance.*
- *Procurement procedures and systems are in place. However, they will be revised in order to comply with first schedule of the PPDR*

3.10. Threshold Matrix and Segregation of Responsibilities.

Findings

- The PE did not provide schedules of duties to enable the review team to observe and verify if the requirements of First Schedule of PPDR are being followed in the initiation and approval of the procurement processes;
- Most procurement proceedings were not initiated by the Accounting Officer as stipulated in the First Schedule Threshold Matrix for Class A Procuring entities of the Regulations;
- The review team noted that procurement ceilings were NOT being observed as per PPDA 26(3) (b), which clearly states: ‘All procurement shall be undertaken by a

procuring entity as per the threshold matrix as set out in the regulations'. Examples of procurements where RFQ's were used beyond the acceptable threshold;

Table 15: Examples of procurements beyond allowable RFQ thresholds

Quotation No.	Item/Service Description	Procurement Method	Amount in KES
20/09-10	Supply of kitchen equipments	RFQ	1,443,274.00
22/09-09	Supply of Chicken Capon	RFQ	2,921,280.00
29/09-10	Supply delivery, installation, configuration, testing and commissioning of computing devices north-Eastern Lab.	RFQ	3,145,800.00
30/09-10	Supply, deliver and mounting of LCD	RFQ	2,123,728.00
31/09-10	Supply delivery, installation, configuration, testing and commissioning of computing devices	RFQ	3,145,880.00
34/09-10	Supply of Bed Devan Wooden Head Board	RFQ	2, 127,396.95
61/09-10	Supply of Fish	RFQ	2,315,400.00
131/09-10	Quote for construction of KIA Chapel as per BQ	RFQ	5,434,045.60

- It was also noted that procurement of LVP was undertaken without approval of the procurement committee as per the provision of PPDR 63(1) (d) of the PPDR.
- Low value procurements were beyond the allowed threshold as per PPDR First Schedule;
- The PE does not advertise for goods, works and services whose estimated value requires national advertising as per PPDA 54 (2) and PPDR First Schedule, example is Quotation 131/09-10 whose estimate was KES 8, 331,156.88.
- Request for Proposals were not utilized when engaging professional consultants.

Recommendations:

- KIA should conduct all its procurements as per the recommended thresholds set out in the PPDA First Schedule.
- All the necessary approvals for particular procurements should be obtained before proceeding with the procurement process.

Response

Thresholds and necessary approval procedures have been communicated to the section heads. However, the management will enforce compliance.

3.11. Record Keeping and Filing Systems of the Procurement Documents

Findings

The filing and record management of procurement documentation is weak and does not conform to the requirements of the PPDA 45 and PPDR 34. The system of filing and record keeping is fragmented and scattered; it does not facilitate the collection and collation of comprehensive documentation data related to particular procurement activities and to report regularly and reliably any information required by various users including PPOA. Most of the documents maintained by Procurement are not folio numbered as per the Public Procurement Records Management Procedure Manual Chapter 3.6. Retrieval of information

is an uphill task, especially where the officers who carried out the Procurement have left the Institute.

- The PU maintains a file movement register Public Procurement Records Management Procedure Manual Chapter 3.9 (d);
- Documentation relating to cancellation of a procurement process or termination of a contract were not documented neither the reasons;
- The entity is ISO 9000:2000 Certified and is undergoing recertification for ISO 9001:2008; the PE was evaluated in documentation and was awarded a grade of “A” in the PU;
- There are no Contract Files opened in accordance with PPDGM Chapter 9.3, which is risky for contract management, monitoring of expiry or amendments to contracts and quantity variations. E.g. Insurance and web hosting contracts;
- Due to lack of contract files, the variations are not brought to the attention of TC for approval as per PPDA 47 (a); and
- The PE does not maintain Registers for Quotations progress, Procurement Order Progress, Tender progress, bid security, performance bonds and contract register as per the Public Procurement Records Management Procedure Manual Chapter 4.1.

Recommendations

- KIA should upgrade the record keeping in line with the requirements of PPDA Sec 45 and PPDR 34(3) which requires the PE’s to maintain comprehensive file for each procurement activity and have a central registry for easy retrieval. The file should contain all the relevant documents starting with the purchase requisition, documents for the tendering process, evidence of receipt and payment for goods. As far as possible, these should be original documents, or where not possible, certified copies of the originals;
- In implementing the ISO, the PE should ensure that Section 4.2.4. of ISO 9001: 2008 is aligned to the requirement of the Act and related regulations to the extent that they are authentic and reliable;
- Documents in the procurement files should be folio numbered as per Chapter 3.6 of the Public Procurement Records Management Procedure Manual;
- To assist in collating the procurement documents in the whole procurement cycle, a procurement number should be allocated when a procurement requisition is raised and used on all correspondence and records related to the procurement requirement as per the Public Procurement Records Management Procedure Manual Chapter 3.9 (a) and a register maintained for the sequential reference number; and
- There should be a linkage of procurement file and payment file as per PPDR 33(3) and the Public Procurement Records Management Procedure Manual Chapter 5.2.
- There is an urgent need for the PE to ensure that individual procurement files are opened for any new procurement;

Response

A comprehensive filing system will be put in place as well as ensure that individual procurement files are opened for any new procurement.

3.12. Procurement Planning

Findings

The Team was provided with unsigned annual consolidated procurement plan for the period under review. The consolidated plan was not approved as per the requirement of PPDR 20(5) and does not follow the format issued by the Authority as set out in PPDR 21(1), PPDGM Chapter 6.6. The plan was a replica of the budget and included items which do not constitute procurement such as council expenses, electricity, donations, audit fees, wages, personal emoluments, gratuities, etc. The time frame for all the items was divided into four quarters. A signed copy was not availed to the review team.

The following weaknesses were observed in the procurement planning:

- Multi-annual, rolling work plans for procurement are not prepared by each User Department although the review team found some procurements which roll over and there is no indication whether the requirements should be procured under single-year or multi-year arrangement (PPDR 20(3));
- There is no indication of the anticipated procurement method for each procurement requirement, including any need for pre-qualification, and the anticipated time for the complete procurement cycle, taking into account the applicable approval requirements;
- There are no individual procurement plan for general services and civil works as provided in the PPDGM Chapter 6.5;
- No indication of which items can be aggregated for procurement as a single package or for procurement through any applicable arrangements for common-user items as per PPDR 21(d); some of the items in the plan were similar such as line 29 & 46; line 23 & 38; line 28 & 45;
- There was no indication of which items shall be packaged into lots (PPDR 21(f));
- There was no indication of the warehouse requirements for storing the planned procurement (PPDGM Chapter 6.2(xi));
- There was no indication of the shelf life for any goods that may be perishable or degradable (PPDGM Chapter 6.2(xii));
- No indication of the resources available for managing the procurement workload (PPDGM Chapter 6.2(xiii));
- Details of any committed or planned procurement expenditure under existing multi-year contracts (PPDGM Chapter 6.2(xiv)); and
- There is no evidence that the procurement plans are regularly updated to accommodate changes during the year.

Recommendations

- Procurement planning is essential for effective procurement. Procurement planning entails more than the development of estimates for various goods, civil works and services. It combines the legal and institutional frameworks within which procurement must be carried out. The PP should be well thought through. The PE should undertake remedial actions on the areas that have been identified;
- For emergency purchases for catering, flowers and tents; the Institute should enter into framework contract with an Event Organizer.
- The PU should not commence any procurement activity, which is not in the procurement plan as per PPDA 26(3) requirement; and,
- The PU work plan should incorporate the preparation and updating of the procurement plan regularly to include the progress reports detailing the procurement status. Where

there variations in terms of delays the reasons should be documented and the schedule updated.

Response

- *A detailed procurement plan will be prepared and ensure that it is enforced.*
- *The Institute will enter into a contract with event organizer and request them to avail services when need arises.*

3.13. Purchase requisitions

Findings

- The procurement processes reviewed are not initiated by the standard purchasing requisition forms as provided for by PPDR 22(1). Procurement processes are initiated from bills of material, internal memos from user departments, management meetings proceedings, which do not indicate that they have been originated by the authorized official and approved by the official within the threshold for procurement being considered (First Schedule of PPDR);
- From interviews, it was established that for construction works, procurement does not receive the estimates and bills of quantities until the tender opening date. This is contrary to the requirements of PPDR 22(1) and the Procurement Manual for works Chapter 1.3.1. There is no way of ascertaining that the estimated prices are realistic and based on up-to-date information on economic and market conditions as provided in PPDR 22 (2). This may have an impact on value for money since firms with lowest bid price are disqualified based on variation from engineers estimate;
- The requisition does not have the specific requirement as per PDRA 34(2);
- Does not ensure the availability of funds for the procurement under consideration as the cases submitted do not indicate the budget line and balance of funds; and
- Some Requisitions are raised by the PU contrary to PPDA 26 (3) (c) which requires that procurement be handled by different offices in respect of procurement initiation, processing and receipt of the goods, works and services.

Recommendations

- The review team noted that the Standard Purchase Requisition Form (SPF) is expected to be released by PPOA shortly. In the meantime, the PU should put in use an interim purchase requisition form that conforms to the requirements of the PPDR, General Procurement Manual and directives from PPOA;
- Following the receipt of the approved purchase requisition from the user department, the PU should prepare a procurement plan for each individual procurement requirement;
- The SPRF for works, which initiates the procurement process for procurement for works, should be in accordance with the Procurement Manual for Works Chapter 1.3.1. which specify that as a minimum the SPF should have the following information:
 - State the objective of the works;
 - Establish the preliminary specifications;
 - Confirm budget availability;
 - Indicate authority for the procurement; and
 - Allocate a unique Procurement Number to be used for procurement tracking and monitoring;
- The PU should put in place a central control register for all requisitions received in the unit in order to put in place sufficient procurement internal control;

- The Procurement Officer in-charge of Warehouse general stores should not raise requisition but rather should inform the users when the items near re-order levels and copy the Head of PU;
- Before PU accepts any requisition it should ensure that it is comprehensive and contains the entire technical requirements and that it is generic except as provided by PDRA 34(4); and
- For ICT items the PE should establish a cross functional team to come up with specification consisting of PU, User department and ICT department as per the ICT manual chapter 7.2.2.

Response

- *A purchase requisition is in place however, we will ensure that it is harmonized with the act.*
- *A detailed procurement plan will be prepared to ensure that individual procurement requirements are included.*

3.14. Prequalification and registration of suppliers

Findings

- *There was no registration of suppliers for the year under review as the one available was approved by TC on 22nd October 2008 for restricted tenders;*
- *The Prequalification of vendors for the year under review was closed on 25 March 2010 and was not complete by the time the review team left KIA on 2 March 2011. The evaluation had taken almost one year to complete;*
- *Notwithstanding PPDR 59 (2) (b) requirement, PU has been issuing quotations to non registered vendors, who have not been evaluated on their eligibility;*
- *There was no evidence that the PE undertook evaluation of the suppliers to ascertain that the suppliers meet all the qualifications to be awarded contracts in accordance with PPDA Section 31;*
- *Some suppliers in the approved TC list had scored so low and yet were recommended rendering the exercise a futility. Examples are as follows:*

Table 16: Pre-Qualification Cut-Off

TC Minute	Tender	Minimum score for those included in the short list
Min No. 35	KIA5/2008-2009-Chicken Capon	31%
Min No. 36	KIA 6/2008-2009- Supply and delivery of eggs	28.5%
Min No. 42	KIA 12/2008-2009- Supply and delivery of mineral water	48%
Min No. 45	KIA 15/2008-2009- Provision of cleaning services	26%
Min No. 48	KIA 18/2008-2009- Repair of Plants and Equipment	36%

- *The method used to pre-qualify vendors in some of the categories was deficient and lacked consistencies on the cut off for a firm to be qualified in all the 18 categories pre-qualification. In some cases the TC would arbitrary agree on a cut-off. During the discussions with the senior management, there were complaints that some service providers' performance has been below expectations;*

- In cases where the list of those invited to tender/quote was not as per the TC list of pre-qualified, there was no evidence that the PE undertook evaluation of the suppliers to ascertain:
 - The person being qualified has the necessary qualifications, capacity, experience, resources, equipment and facilities to provide the goods and services if awarded;
 - The person has legal capacity to enter into legal contracts;
 - The person is not debarred from participating in procurement proceedings under Section 115 of the Act and PPDR 90 and 91;
 - The person is solvent; and
 - That KIA is not precluded from entering into the contract with the person under Section 33 of the PPDA.
- The PE does not ensure a fair and equal rotation amongst the persons on the list of registered suppliers in respect to giving the requests for quotations as set out in PPDR 59(2)(c);
- There was no prequalification of complex and specialised services during the period under review.

Recommendations

- The PE should undertake pre-qualification in accordance with PPDR 23 of suppliers for specialised and complex procurements;
- Before approving or prequalifying a particular supplier, PU in conjunction with the user department should conduct a supplier evaluation to validate the information provided by the bidders or pre-qualified bidders and to assess whether suppliers' performance meets the expectation.
- The PE should ensure a fair and equal rotation amongst the persons on the standing list of registered suppliers in respect of requests for quotations, as required by PPDR 59 (2) (c).
- In cases where those responding to a prequalification advertisement are not qualified, KIA should utilize another public entity prequalification result as per PPDA 32.

Response

- *Prequalification for specialized and complex items will be carried out.*
- *Supplier evaluation is normally carried out before prequalifying the suppliers.*
- *However, rotation amongst the standing list of the registered suppliers will be done*

3.15. Specifications

Findings

- Some of the reviewed procurement proceedings had technical specifications that were objective, neutral and functional;
- The PE utilized brand names without providing for alternative e.g. Quotation. No. 20/2009-2010;
- The PE in some occasion have given incomplete specification example- Quotation. No. 62- quotation was sent without specifications on menu, hence all the vendors quoted on different menus which were not comparable, which resulted in the recommendations of third lowest with the comment “ appear to understand our requirements and services are very good. They have excellent outside catering”;
- The specifications for Quotation No. 60/2009-2010 for the renovation of washrooms at Wamalwa and Sawe hostels were unrealistic and exaggerated. The Bills of quantity

(BOQ) indicated the number of washrooms and bathrooms as 112 while physical check revealed the total to be 110. The BOQ had separated bathrooms and washrooms while on the ground were found to be the same;

- The specifications in the tender/quotation do not indicate post qualification though the same is carried out as part of due diligence by the PE; this is contrary to the requirement of PPDR 52(1) that the same has to be indicated in the tender document example Tender KIA 15/2010-2011, Quotation. No. 34/2009-2010 and Quotation No. 30/2009-2010; and
- From the discussion held with the staff, it was observed that development of specifications is challenging for those involved in evaluation of tenders and affects all other phases of procurement processes.

Recommendations

- The PE should organise training in the development of specifications for goods, works and services;
- For construction works the PE should engage professional staff; and
- The cost of the two additional wash rooms included in the BOQ should be surcharged to the staff concerned.

Response

- *Currently the Institute engages the Ministry of Public Works in the construction works.*
- *The cost of the two additional washrooms included in the BOQ will be invested and action taken accordingly.*

3.16. Choice of procurement method

Findings

The PE utilized the following main procurement methods:

- Open Tendering Method
- Direct Procurement Method
- Request for Quotations Method
- Low Value Procurements

3.16.1. Direct Procurements (DP)

- DP are as per Appendix 2 which totals to KES 60,759,068.77.
- The following are examples of common user items which have reasonable alternatives and yet the PE utilized DP. Most of the items were not a one off purchase but rather recurring requirements hence do not meet the criteria set out in PPDA Sec 74 (2) (a) (b).

Table 17: Direct Procurements

Item	Category	Value in KES	Company
supply of toiletries	Goods	1,274,707.86	Chandaria Industries Ltd
supply of drinking Water	Goods	2,369,671.28	Crown Foods Ltd.
supply of laundry detergents	Goods	249,179.65	Ecolab East Africa(K) Ltd
Supply of Soft Drinks/Sodas	Goods	907,991.04	Gachumi Investments
Supply of Methylated Spirit	Goods	459,648.00	Kangaroo Brands Limited
Supply of cooking oil	Goods	554,948.00	Kapa Oil Refineries Ltd
Supply of fittings	Goods	303,914.00	Kenyan Drapers Ltd
Supply of juice	Goods	2,009,076.76	Kevian Kenya Limited
Supply of Soda	Goods	2,714,769.09	Leonard Kamau

Item	Category	Value in KES	Company
Supply of cooking Gas in Bulk	Goods	2,373,440.62	Libya Oil Kenya Ltd
Assorted stationery/ furniture/hardware items	Goods	3,964,285.00	Nakumatt Holding Ltd
supply of chicken capon	Goods	381,220.00	Pricilla Mworio
Supply of Hostel soaps	Goods	454,763.13	Pz Cussons East Africa Ltd
Supply of Stationery	Goods	251,400.00	Seal Honey Limited
supply of electrical items	Goods	39,718.40	Sollatek Electronics K Ltd
Supply of fuel	Goods	50,789.94	Spring Valley Fuel Service Centre Ltd
Repair of vehicles	Goods	58,000.00	Stantech Motors
Supply of plastic cups	Goods	487,490.00	Techpak Industries Limited
Supply of building tiles	Goods	66,000.00	Tile & Carpet Center
supply of dry foodstuffs/sugar	Goods	195,964.30	Tusker Mattresses Limited
Supply of dry foodstuffs	Goods	2,356,847.10	Uchumi Supermarkets
Printing services	Goods	97,525.00	Zakuna Printers Ltd
Supply of flowers	Goods	84,600.00	The Wedding &Floral Designs
Hire of transport services	services	205,521.84	Budget Rent/Payless Car Hire
TOTAL	KES	21,911,471.01	

- There was no evidence of any negotiations as per PPDA 75 (a);
- The PE did not prepare and sign contract as per PPDA 75 (c) except for Resource Persons;
- PE did not document the reasons detailing that the conditions set out in PPDA Sec 74 have been satisfied;
- The procurement method was not approved by the TC as required by the PPDGM Chapter 7.4, except for purchase of soda's and fuel cards;
- There was no evidence that the contract award was by the TC neither was the award reported to the TC as required by the PPDGM Chapter 7.4; and
- The DPs above KES 500,000.00 which amounted to KES **50,377,227.40** were not reported to PPOA as required by PPDR 62 (3).

Recommendations

- The PE should establish internal rules and procedures to include direct procurements which are urgent or emergencies to provide for efficiency, authorization and accountability;
- PE should report to PPOA within 14 days after notification of the award of the contract any direct procurement of a value exceeding KES.500, 000.00 as set out in PPDR 62 (3); and
- The PE should establish framework contract with an event organizer to take care of the emergencies of unplanned trainings/events emanating from the government.

Response

- *Internal rules and procedures including direct procurements will be put in place and all direct procurements reported to PPOA in time.*
- *Framework contracts will be established to take care of emergencies emanating from the government.*
- *The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.*

- *Framework contracting procedures will be implemented for indefinite procurements.*
- *The Institute will engage a procuring agent to ensure that weaknesses in procurement areas are addressed.*

3.16.2. Low Value Procurement

Findings

- The team reconstructed proceedings of low procurement of over KES 30,000.00 as per attachment 3, this is ,however ,not an exhaustive review of all LVP ;
- The low value procurement (LVP) were either procured through quotations, tenders or petty cash;
- 16 samples of LVP requested from the PE were not provided by the time of preparing the report;
- The PU maintained a petty cash float of KES 30,000.00;
- There was no evidence that the Procedure for LVP was recommended by the Procurement Committee after carrying out a market survey as required by PPDR 63 (1) (d); and
- The team was not provided with internal rules governing LVP for effective control of procurement imprest as required by the PPDGM.

Recommendations

The PE should establish internal rules and regulations to govern LVP to ensure effective control of the procurement imprest.

Response

Framework contracting for the common user items will be introduced and communicated to the users.

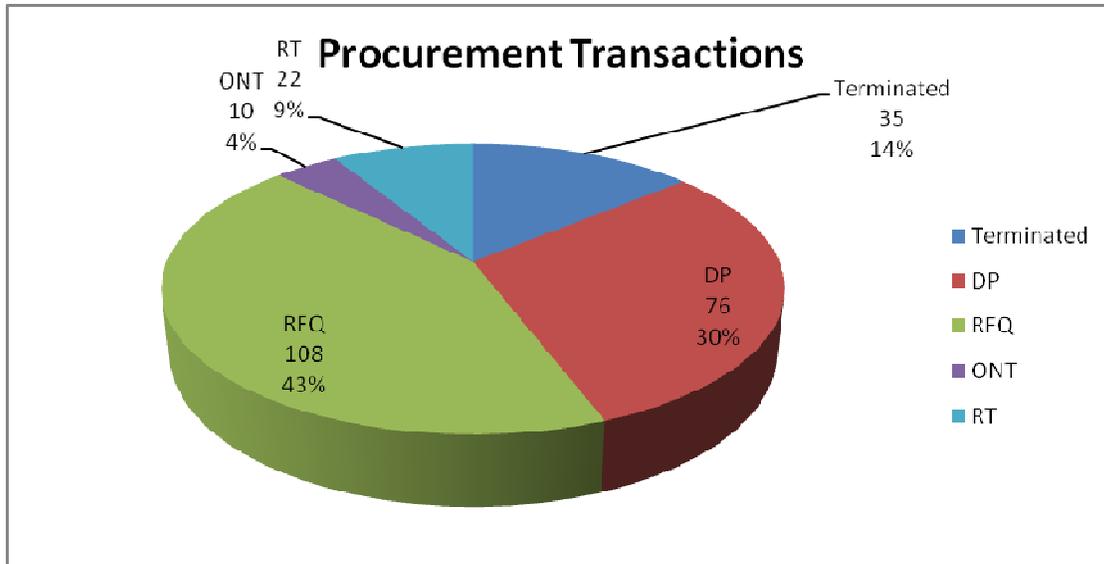
3.16.3. General Overview of Procurement Proceedings

Table 18: Total Number (excluding LVP) and value of procurement methods

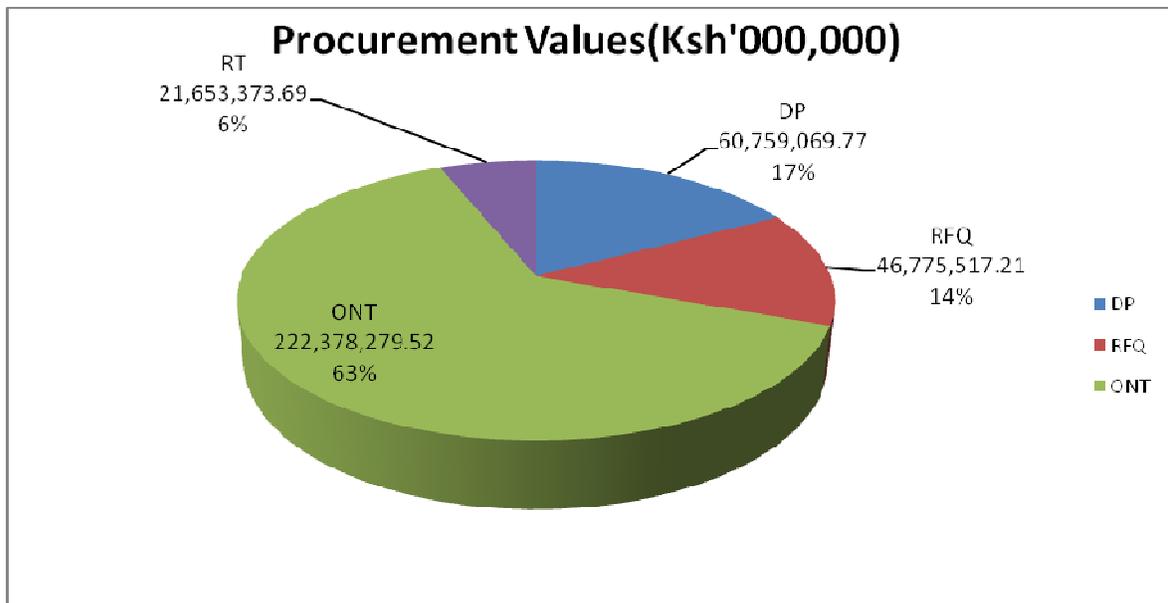
Procurement method	Number of Transactions	% transactions	Value of the Proceedings	% transactions
Terminated	35	13.94	-	
DP	76	30.29	60,759,068.77	17
LVP	-	-	3,605,142.80	-
RFQ	108	43.03	46,775,517.21	14
ONT	10	3.98	222,378,278.52	63
RT	22	8.76	21,653,372.69	6
TOTAL	251	100	351,566,237.19*	100

*Excludes value of KES 3,605,142.80 for LVP.

Procurement Method by Number of Transactions



Procurement Method by Value



- There is inadequate procurement data capturing; and
- Quotation is the main procurement procedure contrary to PPDA requirement - 13% of the total procurement expenditure for the period under review. The team observed that many common user goods and services currently being procured on RFQ takes a lot of the level of effort, currently standing at 43% of the transactions of the procurement proceedings;

Recommendations

- The PE should strengthen the process of collecting, collating classifying and analyzing procurement expenditure data with the purpose of reducing procurement

costs, improving efficiency and monitoring compliance. This will also impact in other areas such as inventory management, budgeting and planning, and service delivery. Procurement expenditure analysis can provide answers to such questions as:

- What was bought;
 - When was it bought;
 - With whom did we buy it; and
 - How much did we pay for it.
- The PE should adopt the use of framework contracting for the common user items in order to reduce the repeated use of RFQ for the common user goods and services in accordance with Framework Contracting Guidelines issued by PPOA on 18 June 2010; and
 - The PE should consider allotment techniques where large and complex procurement requirements may be segregated into smaller lots that are either bundles of similar supplies or lots permitting more competition.

Response

- *Framework contracting for the common user items will be introduced and communicated to the users.*
- *Allotment techniques will be introduced for large and complex procurement requirements.*

3.17. Preference and reservations

Findings

The PE has not applied program and mechanism on any procurement that would need the consideration of preference and reservations schemes.

Recommendations

The PE should apply preference and reservations as provided in Section 39 of the PPDA and Public Procurement and Disposal (Preference and Reservations) Regulations, 2011 where applicable.

3.18. Preparation of tendering documents

Findings

- The appropriate standard tender documents as prescribed in Section 29(4) of PPDA, Third Schedule of the PPDR and PPDGM are not being utilized by the PE in all procurement processes reviewed. The PE has not adopted most of the standard bidding documents as specified in the Third Schedule of the Regulations namely:
 - Procurement requisition form;
 - Application for adjudication of tenders/quotation;
 - Standard tender document for disposal;
 - Standard tender documents for management contracts;
 - Application for adjudication of tenders/quotation;

- The PE has utilized simple quotation form for construction project as opposed to PPDGM Chapter 7.5.; which, requires that for procurement of works the PE should use be comprehensive and adequate just in open tender;
- The tender documents used to issue restricted tender to the prequalified firms for Tender No.1/2008-2009 to Tender 15/2008-2009 were not the prescribed documents by PPOA; and,
- The review team acknowledged that most of the standard tender documents are presently under review by PPOA and that some existing documents do not conform to the present law. The PE should liaise with PPOA to agree how to handle the documents required by Regulations but not operational.

Recommendations

The PE should adopt the recommended standard bidding documents and procurement forms that are relevant to its procurement and disposal procedures, once the PPOA's revision of these documents and forms has been completed. In the cases of where the document is still in preparation by PPOA, the PE should liaise with PPOA and agree on the appropriate form to be used;

Response

Standard tender documents will be used

3.19. Advertisement of tender opportunities

Findings

- The PE has taken all reasonable steps to bring the invitation to open tender to the attention of those who may wish to submit tenders, in accordance with Section 54 of PPDA for procurement activities undertaken.
- For the ONT tenders reviewed, advertisements indicate the closing date and time, with an invitation to bidders to attend the bid opening.
- The advertisements are placed only once in the newspaper which is contrary to PPDA 54(2).

Recommendations

The PE should adhere to the PPDA and related regulations.

Response

The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.

3.20. Modification to tender documents

Findings

Quotation No. 131 for the construction of chapel had substantial modification after opening of quotation (scaling down of the works by KES 2,216,922). The decision to scale down was

initiated by the evaluation committee, notwithstanding that this was contrary to PPDA 62 (2). There was no evidence in the file to the effect that all those who participated were informed of the change and given a fair chance to re-quote.

Recommendations

PE should adhere to the PPDA and related regulations requirements.

Response

The Institute will engage a procuring agent to ensure that weaknesses in procurement areas are addressed.

3.21. Submission and Receipt of Bids

Findings

- There is a secure facility for the receipt of tenders provided at the designated tender location, with two locks with keys for each lock kept by a different officer;
- The Tender and Quotation boxes are not in an assessable place as they are hidden under the stair case;
- Opening of Tenders is carried out by the TC contrary to PPDA 60 (1) which requires that the Accounting Officer appoints a tender opening committee specifically for the procurement. The tender opening does not have at least one member not involved directly with the processing of the tender as per PPDA 60(1) (b) requirement;
- Tender opening minutes are prepared in accordance to PPDA 61(8);
- The tender opening procedures are not carried out in accordance with Section 60 of PPDA and PPDR 45 as the members do not initial in each tender, against the quotation of the price; and
- Quotations are not opened on the indicated closing date and in some instances are opened before the closing date or after their validity date.

Recommendation

The PE should adhere to the PPDA and related regulations.

Response

The Institute will engage a procuring agent to ensure that weaknesses in procurement areas are addressed.

3.22. Formation of Contracts

Findings

- The notification of awards to the selected tenderer do not give the 14 days window period as per PPDA 67(1), in one instance the PE gave 7 days (Quotation 131/09/10);
- The PE did not prepare formal contract agreements for the tenders/quotation in contravention of Section 68 (2 and 30) and Chapter 7(r) of PPDGM which states that for all procurement with the value of KES. 500,000.00 and above a written contract must be prepared to be signed by the procuring entity. Out of the procurements

proceedings only six signed contracts were provided to the team for the period under review. This has resulted in contractors varying their prices especially for food stuff as there is no contract tying them to the price quoted for a specific period and hence no recourse for the KIA requiring that the suppliers hold firm their quoted prices;

- Did not prepare and sign contracts for direct procurements contrary to PPDA 75(c).
- The PE does not record all advance payment or progress payments secured by the performance bond or bankers guarantee in procurement file; and
- Copies of liquidated security bonds were not filed in the procurement file; and
- Performance bonds were found to have been requested and but not filed in the procurement files.

Recommendations

Remedial action should be taken on all the identified deficient areas.

Response

The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.

3.23. Termination of Proceedings

Findings

There was no documented evidence that the termination of the following procurement proceedings which amounted to 14% of the total procurement proceedings were in accordance with Section 36 of the PPDA. No reasons for the termination were provided.

Table 19: Terminated Proceedings

	Quotation/Tender No	Item	Method
1.	43/09-10	Supply of E-Books for the Resource Centre	RFQ
2.	18/09-10	Supply of Shampoo Set Metallic	RFQ
3.	105/09-10	Quote for trimming of trees KIA	RFQ
4.	105/09-10	Quote for supply of Gas	RFQ
5.	107/09-10	Quote for the supply of Management Training Videos	RFQ
6.	108/09-10	Supply of Library Periodicals/Journals	RFQ
7.	109/09-10	Quote for supply of Library Text Books	RFQ
8.	86/09-10	Consultancy services for Job Evaluation and Analysis	RFQ
9.	102/09-10	Supply of Ice Cream	RFQ
10.	44/09-10	Supply of E-Journals for the Resource Centre	RFQ
11.	46/09-10	Quote for supply of Food Stuffs	RFQ
12.	47/09-10	Quote for supply, delivery, installation, testing and commissioning laser printer	RFQ
13.	48/09-10	Quote for provision of Group Life Cover for KIA pension scheme	RFQ
14.	48/09-10	Quote for provision of Group Life Cover for KIA pension scheme	RFQ
15.	49/09-10	Liquid soap heavy duty (multipurpose)	RFQ
16.	135/09-10	Quote for construction of nursery school as per BQ	RFQ
17.	80/09-10	Quote for relocating, installation, testing and commissioning of communication cabinet	RFQ
18.	172/08-09	Supply of Printers	RFQ

	Quotation/Tender No	Item	Method
19.	7/09-10.	Supply of printer Dot Matrix and Laser jet	RFQ
20.	26/9-10	Supply of printers	RFQ
21.	32/09-10	Request for proposal for Automation of Fixed Assets Register	RFQ
22.	33/09-10	Printing of KIA Envelopes, Brown with KIA Logo	RFQ
23.	39/09-10	Cost of washing & pressing (Laundry)	RFQ
24.	41/09-10	Printing of Christmas Cards	RFQ
25.	67/09-10	Quote for purchase of trees	RFQ
26.	110/09-10	Quote for supply of Library Management Software	RFQ
27.	111/09-10	Quote for supply of Library Books Detection Security System	RFQ
28.	112/09-10	Quote for supply of E-Books for KIA Resource Centre	RFQ
29.	113/09-10	Quote for supply of Library furniture	RFQ
30.	114/09-10	Quote for supply of E-Journals for the Resource Centre	RFQ
31.	115/09-10	Supply of Kitchen Tools	RFQ
32.	121/09-10	Supply of Dry Food Stuff	RFQ
33.	122/09/10	Quote for supply of Work Station Desk	RFQ
34.	1/2009-2010	Rehabilitation of Sewerage	ONT
35.	123/09-10	Quote for supply of dish clothes ,batteries and hand gloves etc	RFQ
36.	1/09-10	Sewerage Rehabilitation	ONT

- The PE did not give prompt notice of the terminations to each person who submitted a tender, or quotation as required by Section 36(2) of PPDA.
- The PE did not notify PPOA in writing on the termination as required by PPDA Sec 36(7) and PPOAs circular.

Recommendations

The PE should improve the reporting procedures on the following:

- Documentation of proceedings relating to termination of a procurement process or termination of a contract to ensure transparency as per the requirement of the PPDGM Chapter 2.6(a)(xx); and
- Report the terminated procurement proceeding to PPOA as per PPDA 36 (8).

Response

The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.

3.24. Notification to PPOA

Findings

The PE has not adequately notified PPOA of the following:

- All procurement contracts of KES 5,000,000.00 and above; and
- All disposals made to employees.

The following direct procurements were not reported to PPOA as set out in PPDR 62 (3) which provides that a procuring entity shall, within 14 days after notification of the award of

the contract, report any direct procurement of a value exceeding KES.500, 000.00 to the PPOA.

Table 20: Direct Procurements not reported to PPOA

	Item	Category	Amount in KES
1	Service of P/copier Machine/ supply of toner	Goods	894,599.20
2	Supply of toiletries	Goods	1,274,707.86
3	Supply of drinking Water	Goods	2,369,671.28
4	Supply of Soft Drinks/Sodas	Goods	907,991.04
5	Supply of cooking oil	Goods	554,948.00
6	Supply of juice	Goods	2,009,076.76
7	Supply of Soda	Goods	2,714,769.09
8	Supply of cooking Gas in Bulk	Goods	2,373,440.62
9	Assorted stationery/ furniture/hardware items	Goods	3,964,285.00
10	Supply of petroleum products	Goods	1,464,909.49
11	Supply of dry foodstuffs	Goods	2,356,847.10
12	Engraving of signs	Services	874,123.00
13	Supply of Electrical Items	services	917,923.00
14	Hospital Bills for Staff*	services	1,181,258.45
15	Hospital Bills for Staff*	services	2,413,501.00
16	Internet services	services	1,016,160.00
17	Supply of beef products/sausages	services	972,720.28
18	Catering & Accommodation services	services	2,940,576.00
19	External lecturers/facilitators (Resource Persons)	services	16,256,912.00
20	Travelling arrangements / Air ticket	services	734,244.40
21	Advertising space	services	913,510.10
22	Laundry services /dry-cleaning	services	524,653.73
23	Training- experiential learning sessions for participants	services	746,400.00
	Total		50,377,227.40

* Hospital Bills for staff was a negotiated contract after the cancellation of Tender KIA/12/2005-2006 with three hospitals i.e. Kenyatta Hospital, Aga Khan Hospital and Avenue Hospital in 2005. The review team was not provided with the minutes of the same.

- The PE did not report the 35 terminated procurement proceedings to PPOA in accordance with PPDA Section 36 (7);
- The Tuition Block Construction whose main works of value KES 209,497,019.76, which was over KES 5 Million, was not reported to the PPOA in accordance with PPDA Sec 46(2). The awards for tuition Block were as follows:

Table 21: Tuition Block Awards

Tender No.	Description	Value	Contractor
KIA-30/08-09	Proposed Erection and completion of Tuition Block-Main works	209,497,019.76	Marimo Construction
KIA-30/08-09	Consultancy services for Job Evaluation and Analysis	2,000,000.00	MINISTRY OF PUBLIC WORKS
KIA-31/08-09	Proposed Erection and completion of Tuition Block-Plumbing , Internal ,Drainage, Water reticulation and Fire fighting works-Sub contract	7,396,940.00	Mather & Platt Kenya Limited
KIA-32/08-09	Proposed Erection and completion of Tuition Block-Electoral installation works-	23,999,814.00	Ultimate Engineering limited

Tender No.	Description	Value	Contractor
	Sub contract		
KIA-33/08-09	Proposed Erection and completion of Tuition Block-Split Air Conditioning /ventilation system-Sub contract	1,620,000.00	Snowpeak Refrigeration and General contractors limited
KIA-34/08-09	Proposed Erection and completion of Tuition Block-Fire suppression works-Sub contract	1,432,600.00	Mather & Platt Kenya Limited
KIA-35/08-09	Proposed Erection and completion of Tuition Block-Lift Installation works -Sub contract	7,998,204.00	Schindler Limited
KIA-36/08-09	Proposed Erection and completion of Tuition Block-Structured cabling-Sub contract	5,645,140.00	Com 21 Ltd

- Tender KIA/15/2010-2011 for construction of Sewerage for KES 8,091,128.76 awarded on 7 May 2010 was not notified to PPOA

Recommendations

- The PE should notify PPOA of all the procurement and disposal directed by the PPOA or as set out in the PPDGM Chapter 3.6; and
- Care should be taken to ensure that communications sent to PPOA are received and acknowledged.

Response

The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.

3.25. Enquiries and Complaints Mechanism

Findings

The PE does not have documented systems and procedures for handling bid complaints and does not keep a complaints/protest log.

Recommendations

Introduce a documented systems and procedures for handling bid enquiries and complaints and keep a complaints/protest log.

Response

The Institute will ensure that advertisements of tender opportunities, modification of tender documents and submission and receipt of bids, formation of contracts, termination of proceedings, notification to PPOA, enquiries and complaints mechanisms and contract management procedures are complied with as per the Procurement Act.

3.26. Follow up of ARB decisions and recommendations.

Findings

There was no procurement taken to the review board for the period under review according to the Head of PU so the PE was not evaluated on this indicator.

3.27. Value for Money

Findings

The PE does not compare their prices for common user items with the PPOA Market Price Index. Although there was evidence that the PE carried out a market survey during the period of review, prices for some items were never the less higher than those recommended by PPOA.

Recommendations

Before any award, the TC, PC should ensure that the prices are comparable to market prices.

Response

Market prices are available. However, the Institute will enforce compliance before making any award.

3.28. Contract Management

Findings

The team observed the following weakness in contract management:

- There is no comprehensive contract register maintained by PU;
- There are no contract files maintained by the PE in accordance with PPDGM Chapter 9.3;
- The PE does not appoint the designated contract administrator in accordance with PPDGM Chapter 9.4; and
- Inception report for projects delivered not filed in the procurement file;

Recommendations

PU should enhance management and administration of procurement contracts as provided in Chapter 9 of the PPDGM.

Response

The Institute will engage a procuring agent to ensure that weaknesses in procurement areas are addressed

3.29. Inventory Management

Findings

The team examined the inventory management of the PE and observed that;

- The PE has a total no. of three staff in the stores; one in the warehouse, stationery and the Kitchen.
- The store rooms were clean and well ventilated
- The stores were automated hence no manual bin cards were maintained.
- Annual stock take was done by the Finance Department. However the report was not availed to the review team due to time limitation to ascertain its correctness.

Recommendations

Stock taking should be undertaken at least twice per year to assist the organisation in managing its inventories and reconciliation to the master inventory register.

Response

Stock take is normally done twice in a year. However, documentation systems will be improved to ensure that documents are readily available at all times

4.0 SPECIFIC FINDINGS

4.1 Supply of Rice Mwea Pishori

Procurement Method: Request for Quotation

Estimated value: Not available

Procurement requisition: Not available

Awarded to: CAPERINA ENTERPRISE

Contract amount: KES 1,975,000 (Total Purchase Orders paid by 24 November 2010)

Procurement initiation done on a monthly basis by Procurement

Back ground

- The item was initially included in the list of items to be prequalified under tender KIA 1/2008-2009.
- The short list for the tender was seven firms as per TC minute 31/2008-2009 of 22 October 2008. The firms short listed were as follows:
 - Dorman Ltd
 - Pisu & Co Ltd
 - Good Fare Stores
 - Rosal Catering Services
 - Ranam Investment Ltd
 - Zika General Merchants
 - New Westlands Stores Ltd
- A restricted tender was issued to the said firms on 24 November 2008 with a closing date of 9 December 2008; it was adjudicated on 6 January 2010 by the TC. The tender documents used were not as per the standard documents recommended by PPOA.
- The following firms submitted their quotation for Item No. 38 -Rice Mwea Pishori Quantity 15, 600kg

Table 22: Rice mwea pishori price comparison

Firm	Price	Total
Pisu & Company	135	2,106,000.00
Ranam Investment Ltd	100	1,560,000.00
New Westlands	150	2,340,000.00

- However item No. 38- Rice Mwea Pishori and No. 22- Juices were left out in the tabulation. The items were not adjudicated by the TC and no reason was given for eliminating the items for adjudication.
- Quotation No. 1/2009-2010 for 6000 kilogram of Rice Mwea Pishori was issued to the following firms:
 - Caperina Enterprises
 - Waring Suppliers Ltd
 - Horizon Distributors
 - Goldspike Co Ltd

Findings

- The firms were not in the TC approved list contrary to PPDR 25 (3) and PPDR 59 (b).
- No eligibility was performed on the firms to ascertain that they were qualified as per PPDA 31(a).
- The Quotation had a closing date of 16 July 2010 however it was opened before the closing date on 14 July 2010. **Two days before closing date.**

- The evaluation and award was done by procurement committee, the item was beyond the committees threshold as per PPDR first schedule.
- No evaluation committee was formed to undertake the evaluation as per requirement of PPDR 16(1).
- Notwithstanding that the item was beyond the Procurement Committee threshold, no minutes were prepared by the Procurement Committee but rather endorsed “Award to lowest” contrary to PPDR 15 (7)
- No contract was signed with the supplier as per PPDGM Chapter 7 which requires that for any procurement beyond KES 500,000.00 a contract be signed.
- The monthly BOM which acts as the requisition are raised, processed and received by PU contrary to PPDR 21 (3) requirement;
- The following are the awards based on Quotation 1/2009-2010 which was for 6,000 kilograms valued at 990,000.00

Table 23: Awards for rice Mwea Pishori

Purchase Order No	Date	GRN date	Payment Voucher	Kilograms	Price	Total (KES)
P002226	14/07/09	21/07/10	001663	1000	165	165,000
P002571	27/10/09	29/10/10	002103	1000	165	165,000
P002826	20/01/10	30/01/10	002360	1000	165	165,000
P002967	25/02/10	04/03/10	002487	1000	165	165,000
P003051	19/03/10	20/03/10	002595	1000	150	150,000
P003166	22/04/10	10/05/10	002713	1000	165	165,000
P003406	7 /07/10	01/07/10	002956	2000	150	300,000
P003607	23 /09/10	01/10/10	003249	2000	150	300,000
P003881	24 /11/10	31/12/10	003532	2000	150	300,000
Total				12,000		1,875,000

- The price awarded of KES 165 per Kilogram was way above the lowest quoted in Tender KIA/01/2008-2009;
- Wrong procurement method was used given that the total amount awarded so far is over KES 1,875,000.00 which is beyond the allowable amount for quotation as per the PPDR first schedule.
- Local Purchase Orders were awarded after the validity of thirty days had expired contrary to PPDGM Chapter 7.2 (y);
- Price variation from KES 160 to KES 150 was done after validity had expired contrary to PPDR 31(d);
- The PE was invoiced KES 165 for Purchase Order P003166 even after the supplier had communicated a price reduction. This resulted in over charge of KES 15,000.00.
- The quantity variation which is 100% is beyond the allowable of 10% as per PPDR 31(b);
- Purchase Order P003406 was raised (7 July 2010) after the GRN was raised (1 July 2010) which is an approval in retrospective contrary to PPDR 27 (2);
- The item is received in the stores by the warehouse staff as opposed to the IAC per PPDR requirement;
- There is no contract monitoring contrary to PPDGM Chapter 9.4; and
- If the item had been awarded to the lowest bid in response to KIA/01/2008-2010, which was KES 100 per Kilogram, the organization would have saved the following:

Table 24: calculations for over payments for Rice Mwea Pishori

Purchase Order No	Kilograms	Price	Savings (KES)
P002226	1000	165	65,000
P002571	1000	165	65,000
P002826	1000	165	65,000
P002967	1000	165	65,000
P003051	1000	150	50,000
P003166	1000	165	65,000
P003406	2000	150	100,000
P003607	2000	150	100,000
P003881	2000	150	100,000
Total	12,000		675,000

Recommendations

- The PE should use framework contracting procedures in such procurements
- Administrative action should be taken against the members of Staff involved in the mis-procurement;
- Before approving additional suppliers, the PU in conjunction with the User Department should conduct a supplier evaluation to ensure that the supplier is qualified and the same forwarded to TC for approval;
- The supplier should issue a credit note for KES 15,000.00; and
- The identified weaknesses in procedures should be addressed to conform to the Act and regulations.

Response

- *Framework contracting procedures will be implemented for indefinite procurements.*
- *Supplier evaluation is normally conducted and forwarded to the TC for approval.*
- *The Institute will engage a procuring agent to ensure that weaknesses in procurement areas are addressed.*
- *Investigation will be carried out on mis-procurement and action taken. The supplier will also be requested to issue a credit note for Kshs 15,000 after the investigation if found appropriate*

4.2 Construction of KIA Chapel- Quotation No. 131/2008-2010

Procurement Method: Request for Quotation

Estimated value- Ministry of Public Works: KES 16, 650, 000.00
(Ref: BD03/0274DW/VOL 1/8 dated 19 April 2009)
- Clerk of Works: KES 8, 331,156.88

Budgeted Amount: 3, 000,000.00

Procurement requisition: Not available

Awarded to: KINGORI CONTRACTORS KENYA

Contract amount: KES 5,434,045.60

Background

- The institute requested the Ministry to give estimates for the construction of Chapel and Nursery school;
- Vide Letter Ref: BD03/0274DW/VOL 1/8 dated 19 April 2009; the estimate for construction was provided which amounted to KES 16,650,000.00;

- From interview with staff (no documentary evidence) the amount was considered high, and the COW in his private capacity was requested to come up with estimates;
- On 27 May 2010, Quotation No. 131/2010-2011 was issued to eleven contractors with a closing date of 11 June 2010;
- The quotations were opened on 21 June 2010 (10 days after bid closure) as per the bid evaluation and comparison form as the quotations did not indicate the bid opening date;
- The quotation did not have any qualification criteria neither did it detail eligibility criteria. Only the bills of quantity were attached;
- Evaluation was done beyond the thirty days required by PPDA (From 11 June 2010 to 30 July 2010);
- The evaluation was done by the COW first as per his report dated 14 July 2010, and he took the evaluation committee through his evaluation as per MIN3/2010-2011 of the evaluation committee meeting of 30 July 2010;
- The lowest contractor at KES 7, 595,522.00 was disqualified since his variance was 8.83% below the COW estimate and that the roof and steel structure were below the MOW recommended rates. The COW further stated that the quotation was bottom heavy in pricing. The difference between second and first lowest bid was KES 55,446.00. The second lowest had a variance of 8.17%. (However, the review team was not provided with the COW priced bill of quantities to confirm this);
- The Evaluation Committee came up with the criteria of evaluation as per MIN3/2010-2011 of 30 July 2010 which was not detailed in the bidding documents;
- Evaluation committee formed a Bills of Quantity committee which was outside their jurisdiction with an aim of scaling down the quantities. The committee meet on 14 September 2010 and requested the COW to come up with a scale down report. The COW wrote to KIA TC detailing the areas where the bills of quantity will be reduced. He came up with a scale down of KES. 2,216,922.00;
- The contractor was notified of the award after the bid validity of 30 days (132 days after 11 June 2010);
- PPOA vide letter ref: PPOA. 4/30/79 Vol. 1(17) requested the review team to include the procurement in the sample;
- The works commenced in December 2010; and
- First payment was recommended by the COW on 10 February 2011; the certificate was prepared by the Contractor M/s Kingori Construction Kenya on 7 February 2011 and endorsed by the COW.



Chapel Construction as of 23 February 2011

Findings

- Whereas the Institute in its letter to PPOA has stated that they utilized restricted tender, this was not the case, as a RFQ was utilized;
- The eleven firms invited were not pre-qualified and approved by TC
- The procurement was not as per the PPDR threshold for quotation;
- The financial quotations were not initialled by the procurement committee that opened the quotations contrary to 60 (7) (b);
- The procurement method was not indicated in the procurement plan;
- No Procurement requisition was raised contrary to PPDR 22(1);
- No individual procurement plan was prepared contrary to PPDGM Chapter 6.5;
- No evaluation committee was appointed contrary to PPDR 16(1);
- The estimated value is beyond the approved budget contrary to PPDA 26 (3) (a). From interviews, the team was informed that the estimates are usually provided by the COW during the bid opening;
- The qualifications criteria used to evaluate the vendors was not indicated in the bidding documents and was introduced later contrary to PPDA 66 (2);
- The contract was prepared in December 2010 and counter signed on 7 December 2010 by the Chairman of KIA Council contrary to the role assigned to them under the Act, in particular approval of the Procurement Plan as set out under PPDR 20(5);
- Notification letter indicated seven days as opposed to 14 days as detailed in PPDA Sec 68 (2);
- No evidence that all those who participated in the bid were notified of the award contrary to PPDA 67 (2);
- The COW scaled down the works from KES. 8,156.88 to KES. 5,434,045.00 which was 29% & 27% variation from COW estimate and the recommended vendor respectively contrary to PPDA 62 (2). The bidding should have been repeated; and

- The certificate was prepared by the Contractor M/s Kingori Construction Kenya and endorsed by the COW contrary to Procurement Manual for Works Chapter 7.5 which requires that the payment certificate be prepared by the Project Manager.

Recommendations

- The Chairman of the Council should not be involved in the procurement processes carried out under the PPDA;
- Council members should not be involved in the procurement process. The Chairman and members of the Council should confine their role to that assigned to them under the Act, in particular approval of the Procurement Plan as set out under PPDR 20(5);
- The Institute should hire qualified professional consultants to undertake specialized procurement; and
- PE should seek professional advice preferably from MOPW concerning structural safety of the chapel being put up.
- Remedial action should be taken on all the identified deficient areas.

Response

There was a council resolution requesting the chairman to monitor and give issues raised on all construction works since he is an expert in the area of construction. The Institute also seeks professional advice from the MOPW on a regular basis.

4.3 Supply of 54 Bed Divan and Mattresses Orthopaedic - Quotation No. 34/2009-10

Procurement Method: Request for Quotation

Estimated value: Nil

Budgeted Amount: Nil

Procurement requisition: Not available (Review team was informed that the demand arose from a group delegates on training)

Awarded to: SLUMBERLAND KENYA LTD

Contract amount: PV 002502- KES 1,128, 396.75
PV 002742- KES 999,000. 00

1st Procurement

- The quotation did not have any technical evaluation criteria, physical visit requirement, eligibility criteria; neither did it detail eligibility criteria. It required bidders to only quote for Bed Divan and Mattresses Orthopaedic and the size. Not all vendors were requested to attach brochure, Visage and Office Centre were not requested;
- Both expenditures were not in the budget;
- The procurement were split contrary to PPDA 30(1);
- Evaluation was done beyond the thirty days required by PPDA (From 12 November 2010 to 14 December 2010);
- Evaluation and award was done when the quotation was not valid;
- No evaluation committee was appointed for the procurement but the procurement committee appointed a physical visit team;

- The evaluation members (physical visit team) included a TC member contrary to PPDR 16(3);
- There was no evidence that the PE undertook evaluation of the suppliers to ascertain that the suppliers met all the qualifications to be awarded contracts in accordance with Section 31 of the PPDA;
- The physical visit team utilized criteria which were not in the bid documents such as:
 - Attachment of brochure
 - Viewing of sample
 - Conformity with sample features
 - Divan bed
 - Headboards quality of workmanship
 - Suitability of beds leg movement
 - Density/firmness of the mattress
 - Any other desirable features
- Specifications given in bid document were contrary to PPDA 34(3); the criteria used to evaluate was contrary to PPDR 16 (5) (a). The physical visit to the firms was not indicated in the bid documents;
- The physical visit team realized that the size specifications given in the bid document was wrong and recommended that two firms be requested to quote based on the new specifications. The re-quote forms were not provided to the team.
- The TC in MIN 144/2009-2010 requested one of its members who was also in the evaluation team to visit the firm and confirm the prices in the shop floor. The member went and got a quotation from the firm and sent it to the TC. This is contrary to PPDR 16(8) which states that under no circumstances may any member of an evaluation committee enter into direct communication with any of the tenderers participating in a tender or proposal that such evaluation committee is considering.
- There is no evidence that the TC met to deliberate on the new prices given which were 50% lower than the quoted price. Purchase Order No. P0002730 was prepared the same day and delivered by the said staff. The negotiation was not as per the guidelines, which do not allow for negotiation for the specific procurement method used, it was also conducted by one staff. The item was also not awarded by the TC;
- The PU did not take appropriate action as recommended in PPDR 61 (2) and (3) which indicates that if PU is of the view that the successful quotation is higher than prevailing market price; the PU shall reject the quotations and call fresh bids; and
- No contract was created for the procurement proceedings as set out in PPDGM Chapter 7.5(r) which states that for all procurement with the value of KES. 500,000 and above a written contract must be prepared to be signed by the procuring entity.

2nd Procurement

On 15 April 2010 as per memo from Mr. Hilary Mburu, the Director directed that the Manager visits Slumberland and negotiate for another 54 Devan bed and Mattresses set. A quotation from the firm was sent to the Institute on 19 April 2010 and a Purchase Order No. P0003165 was raised on 21 April 2010. This additional procurement for KES. 999,000.00 was neither budgeted, nor referred to the TC. This amounted to split procurement and was a furthermore direct procurement. This being the case it was not reported to PPOA in accordance with the PPDR 8 (3) (s) and 62 (3).

Recommendations

- The Institute should not undertake procurements not budgeted for as per PPDA 26 (6).
- No procurement within the TC should be undertaken without written award.

- PE should prepare written contracts for all procurement proceedings with value of KES 500,000 and above.
- Remedial action should be taken on all the identified deficient areas.

Response

The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.

4.4. Constructions Works

4.4.1. Quotation No. 60/-09-10 - renovations to washrooms at Wamalwa and Sawe Hostels

Procurement Method: Request for Quotation

Estimated value: KES 1, 093,300.00

Budgeted Amount: Nil

Procurement requisition: Not available

Awarded to: METRO MECH LTD

Contract amount: KES 968,899.98

Findings

- BOQ were defective as they had overstated the number of washrooms;
- The firms invited were not pre-qualified and approved by TC;
- The procurement was not budgeted for;
- No Procurement requisition was raised contrary to PPDR 22(1);
- No individual procurement plan was prepared contrary to PPDGM Chapter 6.5;
- The qualifications criteria used to evaluate the vendors was not indicated in the bidding documents and was introduced later contrary to PPDA 66 (2);
- No evaluation committee was appointed contrary to PPDR 16(1);
- Evaluation was done beyond the quotation validity period.
- No contract was prepared as per PPDGM Chapter 7.5 (r) which requires for procurements above KES 500,000.00 a written contract; and

Recommendations

- The Institute should not undertake procurements not budgeted for as per PPDA 26 (6);
- KIA should engage services from qualified registered professional or utilize the PU of another PE to carry out the procurement in accordance stipulation of PPDA 27 (5);
- Remedial action should be taken on all the identified deficient areas.

Response

The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.

4.4.2. Tender No. KIA- 30/2008-2009 Construction of Tuition Block

Procurement Method: Open International Tender

Estimated value: Not Available

Budgeted Amount: KES 163,000,000.00

Procurement requisition: Not available

Awarded to: Marimo Construction for the main Works

Contract amount: KES 209,497,019.76

For the sub contracts refer to Table 21: Tuition Block Awards

Findings:

- Works commenced on 1 July 2009.
- The advertisement was placed in the newspaper once as opposed to the requirement of PPDA 54(2) to advertise at least twice.
- A council member was involved in the procurement process in examining the estimates provided by MOPW, evaluation report, site meetings and site inspections.
- The approved budget by the parent ministry was KES 163,000,000.00, while the works were estimated to be over KES 200,000,000.00. The team was not availed documents to show that the Institute had sufficient funds budgeted for the Construction as PPDA 26 (6).
- There are no individual procurement plan for the procurement which was complex and specialized in nature as set out in Chapter 6 sub-section 6.5 of the PPDGM ;
- The evaluation team was appointed by the Ministry of Works contrary to PPDR 16(1) requirement that it is appointed by the Accounting Officer of the Procurement Entity. There was no evidence that KIA had delegated the Authority to appoint.
- The evaluation committee communicated directly with the tenderers who participated contrary to PPDR 16 (8).
- The evaluation for Electrical and Mechanical sub contract took more than 30 days i.e. from 29 April to 23 June 2009.
- The TC did not invite observers as per the requirement of PPDR 12 (8).
- There was a fraudulent activity of double payment to the Main Contractor of KES 9, 995, 687.30 in September/November 2009. This was discovered in January 2010 and referred to relevant authorities. The contractor accepted that indeed there was double payment and agreed to the amount be recovered from future payments. The staff concerned resigned. The Anti Bank fraud wrote to the Institute to the effect that the Criminal Investigation department had closed the file as there was no sufficient evidence to prefer criminal charges. The Institute has referred the case to Kenya Anti Corruption Commission.
- Amount of KES 2,000,000.00 which was included in the BOQ as a Training component line item was paid directly to the MOPW. This component should not be included in the bid since it is not procurement as per PPDA 4 (2) (c).
- The contract period has been extended from 52 weeks to 88 weeks by 26 February 2011. By 2 March 201, the project had not been handed over. There were two extension as follows
 - First extension from 1 July 2010 to 30 September 2010.
 - Second Extension from 30 September 2010 to 25 November 2010.

This amounted to a 21 weeks extension (40% variation) which was not referred to the TC as per PPDA 47 (a) but was rather accepted by project manager.

- Liquidated damages were not applied from 25 November 2010. (Letter to the contractor to this effect not availed to the team); and
- No contract amendment was prepared and signed as per the Procurement Manual for Works Chapter 7.9 which requires that any amendment for costs, time periods and other terms must be confirmed in a formal contract amendment or addendum.

Recommendations

- The Institute should not undertake procurements not budgeted for as per PPDA 26 (6);
- Remedial action should be taken on all the identified deficient areas.

Response

The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.

4.4.3. Quotation No. 76/-09-10 – Masonry water works

Procurement Method: Request for Quotation

Estimated value: KES 1, 006,232.72

Budgeted Amount: Nil

Procurement requisition: Not available

Awarded to: MUNCHEN GENERAL CONSTRUCTION

Contract amount: KES 926,480.00

Findings

- BOQ, evaluation and prepared and signed the completion certificate done by the COW in his private capacity;
- The firms invited were not pre-qualified and approved by TC;
- The procurement was not budgeted for;
- No Procurement requisition was raised contrary to PPDR 22(1);
- No individual procurement plan was prepared contrary to PPDGM Chapter 6.5;
- The qualifications criteria used to evaluate the vendors was not indicated in the bidding documents and was introduced later contrary to PPDA 66 (2), which was used to disqualify the first and second lowest vendors;
- No evaluation committee was appointed contrary to PPDR 16(1);
- No contract was prepared as per PPDGM Chapter 7.5 (r) which requires for procurements above KES 500,000.00 a written contract.

Recommendations

- *The Institute should not undertake procurements not budgeted for as per PPDA 26 (6);*
- *KIA should engage services from qualified registered professional or utilize the PU of another PE to carry out the procurement in accordance stipulation of PPDA 27 (5);*
- *PE should prepare written contracts for all procurement proceedings with value of KES 500,000 and above.*
- *Remedial action should be taken on all the identified deficient areas.*

Response

The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.

4.4.4. Tender KIA 15/2010-2011 Rehabilitation of sewerage treatment plant

Procurement Method: Open International Tender

Estimated value- KES 9,776,450.00

Budgeted Amount: KES. 5,000,000.00

Procurement requisition: Not available

Awarded to: Nga-Con Building & Civil Engineering Contractors

Contract amount: KES 8,091,128.76



Rehabilitation of the Sewerage System as of 23 February 2011

Findings

- The Re-Advertisement was placed in the newspaper once as opposed to the requirement of PPDA 54(2) to advertise at least twice.
- The approved budget by the parent ministry was KES 5,000,000.00 for sewage rehabilitation and biogas production, while the works were estimated to be KES 9,776,450.00. The team was not availed documents to show that the Institute had sufficient funds budgeted for the Construction as PPDA 26 (6).
- There are no individual procurement plan for the procurement which was complex and specialized in nature as set out in 6 sub-section 6.5 of the PPDGM;
- The evaluation team was appointed by the Ministry of Works contrary to PPDR 16(1) requirement that it is appointed by the Accounting Officer of the Procurement Entity. There was no evidence that KIA had delegated the Authority to appoint.
- The evaluation for took more than 30 days i.e. from 25 March to 10 May 2010.

- The contract period was 8 weeks. The works were extended once for eight weeks up to 22 October 2010, however by the project had not been handed over 2 March 2010. The extension was not referred to the TC as per PPDA 47.
- No contract amendment was prepared and signed as per the Procurement Manual for Works Chapter 7.9 which requires that any amendment for costs, time periods and other terms must be confirmed in a formal contract amendment or addendum.

Recommendations

- The Institute should not undertake procurements not budgeted for as per PPDA 26 (6).
- Remedial action should be taken on all the identified deficient areas.

Response

- *We will request the Ministry of Public Works to advice on the progress of the chapel and the sewerage works.*
- *The Institute is intending to outsource a procurement agent to carry out the procurement activities.*
- *The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.*

4.4.5. Construction of car park

Documents for the construction of the car park whose estimate as per MOPW was KES 14,000,000.00 were not availed to the review team.

Recommendations

- The PE should not undertake procurements not budgeted for as per PPDA 26 (6).
- KIA should engage services of qualified registered professionals or utilize the PU of another PE to carry out the procurement in accordance to the act as stipulated in 27 (5).
- Remedial action should be taken on all the identified deficient areas.

Response

The Institute will engage a procuring agent to ensure that procurement procedures are adhered to. This includes not procuring items that are not budgeted for and preparing written contracts for all procurement proceedings with value of more than Kshs500, 000.

5. COMPLIANCE RATING

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
1.	Functions of Accounting Officer (1)	The AO is carrying out his responsibilities under Section 27 (2) of the PPDA and has ensured that the procuring entity fulfils its obligations by ensuring that all provisions of the PPDA, the PPDR and directives of PPOA are complied with		2			3	2
2.	Functions of Procurement Unit (3)	The key procurement officials have professional qualifications in procurement and supply management from a recognised institution.		2			9	6
		The Head of Procurement Unit and key staff with procurement responsibilities have received training in PPDA, PPDR, and General Manual.				0	9	0
		The key procurement officials are members of a recognised institute of purchasing and supply.				0	9	0
		The functions of the Procurement Unit as set out in Regulation 8 of the PPDR are satisfactorily complied with		2			9	6
3.	Functions of Tender Committee (3)	Tender Committee is established in accordance with PPDA and PPDR and holds regular meetings with minutes that conform to Regulation 12	3				9	9
		The functions of the Tender Committee as set out in Regulations 10 of the PPDR and Chapter 4.5 of the PPDGM are satisfactorily complied with.			1		9	3
		The approvals by Tender Committee conform to Regulation 11.		2			9	6
4.	Functions of Procurement Committee (3)	Procurement Committee is established in accordance with Regulation 13 and holds regular meetings with minutes that conform to Regulation 15		2			9	6
		The functions of the PC as set out in Regulations 14 of the PPDR and Chapter 4.4 of the PPDGM are satisfactorily complied with.			1		9	3

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
		The PC has submitted quarterly reports to the Tender Committee on contracts it has awarded				0	9	0
5.	Functions of the Disposal Committee (3)	The Disposal Committee is established in accordance with Section 128 and holds regular meetings with minutes.				0	9	0
		The functions of the Disposal Committee as set out in the PPDA, PPDR and Chapter 12 of the PPDGM satisfactorily complied with.				0	9	0
6.	Functions of Evaluation Committees (3)	Evaluation committees have been appointed as and when required within the threshold of the Tender Committee				0	9	0
		The evaluation committees have undertaken technical and financial evaluation of tenders or proposals strictly in accordance with the compliance and evaluation criteria set out in the tender documents			1		9	3
		No person has been appointed to serve in the evaluation committee if that person is a member of the Tender Committee of the procuring entity				0	9	0
		Each member of the technical evaluation committee has evaluated independently from the other members prior to sharing his or her analysis in accordance with Regulation 16 (6)				0	9	0
		Evaluation committees have prepared a report analysing the tenders received and final ratings assigned to each tender and submitted the report to the Tender Committee in accordance with Regulation 16 (9)		2			9	6
		Tender evaluation has been completed within 30 days of tender opening (with a further 5 days allowed where there is separate financial evaluation)		2			9	6
7.	Functions of Inspection and Acceptance	The Inspection and Acceptance Committee has been established and undertakes its functions in accordance with Regulation 17 of PPDR and Chapter 4.7 of the PPDGM and makes appropriate use of quality assurance organisations or			1		9	3

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
	Committee (3)	specialists where appropriate.						
8.	Systems and procedures for implementation of the procurement law and regulations (3)	There are comprehensive and written operational procedures and systems which are updated regularly, setting out how the PPDA, PPDR and directives are being implemented in the PE, as stipulated in Section 26(1)			1		9	3
		The Head of the Procurement Unit is generally aware of updated publications, directives, manuals, and standard documents prepared and distributed by PPOA			1		9	3
		The procurement publications are in a central location within the PE that is accessible to all persons who want to refer to them, as provided in Chapter 1.8 of the PPDGM				0	9	0
		Manuals including the PPDGM and guidelines are available to all persons involved in procurement related functions				0	9	0
9.	Threshold matrix and segregation of responsibilities (3)	The threshold applied conforms to Section 26 of PPDA and the category determined by Gazette Notice No. 719 of 24 January 2007 and the First Schedule of Regulations.			1		9	3
		The person responsible for procurement initiation for each procurement method and threshold is as provided for in the First Schedule of the PPDR			1		9	3
10.	Record keeping of the procurement activities (3)	Adequate and comprehensive procurement records are maintained in accordance with relevant provisions of PPDA, PPDR and the Procurement Records Management Procedures Manual throughout the procurement process and provide sufficient information to enable an audit or independent review				0	9	0
		The procuring entity maintains a comprehensive and individual file for each procurement requirement containing all information, documents and communications relating to that procurement proceeding with such files being marked with the relevant procurement reference number.				0	9	0
11.	Procurement	All procurements have been undertaken within the approved			1		9	3

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
	planning (3)	budget of the procuring entity and have been planned by the procuring entity through an annual procurement plan, as stipulated in Section 26 of PPDA						
		The Heads of User Departments have submitted annual departmental plans to the General Manager at least thirty days before the close of each financial year as stipulated in Regulation 20 (4)		2			9	6
		Where appropriate every significant procurement has an individual procurement plan in accordance with Chapter 6.5 of PPDGM				0	9	0
		All procurements are undertaken on the basis of the consolidated procurement plan which is regularly updated and linked to the approved budget of the procuring entity and approved by the Head of the procuring entity and where applicable by the board of directors or a similar body				1	9	3
12. Purchase requisition (2)		Each procurement proceeding is initiated using an official procurement requisition form containing all necessary information pertaining to the procurement in accordance with Regulation 22			1		6	2
		The purchase requests are generated from the consolidated procurement plan			1		6	2
13. Prequalification and registration of suppliers (3)		There is a standing list of registered suppliers prepared in accordance with Regulation 8 (3) (a)			1		9	3
		Prequalification for works, goods and services of complex and specialized nature is carried out in accordance with the procedures in Section 32 and Regulations 23-25 and the PE has ensured that tenders are sent to all pre-qualified suppliers and contractors			1		9	3
		Qualification to perform a contract is determined based on possession of the necessary qualifications, capability, experience, resources, equipment and facilities to provide		2			9	6

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
		what is being procured						
		The PE has ensured a fair and equal rotation amongst the persons on the standing list of registered suppliers in respect of requests for quotations, as required by Regulation 59 (2) (c).			1		9	3
14.	Specifications (3)	The procuring entity uses clear, objective, neutral and functional or technical specifications and in accordance with Section 34			1		9	3
15.	Choice of procurement method (3)	Open tendering is the main procurement procedure as stipulated in Section 29			1		9	3
		Alternative procurement methods used by the PE are chosen in accordance with the criteria in Part VI of the PPDA				0	9	0
		Procurements are not split to evade the appropriate procurement method, in accordance with Section 30		2			9	6
16.	Preference and reservations (3)	The PE has applied preferences and reservations in accordance with Section 39 and Regulation 28 and any Guidelines which may be issued				0	9	0
17.	Standard Tendering Documents (3)	The prescribed procurement documents are used in accordance with Section 29 (4), Regulation 33 and the Third Schedule of the PPDR				0	9	0
18.	Advertisement of tender opportunities (3)	The procuring entity has taken such steps as are reasonable to bring the invitation to tender to the attention of those who may wish to submit tenders, in accordance with Section 54	3				9	9
		Advertisements indicate the closing date, and time, with an invitation to bidders to attend the bid opening	3				9	9
19.	Modifications to tender documents (2)	Any modification to tender documents are set out in an addendum which is promptly provided to each person who obtained the tender documents, as required by Section 53 (3)				0	9	0
20.	Submission and receipt of	A secure facility for the receipt of tenders has been provided at the designated tender location, with two locks with keys for		2			6	4

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
	bids (2)	each lock kept by a different officer and box remaining locked until the time for tender opening.						
		Tender opening procedures are carried out in accordance with Section 60 and Regulation 45		2			6	4
21.	Formation of contract (2)	Notification of acceptance of tender is given to successful and unsuccessful tenderers in accordance with Section 67			1		6	2
		Written contract is entered into in accordance with Sections 68-70			1		6	2
		Bond security released and recorded in procurement file				0	6	0
		Performance bond raised and recorded in procurement file				0	6	0
		Any advance payment is adequately secured by the performance bond or bankers guarantee and recorded in procurement file			1		6	2
22.	Termination of proceedings (2)	Any termination of procurement proceedings has been carried out in accordance with Section 36 and approved by the Tender Committee				0	6	0
23.	Notification to PPOA (1)	Notification is provided to PPOA of contracts over KES 5 million			1		3	1
		Direct procurement over KES 500,000.00				0	3	0
		Termination of procurement proceedings				0	3	0
		Disposals to employees				0	3	0
24.	Enquiries and Complaints mechanism (1)	There are systems and procedures for handling bidders' enquiries and complaints				0	3	0
25.	Follow up of ARB decisions and recommendations (2)	The PE has taken adequate remedial action on any ARB decisions and observations made following appeal	N/A	N/A	N/A	N/A	N/A	N/A
26.	Value for	The PE has sought to maximize economy and efficiency and		2			9	6

Item	Performance Indicator	Indicates aspect of the procurement	Scores				Max Score	Actual Score
			3	2	1	0		
	money (3)	to obtain value for money in its procurements						
		The PE has compared prices of common user items with the PPOA price index and Supplies Branch long-term contracted prices, where appropriate, and has procured standard goods, services and works with known market prices at the prevailing real market price, as required by Section 30 (3)				0	9	0
27.	Contract management (2)	Contract management, including amendments and variations, is carried out in accordance with Section 47, Regulation 31 and Chapter 9 of the PPDGM				0	6	0
Total							495	153

N/A –the function was not evaluated hence maximum score netted off the overall rating.

Compliance level $153/495 * 100 = 31\%$

6.0 ACTION PLAN

	TASK	BY	TIMELINE
1.	Implement all recommendations of previous reviews and audit reports on matters relating to compliance with PPDA and PPDR	AO/PU	31 st October, 2011
2.	The PE should upgrade the filing systems and records management to conform to the provisions of Section 45, PPDR 34(3), PPDGM and Procurement Records Management Procedures Manual. Where possible the record keeping system should be computerised.	AO/PU	31 st October, 2011
	PE should ensure that for any new procurement proceeding, a file is opened in accordance to PPDA requirements.	AO/PU	1 st August, 2011
3.	Prioritise their training to include the following: <ul style="list-style-type: none"> • Sensitization of new personnel of the PE including senior management involved in the initiation and approval of procurement processes in requirements of the procurement law and regulations; and • Advanced training to improve skills of senior procurement practitioners in specialized aspects of procurement for those involved in procurement management. • Specialized training on specific aspects including Works and Framework Contracting 	AO/PU	31 st October, 2011
4.	PU should improve on the deficient areas identified in PU functions	PU	31 st October, 2011
5.	TC should improve on all identified deficient areas of its functions and ensure that its undertakes its functions in accordance with Regulations 10-12 and PPDGM	PU/TC	31 st October, 2011
6.	PC should improve on all identified deficient areas of its functions and ensure that its undertakes its functions in accordance with Regulation 13 and PPDGM	PU/PC	31 st October, 2011
7.	Evaluate all tenders within the time limits set out in the Regulations	PU/TC	1 st August, 2011
8.	PU to update consolidated procurement plan regularly	PU	31 st October, 2011
	Prepare individual procurement plans as provided in the PPDGM Chapter 6	PU	31 st October, 2011
9.	PE to ensure that the purchase requisitions forms are developed and used by all user departments.	PU	1 st August, 2011
10.	PE should appoint Disposal Committee that undertakes all functions as set out in the Section 128(2). PPDR 92, PPDR 8(3) (p-q) and PPDGM.	AO	1 st August, 2011
11.	The PE should finalize the exercise of prequalifying firms	AO/PU	1 st August, 2011
12.	Engage the services of a qualified registered professional for the on-going construction works	AO	1 st August, 2011
13.	The Accounting Officer should ensure that the PU is	AO	31 st October, 2011

	TASK	BY	TIMELINE
	manned by a qualified procurement personnel as per PPDA 26 (8)		
14.	Open individual disposal files for each disposal activity	PU	31 st October, 2011
15.	For all procurements that fall within the threshold of the TC, KIA should establish an evaluation committee for the purposes of carrying out the technical and financial evaluation of the tenders or proposals in accordance to the criteria set out in the tender documents and conform to the requirements of the Regulation 16. Prepare evaluation reports and retain copies in the procurement and TC files	AO/PU	1 st August, 2011
16.	Undertake a fair and equal rotation amongst the persons on the standing list of registered suppliers in respect of requests for quotations, as required by Regulation 59 (2) (c).	PU	31 st October, 2011
17.	The PE should ensure that the procurement publications are in a central location that is accessible to all persons who want to refer to them, as provided in Chapter 1.8 of the PPDGM	PU	31 st October, 2011
18.	Develop systems and procedures that will produce measurable value for money in the procurement systems	PU	31 st October, 2011
19.	Compare prices of common user items with the PPOA price index where appropriate	PU	31 st October, 2011
20.	Prepare procurement and supplies manual and initiate consultation with PPOA to ensure that it conforms to the requirements of the PPDA and PPDR.	PU	31 st October, 2011
21.	Develop interim certificates that conform to the requirements of the PPDA and PPDR, to be certified by the Inspection and Acceptance Committee members after inspection of the complex goods, works and services. No payment should be made without the Certificate.	PU	31 st October, 2011
22.	Introduce documented systems and procedures for handling bid complaints and keep a complaints/protest log for providing necessary information internally as well as to all interested stakeholders	AO/PU	31 st October, 2011
23.	Introduce the use of preference and reservations schemes as provided in the PPDA whenever need arises	AO/PU	31 st October, 2011
24.	Submit all notification reports for procurement and disposal proceedings to PPOA as required by the PPDA, PPDR, and directives from PPOA.	AO	31 st October, 2011

CONCLUSION

We have reviewed procurement functions and procedures to verify whether they conform to the Public Procurement and Disposal Act 2005 and the related regulations. We have also assessed whether the functions comply with generally accepted good practices. We have identified deviations in general areas and procurement stages and attached ratings to them.

The review team identified the following challenges faced by KIA in respect of the implementation of the procurement law and regulations:

- Inability to translate procurement law and regulations into everyday language, so that management sees and understands the impact to their compliance; and
- Lack of operating ICT systems and applications covering all aspects of procurement;
- Insufficient training in procurement law for the persons involved in the procurement related functions.

We have included an action plan for follow-up in our recommendations to ensure that the corrective measures are carried out in order to improve compliance, efficiency, and effectiveness in procurement management.

We are pleased that the Kenya Institute of Administration management welcomed the review exercise as a mechanism to identify and address any shortcomings and weaknesses in the compliance with Act and associated regulations.

Overall, KIA has demonstrated an unsatisfactory compliance at 31% (against the expected of 60%) with relevant PPDA, and the regulations and guidelines in respect of sampled procurement transaction.

Although KIA has taken a number of substantial steps to comply with the provisions of the procurement law, there remain a number of issues that need to be addressed. The issues raised are important and warrant immediate attention by the procuring entity.

APPENDICES

7.1. Appendix 1: Reconstructed Procurement Proceedings

SUMMARY OF ALL PROCUREMENT PROCEEDINGS FOR PERIOD 01 JULY 2009 TO 30 JUNE 2010

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
19/09-10	Service of P/copier Machine/ supply of toner	DP	Goods	894,599.20	Mfi Office Solutions
	supply of petroleum products	DP	Goods	1,464,909.49	Total K.Ltd
	Stationery- p/copy papers	DP	Goods	58,000.00	Addsales Ltd
	Stationery	DP	Goods	54,780.00	Advatech Office Supplies Ltd
	Odour Neutralizer- sewage	DP	Goods	101,700.00	Africa Bio Products Limited
	Stationery-polythene bags/ packing	DP	Goods	188,536.08	Asami Limited
	Supply of fax machine and toner	DP	Goods	43,456.00	Bell Atlantic Communication
	Supply of paving slabs/ outdoor benches	DP	Goods	96,750.84	Bilco Engineering Ltd
153/08-09	Supply of Pump for the Borehole	DP	Goods	146,208.00	Biselex Kenya Ltd.
	Repair of Lawn mowers	DP	Goods	154,637.62	Car & General (Trading) Ltd
	supply of toileteries/	DP	Goods	1,274,707.86	Chandaria Industries Ltd
	supply of drinking Water	DP	Goods	2,369,671.28	Crown Foods Ltd.
	supply of laundry detergents	DP	Goods	249,179.65	Ecolab East Africa(K) Ltd
	Supply of Soft Drinks/Sodas	DP	Goods	907,991.04	Gachumi Investments
	Supply of Methylated Spirit	DP	Goods	459,648.00	Kangaroo Brands Limited

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Supply of cooking oil	DP	Goods	554,948.00	Kapa Oil Refineries Ltd
	Supply of fittings	DP	Goods	303,914.00	Kenyan Drapers Ltd
	Supply of juice	DP	Goods	2,009,076.76	Kevian Kenya Limited
	Supply of Soda	DP	Goods	2,714,769.09	Leonard Kamau
	Supply of cooking Gas in Bulk	DP	Goods	2,373,440.62	Libya Oil Kenya Ltd
	Assorted stationery/ furniture/hardware items	DP	Goods	3,964,285.00	Nakumatt Holding Ltd
	supply of chicken capon	DP	Goods	381,220.00	Pricilla Mworia
	Supply of Hostel soaps	DP	Goods	454,763.13	Pz Cussons East Africa Ltd
	Supply of Stationery	DP	Goods	251,400.00	Seal Honey Limited
	supply of electrical items	DP	Goods	39,718.40	Sollatek Electronics K Ltd
	Supply of fuel	DP	Goods	50,789.94	Spring Valley Fuel Service Centre Ltd
	Repair of vehicles	DP	Goods	58,000.00	Stantech Motors
	Supply of plastic cups	DP	Goods	487,490.00	Techpak Industries Limited
	Supply of building tiles	DP	Goods	66,000.00	Tile & Carpet Center
	supply of dry foodstuffs/sugar	DP	Goods	195,964.30	Tusker Mattresses Limited
	Supply of dry foodstuffs	DP	Goods	2,356,847.10	Uchumi Supermarkets
	Printing services	DP	Goods	97,525.00	Zakuna Printers Ltd
	supply of flowers	DP	Goods	84,600.00	The Wedding &Floral Designs
	Hire of transport	DP	services		Budget Rent/Payless Car Hire

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	services			205,521.84	
	Internet services	DP	services	1,016,160.00	Communications Solutions Ltd
	Cleaning services- hostels	DP	Services	111,746.65	Hygiene Maintenance Services
	Repairs of Laundry Equipments	DP	services	394,209.76	Philoke Electronics
	Maint of accounting system Pastel	DP	services	139,200.00	Pinnacle Intergrated Technologies Ltd
	Engraving of signs	DP	Services	874,123.00	Dolphin Signs
	Supply of Electrical Items	DP	services	917,923.00	Mborenjo Enterprises
	Hire of transport services	DP	Services	74,000.00	Aardwolf Afrca Adventure Safaris
	Health insurance for Director	DP	Services	101,988.90	African Air Rescue
	Hospital Bills for Staff	DP	services	1,181,258.45	Aga Khan University Hospital
	Hire of tents/chairs/décor	DP	Services	74,790.00	All Seasons Tents T/A Hellen W. Njanjo
	Hospital Bills for Staff	DP	services	2,413,501.00	Avenue Healthcare Ltd
	Hire of Public adress S.	DP	services	34,800.00	Bigger Sounds Promotions (K) Ltd
	repairs of M/vehicles	DP	services	47,007.96	Dt Dobie
	Supply of beef products/sausages	DP	services	972,720.28	Farmers Choice Ltd
	Repairs/Maint. Of Motor Vehicles	DP	services	262,380.00	General Motors East Africa Ltd
	Stationery- Pens	DP	services	147,424.40	Haco Industries Ltd
	Laundry services	DP	Services	131,219.98	Hilton Hotel
	Repairs of Kitchen equipments	DP	services	383,525.89	Hi-Tech Enterprise
	Hire of tents/chairs/décor-	DP	services	176,154.00	Impressive Events & Decor

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	flowers				
	Laundry services	DP	services	275,046.90	Intercontinental Laundry
	Catering Services	DP	services	211,980.00	Jacaranda Hotel
	Transport sevices- Taxi	DP	services	339,750.00	Jimmy Transport & Logistics
	Catering & Accomodation services	DP	services	2,940,576.00	Juba Plains Hotel
	Accomodation of Particpants	DP	services	314,564.95	Jumuia Conference & Country Home
	External lecturers/facilitators	DP	services	16,256,912.00	K.I.A Resource Persons
	Repair of Laundry equipment	DP	services	45,300.00	Klingquip Agencies
	Travelling arrangements / Air ticket	DP	services	734,244.40	Lindberg Holidays And Safaris
	Legal services	DP	services	467,915.00	Mwaniki Gachoka & Company
	Advertising space	DP	services	913,510.10	Nation Media Group Ltd
		DP	services	33,940.00	One Time Supplier
	Supply of Calling cards	DP	services	299,000.00	Panther Trading Kenya Ltd
	Supply & delivery of newspapers	DP	services	447,923.00	Patrick Muyumya Matilu
	Hire of PA system	DP	Services	106,140.00	Pillar Audio Visual Services
	Laundry services /drycleaning	DP	services	524,653.73	Precise Launderette
	Printing services	DP	services	46,400.00	Pronto Typographers Ltd
	Mobile telephonyTelephony	DP	services	234,124.18	Safaricom Limited

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Accomodation of Participants	DP	services	493,750.00	The African Adv Level Tel Inst(Afralti)
	Training- experiential learning sessions for participants	DP	services	746,400.00	The Dan Eldon Place Of Tommorrow
	advertising services	DP	services	183,222.00	The Standard Group Ltd
	repair of motor vehicles	DP	services	408,461.00	Toyota East Africa Ltd
	Photography services	DP	Services	104,200.00	Walter Ochieng Mikwa
	Laundry/Drycleaning services	DP	Services	61,874.00	Windsor Drycleaners Ltd.
		DP		60,759,068.77	
KIA-011/08-09	supply of electrical items	LVP	Goods	25,334.64	Celtic Electronics
KIA-11/08-09	Supply of Hardware items	LVP	Goods	16,156.00	Unique Suppliers Ltd
3/09-10.	Paper CD Shredder	LVP	Goods	23,606.00	Elite Book Centre
4/9-10	Supply of Manure Garden	LVP	Goods	19,040.00	Joseph Githinji Thumbi
4/9-10	Supply of flower seedling/manure	LVP	Goods	22,039.95	Peak Nurseries
10/09-10.	Salon to let	LVP	Goods	13,000.00	Mouth Bettross V Enture
11/09-10.	Supply of Tyres (Tubes)	LVP	Goods	24,500.00	Kingway Tyres – Westlands
15/09-10	Supply of Electrical Items	LVP	Goods	6,500.00	Broadview Enterprises Ltd
15/09-10	Supply of Electrical Items	LVP	Goods	3,200.00	Kifka Electrical & Hardware Supplier
15/09-10	Supply of Electrical Items	LVP	Goods	8,000.00	Mborenjo Enterprises
16/09-10	supply of electrical items	LVP	Goods	7,000.00	Kifka Electrical & Hardware Supplier

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
16/09-10	supply of electrical items	LVP	Goods	12,400.00	Mborenjo Enterprises
22/09-10	Supply of stationery for 08-09	LVP	Goods	18,859.99	Alba Eximp Agencies
24/09-10	Sale of Firewood	LVP	Goods	20,000.00	Gachio Junior
25/09-10	Supply of Angel Bracket G16 and Fix-machine –conference centre	LVP	Goods	19,500.00	E. K. Metal Fabricators
50/09-10	supply of office desk	LVP	Goods	22,000.00	Viable Deco Solutions Ltd
52/-05-06	Supply of Ice cream	LVP	Goods	28,800.00	Milk And Cream Products Ltd
56/09-10	To quote for engraving of kitchen Utensils	LVP	Goods	17,297.40	City Engravers
66/09-10	Supply of tyres	LVP	Goods	26,400.00	Auto Gem Tyre Centre
82/09-10	Quote for supply of electrical items	LVP	Goods	8,200.00	Broadview Enterprises Ltd
82/09-10	Quote for supply of electrical items	LVP	Goods	14,210.00	Kifka Electrical & Hardware Supplier
128/09-10	Quote for supply of Gutters machine, Binding machine, cut out double and socket double	LVP	Goods	15,000.00	Hitech Enterprises
129/09-10	Quote for supply of secretarial chair	LVP	Goods	13,600.00	First Choice
130/09-10	Quote for supply for engraving kitchen items	LVP	Goods	12,853.00	City Engravers
143/-08-09	Printing of posters KIA quality policy	LVP	Goods	29,199.98	Nissi Creative Services
154/08-09	supply of dry foodstuffs	LVP	Goods	21,600.00	Rosebud Holdings

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Supply of Air Conditioners	LVP	Goods	19,952.00	Airtouch East Africa Ltd
	Supply of stationery for 08-09	LVP	Goods	29,990.00	Arctic Computer Shop Ltd
	supply of Car battery	LVP	Goods	4,930.00	Chloride Exide Kenya Ltd
	Supply of uniforms/clothing	LVP	Goods	35,300.00	Gala Cloth Wear Ltd
	Supply of DVD machine for Library	LVP	Goods	5,095.00	Housewife's Paradise
	Medicine for participants	LVP	Goods	8,550.00	Kam Pharmacy Limited
	Supply of tree seedlings	LVP	Goods	20,000.00	Kenya Forestry Seeds
	supply of round up for weeds	LVP	Goods	18,660.00	Kenya Seed Company
		LVP	Goods	5,240.00	Machtech Services Ltd
	Supply of detergents/cleaning materials	LVP	Goods	10,199.88	Mikeline Detergents
	supply of chicken capon	LVP	Goods	24,745.00	Njaskio Enterprises
	welding of Dustbins	LVP	Goods	10,400.00	Samuel Benson Mungai
	Supply of round up for seeds	LVP	Goods	11,800.00	Simlaw Seeds Company Limited
	Supply of detergents/cleaning materials	LVP	Goods	6,380.00	Soilex Prosolve Ltd
	Supply of donation items	LVP	Goods	10,500.00	Sports Station Ltd
		LVP	Goods	6,960.00	Toolcrafts Ltd
	supply/installation of Telephone sets	LVP	Goods	27,666.00	Whab Communications Services

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Catering and Hostel	LVP	Goods	1,743,520.95	Petty Cash
	ICT and Library	LVP	Goods	108,696.00	Petty Cash
	Repairs and Maintenance	LVP	Goods	140,945.00	Petty Cash
	Stationery	LVP	Goods	49,755.00	Petty Cash
54/09-10	To quote for charges of providing preventive maintenance for structured cabling	LVP	Services	17,600.00	Whab Communications Services
54/09-10	supply/installation of Telephone sets	LVP	Services	29,999.99	Whab Communications Services
89/09-10	Quote for Inspecting and repair of Televisions	LVP	Services	18,000.00	Aggrey Luguayeshi
93/09-10	Repairs of Kitchen equipments	LVP	Services	15,920.00	Hi-Tech Enterprise
	Renewal of memberships	LVP	services	13,500.00	Automobile Association Of Kenya
	repair of motor vehicles	LVP	services	16,761.00	Cmc Motors Group Ltd
	Trimming/cutting of trees	LVP	Services	10,000.00	Edward Kadenge
	Cutting/trimming of trees	LVP	services	26,000.00	Francis Charles Thairu
		LVP	services	21,600.00	George Otieno Aketch
		LVP	services	15,000.00	Infinity Link
	Renovation of sewage system	LVP	services	17,060.12	Jomcon Renovators
	Medical check up for the catering staff	LVP	services	20,400.00	Mbagathi District Hospital
	Repair of sewerage	LVP	services	13,600.00	Mborenjo Enterprises

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Video shooting	LVP	services	20,000.00	Media Connection
	Consultancy services for Job Evaluation and Analysis	LVP	services	15,000.00	Ministry Of Public Works
	fumigation services	LVP	services	24,124.00	Patfam Services
	Repair of Generator	LVP	services	21,170.00	Ryce Engineering
		LVP	services	15,000.00	Tom Juma
	Advertising & publicity	LVP	Services	110,450.00	Petty Cash
	Catering and Hostel	LVP	Services	89,295.55	Petty Cash
	ICT and Library	LVP	Services	25,757.00	Petty Cash
	Repairs and Maintenance	LVP	Services	202,548.75	Petty Cash
	KIA Resource persons	LVP	Services	27,607.60	Petty Cash
	Repairs and Maintenance	LVP	Works	71,167.00	Petty Cash
		LVP		3,605,142.80	
16/2010-11	Supply Delivery installation of Laundry equipmmt	ONT	Goods	4,790,130.00	Apon Technical Services
KIA-30/08-09	Consultancy services for Job Evaluation and Analysis	ONT (Training Component in Main Contract)	2,000,000.00	-	Ministry Of Public Works
KIA-30/08-09	Proposed Erection and completion of Tuition Block-Main works	ONT	Main Works	209,497,019.76	Marimo Construction
KIA-31/08-09	Proposed Erection and completion of Tuition Block-Plumbing ,	ONT-Sub Contract	7,396,940.00	-	Mather & Platt Kenya Limited

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Internal ,Drainage, Water reticulation and Fire fighting works- Sub contract				
KIA-32/08-09	Proposed Erection and completion of Tuition Block-Electoral installation works-Sub contract	ONT-Sub Contract	23,999,814.00	-	Ultimate Engineering Limited
KIA-33/08-09	Proposed Erection and completion of Tuition Block-Split Air Conditioning /ventilation system- Sub contract	ONT-Sub Contract	1,620,000.00	-	Snowpeak Refrigeration And General Contracors Limited
KIA-34/08-09	Proposed Erection and completion of Tuition Block-Fire suppression works-Sub contract	ONT-Sub Contract	1,432,600.00	-	Mather & Platt Kenya Limited
KIA-35/08-09	Proposed Erection and completion of Tuition Block-Lift Installation works -Sub contract	ONT-Sub Contract	7,998,204.00	-	Schindler Limited
KIA-36/08-09	Proposed Erection and completion of Tuition Block-Structured cabling-Sub contract	ONT-Sub Contract	5,645,140.00		Com 21 Ltd
15/10-11	Rehabilitation of sewage treatment plant	ONT	Works	8,091,128.76	Nga Construction Building And Civil Engineers
				222,378,278.52	
173/08-09	Tables/chairs -Catering	RFQ	Goods	120,000.00	Amon Furniture Ltd
170/08-09	Printing of News link Magazine/KIA Magazines	RFQ	Goods	132,150.00	Colour Print
170/08-09	KIA Magazine	RFQ	Goods		Colour Print

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
				157,650.00	
41/05-06	supply of flowers	RFQ	Goods	290,550.00	Cyrus G. Kamau
32/08-09	Supply Delivery installation of LCD Projector Mounting for Seminar rooms	RFQ	Goods	861,840.00	Skytech Communications Resources Ltd
121/08-09	Supply of stationery	RFQ	Goods	834,084.01	Text Book Centre Ltd
01/09-10	Rice Pishori	RFQ	Goods	1,713,999.46	Caperina Enterprises Limited
2/09-10 n121/09-10 n 55/09-10	Supply of kitchen utensils/cutlery	RFQ	Goods	164,288.00	Pots And Pans (2002) Ltd
5/09-10.	Supply of Uniform- Dustcoat, Jackets, Trousers	RFQ	Goods	48,910.00	Multilines
6/09-10.	Decorations of Venue for AAPAM	RFQ	Goods	38,200.00	Impressive Decorations
8/09-10.	Supply of Eggs	RFQ	Goods	596,160.00	Mark Kinyanjui Kahenya
9/09-10.	Supply of Bedcovers	RFQ	Goods	390,000.00	Caperina Enterprises
12/09-10.	Flash disks 1gb 80	RFQ	Goods	60,000.00	Jogian Interlink
13/09-10	Supply of Gas in bulk	RFQ	Goods	591,200.00	ENGEN KENYA
13/09-10	Diesel	RFQ	Goods	438,000.00	ENGEN KENYA
14/09-10	Water Fittings	RFQ	Goods	68,000.00	Hair and Beauty requisite
18/09-10	Supply of Room Materials (mosquito nets, bath mats etc)	RFQ	Goods	312,480.00	Kenya Drapers
20/09-10	Supply of kitchen equipments	RFQ	Goods	1,607,307.99	VISAGE CONSTRUCTION & GEN SUPPLIERS
21/09-10 n	Supply of cutlery	RFQ	Goods		GLASS CRAFT LTD

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
55/09-10 n 2/09-10				306,571.00	
21/09-10	Supply of Utensil for Conference Centre/Dinning hall	RFQ	Goods	380,840.16	OSHWAL WHOLESALERS (K) Ltd
23/09-10	Supply of Kitchen Items	RFQ	Goods	68,750.00	Kenya Drapers
25/09-10 n 97/09-10 n 122/09-10	Supply of office furniture-	RFQ	Goods	139,000.00	FAST CHOICE LTD
27/9-10	To quote for decorations at KICC on Public Service Week	RFQ	Goods	69,600.00	Impressive Events Decorators
28/09-10	23,999,814.00	RFQ	Goods	55,399.99	AUDIO POINT LTD
29/09-10	Supply, Deliver/Install Configure, Test and Commission -North Eastern Lab	RFQ	Goods	3,145,800.00	DIRECT COMMUNICATION SYSTEMS LTD
30/09-10	To quote for supply, deliver and mounting of LCD	RFQ	Goods	2,205,168.00	Mustard Projectors
31/09-10	To quote for supply delivery, installation, configuration, testing and commissioning of computing devices	RFQ	Goods	3,145,880.00	Open Code System
34/09-10	Supply of Beds/matresses	RFQ	Goods	2,127,396.95	SLUMBERLAND KENYA LIMITED
40/09-10 n 118/09-10	Supply of Stationery	RFQ	Goods	110,179.00	ELITE BOOK CENTER LTD
40/09-10	Supply of Stationery	RFQ	Goods	83,006.00	Elite Book Centre
42/09-10	Lawn Mower 60HP	RFQ	Goods	54,310.00	Car & General
46/09-10	Quote for supply of	RFQ	Goods		SIGNATURE VENTURE LTD

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Food Stuffs			33,176.00	
50/09-10	Sofa seat 7 seater fabric lounge suite, model-landmark pecan	RFQ	Goods	310,000.00	FURNITURE PALACE INTERNATIONAL (K) LTD.
52/09-10	Supply, deliver and installation of printers	RFQ	Goods	124,942.39	ALFALINK ENTERPRISES LIMITED.
52/09-10	Supply , deliver and install printers	RFQ	Goods	165,600.00	COMPUTER REVOLUTION (A) LTD
53/09-10	To supply deliver and installation of Motorised Screens	RFQ	Goods	509,000.00	Mustaard Projectors
55/09-10	To quote Utensils	RFQ	Goods	167,200.00	Various
69/09-10	Supply of table office six seater	RFQ	Goods	68,516.00	Budget Furniture
70/09-10.	Supply of Dry beans, Njahi and Green grams	RFQ	Goods	108,990.00	Caperina Enterprises
71/09-10	Supply of kitchen items	RFQ	Goods	71,124.00	GLASS CRAFT LTD
72/09-10	Change of Sanitary bins	RFQ	Goods	146,080.00	PINPOINT HYGIENE SERVICES
73/09-10	Key holders	RFQ	Goods	33,350.00	Nairobi Sign Centres
74/09-10	Supply of eggs	RFQ	Goods	750,000.00	Chacabri Investment
74/9/2010	supply of Eggs	RFQ	Goods	56,196.00	MAKENA MBAABU
77/-09-10	supply of Stationery	RFQ	Goods	35,200.00	NARAZ BUSINESS SYSTEMS
77/09-10 n 83/09-10	Supply of Toner C6505A	RFQ	Goods	67,217.20	PINCH SOLUTIONS LTD
77/09-10 n 98/09-10	Printing services	RFQ	Goods	214,532.16	ZAKUNA PRINTERS LTD
77/09-10	Supply of Stationery	RFQ	Goods	672,567.10	
78/09-10	Supply of Damask	RFQ	Goods		Kenyan Drapers

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	material white and skirting material			392,370.00	
82/09-10	Quote for supply of electrical items	RFQ	Goods	62,800.00	Mborenjo Enterprises
82/09-10	Quote for supply of electrical items	RFQ	Goods	16,500.00	TETRA ELECTRICAL SERVICES
84/09-10	Supply of furniture-office seats/w/stations	RFQ	Goods	160,100.00	BUDGET FURNITURE LIMITED
85/09-10	Supply of Dispensers water hot & cold	RFQ	Goods	236,920.00	Uchumi Supermarket
94/09-10	Supply of maintenance items	RFQ	Goods	32,399.08	HIGH WIDE ENTERPRISES LTD
95/09-10	Supply of Liquid Oil (cooking fat)	RFQ	Goods	113,200.00	New Westlands
96/09-10	Supply of plastic files	RFQ	Goods	825,000.00	STAMET PRODUCTS KENYA LTD
126/08-09 n 96/09-10	Supply of Stationery/files/ pcopy paper/ fullscap	RFQ	Goods	1,588,032.00	STAMET PRODUCTS KENYA LTD
97/09-10	Quote for supply of Executive Office Chairs	RFQ	Goods	135,600.00	Budget Furnitures
98/09-10	Printing and supply of certificates	RFQ	Goods	340,000.00	Zakuna Printers
99/09-10	Quote and supply of Telephone Extensions & Telephone Sets Panasonic	RFQ	Goods	40,368.00	Bitek Comet
100/09-10	Quote for printing of an updated Strategic Plan KIA 2000-2011	RFQ	Goods	159,237.50	Colour Print
101/09-10	Quote for supply of charcoal	RFQ	Goods	45,600.00	Procurement Manager-Cash imprest
103/09-10	Supply of fresh flowers	RFQ	Goods	231,300.00	Westlife/Cyrus Kamau
104/09-10	Hire of	RFQ	Goods		Axis Restaurant

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	tents/chairs/décor			850,188.00	
118/09-10	Supply of Tonner	RFQ	Goods	149,326.00	Elite Book Centre
120/09-10	Printing of KIA Envelopes	RFQ	Goods	117,000.00	SOLOH WORLDWIDE INTER- ENTERPRISES LTD
124/09-10	Quote for supply of originate design and print KIA A4 writing pads	RFQ	Goods	51,200.00	Colour Printer
125/09-10	Quote for supply of Desktop computers	RFQ	Goods	264,000.00	Open Code System
126/09-10	Supply of Diesel	RFQ	Goods	34,000.00	Engen Oil
127/-09-10	supply of Stationery	RFQ	Goods	47,515.69	PACIFIC STATIONERS
132/09-10	Quote for supply of Dry Food Stuff	RFQ	Goods	81,040.00	New Westland Stores
136/09-10	Quote for supply of chicken capon	RFQ	Goods	650,000.00	Mark Kinyanjui Kahenya
137/09-10	Quote for supply of Tonner	RFQ	Goods	128,672.00	Pacific Stationery
138/06-10	Quote for supply of Electrical water fitting items	RFQ	Goods	56,925.00	Mborenjo Enterprises
159/09-10	Supply of Meat products	RFQ	Goods	599,634.00	LAKWOOD ENTERPRISES
169/09-10	Stationery/toner	RFQ	Goods	90,760.00	INTERMASS PRINTERS & STATIONERS
22/09-09	Supply of Chicken Capon	RFQ	Goods	2,921,280.00	Mark Kinyanjui Kahenya
17/09-10	Repair of Serving of KIA Security Electric Fence (relocation)	RFQ	Services	169,477.50	KAVO Electronics
36/09-10	Networking (structured Lan for Eastern Computer Lab)	RFQ	Services	452,695.80	DIRECT COMMUNICATION SYSTEMS LTD

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
37/09-10	Repair and servicing of Kitchen Equipments	RFQ	Services	163,650.00	Hitech enterprises
38/09-10	Repair and servicing of Laundry machines	RFQ	Services	113,483.95	Klinquip
45/09-10	Supply, Delivery, Installation, Configuration, Testing & Management of Anti-Virus Software	RFQ	Services	338,286.22	Network Source Ltd
51/09-10	supply & installation of telephone sets	RFQ	Services	46,000.00	BITEK COM ENT
57/09-10	Printing of KIA Journal (Magazine)	RFQ	Services	157,650.00	Colour Print
62/09-10	To cost of outsourcing outside catering service for 170 PAX	RFQ	Services	994,120.00	San Valencia
63/09-10	Hire of tents/chairs/décor	RFQ	Services	6,000.00	ALL SEASONS TENTS T/A HELLEN W. NJANJO
63/09-10	Hire of tents/chairs/décor	RFQ	Services	94,362.00	AXIS RESTAURANT
64/09-10	Hire of tents/chairs/décor-flowers	RFQ	Services	33,060.00	IMPRESSIVE EVENTS & DECOR
64/09-10	Decoration for the KIA end-of-year party	RFQ	Services	34,250.00	Impressive Events Decorators
65/09-10	Make and supply bedcovers	RFQ	Services	342,900.00	Kenyan Drapers
75/09-10	Engraving of signs	RFQ	Services	286,713.70	CITY ENGRAVERS
79/09-10	Printing of KIA financial statements	RFQ	Services	111,498.00	Colour Print
81/09-10	Quote for hosting of KIA Website	RFQ	Services	165,880.00	DIGITAL CONSULTING GROUP
87/09-10	Quote for the services of providing KIA Documentary	RFQ	Services	696,000.00	Horizon Communication

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
88/09-10	Printing of updated KIA Strategic Plan 2010-2011	RFQ	Services	132,600.00	Graphite Lounge
90/09-10	Making of Door Plates	RFQ	Services	46,500.00	City Engineers
91/09-10	Door Closer Hydraulic H/Duty - Union	RFQ	Services	-	Mborenjo Enterprises
92/09-10	Installation of additional 24 twin power sockets – computer lab	RFQ	Services	34,112.18	Network Source Ltd
93/09-10	Repair of kitchen chairs by replacing sponge	RFQ	Services	51,180.00	CHUNG-TEK ENGINEERING LTD
116/09-10	Accommodation/catering of Board Members	RFQ	Services	330,540.00	LAKE ELEMENTAITA LODGE
117/09-10	Quote for demolition of 12 houses	RFQ	Services	149,990.00	HENJACK CONTRACTORS
134/09-10	Quote for repair of electric fence	RFQ	Services	79,360.00	Karo Electronic
144/08-09	Repair of vehicles	RFQ	Services	53,200.00	STANTECH MOTORS
153/08-09	maint. Of borehole	RFQ	Services	32,578.60	BISELEX KENYA LTD.
171/08-09	Laying of Sewage line connecting	RFQ	Works	58,625.00	Mborenjo Enterprises
60/-09-10	To cost fore renovations to washrooms at Wamalwa and Sawe Hostels	RFQ	Works	968,899.98	METRO MECH LTD
76/09-10	Rehabilitation and improvements of existing masonry water tank	RFQ	Works	926,480.00	Muchen General Contractors
131/09-10	Quote for construction of KIA Chapel as per BQ	RFQ	Works	5,434,045.60	Kingori Construction

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
				46,775,517.21	
35/09-10	Market Survey for prices of Fruits & vegetables	RFQ	Market Survey	-	
43/09-10	Supply of E-Books for the Resource Centre	RFQ	Terminated	-	
18/09-10	Supply of Shampoo Set Metallic	RFQ	Terminated	-	
105/09-10	Quote for trimming of trees KIA	RFQ	Terminated	-	
105/09-10	Quote for supply of Gas	RFQ	Terminated	-	
107/09-10	Quote for the supply of Management Training Videos	RFQ	Terminated	-	
108/09-10	Supply of Library Periodicals/Journals	RFQ	Terminated	-	
109/09-10	Quote for supply of Library Text Books	RFQ	Terminated	-	
86/09-10	Consultancy services for Job Evaluation and Analysis	RFQ	Terminated	-	
102/09-10	Supply of Ice Cream	RFQ	Terminated	168,800.00	Milk and Cream
44/09-10	Supply of E-Journals for the Resource Centre	RFQ	Terminated	-	
46/09-10	Quote for supply of Food Stuffs	RFQ	Terminated	-	
47/09-10	Quote for supply, delivery, installation, testing and commissioning laser printer	RFQ	Terminated	25,550.00	Net Africa
48/09-10	Quote for provision of Group Life Cover for	RFQ	Terminated	1,410,848.00	EAGLE AFRICA INSURANCE BROKERS KENYA LTD

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	KIA pension scheme				
48/09-10	Quote for provision of Group Life Cover for KIA pension scheme	RFQ	Terminated	-	
49/09-10	Liquid soap heavy duty (multipurpose)	RFQ	Terminated	-	SOILEX PROSOLVE LTD
135/09-10	Quote for construction of nursery school as per BQ	RFQ	Terminated	650,000.00	
80/09-10	Quote for relocating, installation, testing and commissioning of communication cabinet	RFQ	Terminated	546,357.65	DIRECT COMMUNICATION SYSTEMS LTD
172/08-09	Supply of Printers	RFQ	Terminated	-	
7/09-10.	Supply of printer Dot Matrix and Laserjet	RFQ	Terminated	-	
26/9-10	Supply of printers	RFQ	Terminated	-	
32/09-10	Request for proposal for Automation of Fixed Assets Register	RFQ	Terminated	984,840.00	Crystal Africa Technologies
33/09-10	Printing of KIA Envelopes, Brown with KIA Logo	RFQ	Terminated	-	
39/09-10	Cost of washing & pressing (Laundry)	RFQ	Terminated	-	
41/09-10	Printing of Christmas Cards	RFQ	Terminated	-	
67/09-10	Quote for purchase of trees	RFQ	Terminated	84,427.00	
110/09-10	Quote for supply of Library Management Software	RFQ	Terminated	-	
111/09-10	Quote for supply of Library Books	RFQ	Terminated	-	

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	Detection Security System				
112/09-10	Quote for supply of E-Books for KIA Resource Centre	RFQ	Terminated	-	
113/09-10	Quote for supply of Library furniture	RFQ	Terminated	-	
114/09-10	Quote for supply of E-Journals for the Resource Centre	RFQ	Terminated	-	
115/09-10	Supply of Kitchen Tools	RFQ	Terminated	-	
121/09-10	Supply of Dry Food Stuff	RFQ	Terminated	-	
122/09/10	Quote for supply of Work Station Desk	RFQ	Terminated	-	
15/2009-2010		ONT	Terminated	-	
123/09-10	Quote for supply of dish clothes ,batteries and hand gloves etc	RFQ	Terminated		
KIA-011/08-09	Supply of Hardware items	RT	Goods	236,911.39	BROADVIEW ENTERPRISES LTD
KIA-01/08-09	supply of coffee	RT	Goods	385,986.22	C. DORMAN LTD
KIA-10/08-09	Supply of cleaning products- soap/brooms	RT	Goods	48,480.11	EAST GATE CHEMICAL SUPPLIERS
KIA-09/08-09	supply of Stationery	RT	Goods	72,560.00	JAMAMU INTERNATIONAL LTD
KIA-07/08-09	Supply of bread	RT	Goods	452,035.00	KENBLEST LTD
KIA-11/08-09	Supply of Hardware items	RT	Goods	914,350.00	KIFKA ELECTRICAL & HARDWARE SUPPLIER
KIA-02/08-09	supply of vegetables/fruits	RT	Goods	1,300,864.00	KYAULU INVESTMENTS
KIA-10/08-09	Supply of	RT	Goods		MATHWELL

TENDER/ QUOTATION No.	ITEM/SERVICE DESCRIPTION	PROCUREMENT METHOD	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	Contractor
	detergents/cleaning materials			432,595.36	
KIA-1/08-09	supply of dry foodstuffs	RT	Goods	2,599,854.73	NEW WESTLANDS STORES LTD
KIA-11/08-09	Supply of Hardware items	RT	Goods	87,950.00	NJENKIN TOOLS & GENERAL SUPPLIES
KIA-15/08-09	Cleaning services-hostels	RT	Goods	513,724.65	OFFICE AND DOMESTIC SERVICES LTD
KIA-10/08-09	Supply of Stationery/toner	RT	Goods	501,682.79	PEEVES SUPPLIES (K) LTD
KIA-3/08-09	Supply of meat products	RT	Goods	5,312,194.20	QUALITY MEAT PACKERS
KIA-2/08-09	supply of vegetables/fruits	RT	Goods	2,151,039.50	WAMAR INVESTMENT
KIA-10/08-09 n 49/09-10	Liquid soap heavy duty (multipurpose)	RT	Goods	354,175.03	CENTURY CLEANING PRODUCTS
KIA-3/08-09 n 61/09-10	Supply of Meat products/fish	RT	Goods	2,964,210.00	NYATHUNA MEAT SUPPLY
KIA-11/08-09	supply of Hardware/electrical items	RT	Goods	281,640.00	TETRA ELECTRICAL SERVICES
KIA-1/08-09 n 119/09-10	supply of dry foodstuffs	RT	Goods	59,430.00	RANAM INVESTMENTS LTD
KIA-2/08-09 n 119/09-10	supply of vegetables/fruits	RT	Goods	1,176,239.89	ROSAL CATERING SERVICES
KIA-05/08-09 n 133/09-10	Supply of Fruits & vegetables	RT	Goods	1,474,438.00	MUCHIRI KANYAGIA BOITHI
KIA-09/08-09 n 155/08-09	Stationery-CDs, toners	RT	Goods	174,501.82	BRANDED WORLD COMPUTERS SYSTEMS LTD
KIA-17/08-09	Printing services	RT	Services	158,510.00	ZAKUNA PRINTERS LTD
				21,653,372.69	
		GRAND TOTAL		355,171,379.99	

7.2. Appendix 2: Direct Procurements

No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
1	Service of P/copier Machine/ supply of toner	Goods	894,599.20	Mfi Office Solutions
2	supply of petroleum products	Goods	1,464,909.49	Total K.Ltd
3	Stationery- p/copy papers	Goods	58,000.00	Addsales Ltd
4	Stationery	Goods	54,780.00	Advatech Office Supplies Ltd
5	Odour Neutralizer- sewage	Goods	101,700.00	Africa Bio Products Limited
6	Stationery-polythene bags/ packing	Goods	188,536.08	Asami Limited
7	Supply of fax machine and toner	Goods	43,456.00	Bell Atlantic Communication
8	Supply of paving slabs/ outdoor benches	Goods	96,750.84	Bilco Engineering Ltd
9	Supply of Pump for the Borehole	Goods	146,208.00	Biselex Kenya Ltd.
10	Repair of Lawn mowers	Goods	154,637.62	Car & General (Trading) Ltd
11	supply of toiletries/	Goods	1,274,707.86	Chandaria Industries Ltd
12	supply of drinking Water	Goods	2,369,671.28	Crown Foods Ltd.
13	supply of laundry detergents	Goods	249,179.65	Ecolab East Africa(K) Ltd
14	Supply of Soft Drinks/Sodas	Goods	907,991.04	Gachumi Investments
15	Supply of Methylated Spirit	Goods	459,648.00	Kangaroo Brands Limited
16	Supply of cooking oil	Goods	554,948.00	Kapa Oil Refineries Ltd
17	Supply of fittings	Goods	303,914.00	Kenyan Drapers Ltd
18	Supply of juice	Goods	2,009,076.76	Kevian Kenya Limited
19	Supply of Soda	Goods	2,714,769.09	Leonard Kamau
20	Supply of cooking Gas in Bulk	Goods	2,373,440.62	Libya Oil Kenya Ltd
21	Assorted stationery/ furniture/hardware items	Goods	3,964,285.00	Nakumatt Holding Ltd
22	supply of chicken capon	Goods	381,220.00	Pricilla Mworja
23	Supply of Hostel soaps	Goods	454,763.13	Pz Cussons East Africa Ltd

No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
24	Supply of Stationery	Goods	251,400.00	Seal Honey Limited
25	supply of electrical items	Goods	39,718.40	Sollatek Electronics K Ltd
26	Supply of fuel	Goods	50,789.94	Spring Valley Fuel Service Centre Ltd
27	Repair of vehicles	Goods	58,000.00	Stantech Motors
28	Supply of plastic cups	Goods	487,490.00	Techpak Industries Limited
29	Supply of building tiles	Goods	66,000.00	Tile & Carpet Center
30	supply of dry foodstuffs/sugar	Goods	195,964.30	Tusker Mattresses Limited
31	Supply of dry foodstuffs	Goods	2,356,847.10	Uchumi Supermarkets
32	Printing services	Goods	97,525.00	Zakuna Printers Ltd
33	supply of flowers	Goods	84,600.00	The Wedding & Floral Designs
34	Hire of transport services	services	205,521.84	Budget Rent/Payless Car Hire
35	Internet services	services	1,016,160.00	Communications Solutions Ltd
36	Cleaning services- hostels	Services	111,746.65	Hygiene Maintenance Services
37	Repairs of Laundry Equipments	services	394,209.76	Philoke Electronics
38	Maint. of accounting system Pastel	services	139,200.00	Pinnacle Integrated Technologies Ltd
39	Engraving of signs	Services	874,123.00	Dolphin Signs
40	Supply of Electrical Items	services	917,923.00	Mborenjo Enterprises
41	Hire of transport services	Services	74,000.00	Aardwolf Afrca Adventure Safaris
42	Health insurance for Director	Services	101,988.90	African Air Rescue
43	Hospital Bills for Staff	services	1,181,258.45	Aga Khan University Hospital
44	Hire of tents/chairs/décor	Services	74,790.00	All Seasons Tents T/A Hellen W. Njanjo
45	Hospital Bills for Staff	services	2,413,501.00	Avenue Healthcare Ltd
46	Hire of Public adress S.	services	34,800.00	Bigger Sounds Promotions (K) Ltd
47	repairs of M/vehicles	services	47,007.96	Dt Dobie
48	Supply of beef products/sausages	services	972,720.28	Farmers Choice Ltd
49	Repairs/Maint. Of Motor Vehicles	services		General Motors East Africa

No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
			262,380.00	Ltd
50	Stationery- Pens	services	147,424.40	Haco Industries Ltd
51	Laundry services	Services	131,219.98	Hilton Hotel
52	Repairs of Kitchen equipments	services	383,525.89	Hi-Tech Enterprise
53	Hire of tents/chairs/décor- flowers	services	176,154.00	Impressive Events & Decor
54	Laundry services	services	275,046.90	Intercontinental Laundry
55	Catering Services	services	211,980.00	Jacaranda Hotel
56	Transport sevices- Taxi	services	339,750.00	Jimmy Transport & Logistics
57	Catering & Accomodation services	services	2,940,576.00	Juba Plains Hotel
58	Accomodation of Particpants	services	314,564.95	Jumuia Conference & Country Home
59	External lecturers/facilitators	services	16,256,912.00	K.I.A Resource Persons
60	Repair of Laundry equipment	services	45,300.00	Klingquip Agencies
61	Travelling arrangements / Air ticket	services	734,244.40	Lindberg Holidays And Safaris
62	Legal services	services	467,915.00	Mwaniki Gachoka & Company
63	Advertising space	services	913,510.10	Nation Media Group Ltd
64		services	33,940.00	One Time Supplier
65	Supply of Calling cards	services	299,000.00	Panther Trading Kenya Ltd
66	Supply & delivery of newspapers	services	447,923.00	Patrick Muyumya Matilu
67	Hire of PA system	Services	106,140.00	Pillar Audio Visual Services
68	Laundry services /drycleaning	services	524,653.73	Precise Launderette
69	Printing services	services	46,400.00	Pronto Typographers Ltd
70	Mobile telephonyTelephony	services	234,124.18	Safaricom Limited
71	Accomodation of Particpants	services	493,750.00	The African Adv Level Tel Inst(Afralti)
72	Training- experential learning sessions for participants	services	746,400.00	The Dan Eldon Place of Tomorrow
73	Advertising services	services	183,222.00	The Standard Group Ltd
74	Repair of motor vehicles	services	408,461.00	Toyota East Africa Ltd

No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
75	Photography services	Services	104,200.00	Walter Ochieng Mikwa
76	Laundry/Drycleaning services	Services	61,874.00	Windsor Drycleaners Ltd.
			60,759,068.77	

7.3 Appendix 3 Low Value Procurements

TENDER/QUOTATION No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
KIA-011/08-09	supply of electrical items	Goods	25,334.64	Celtic Electronics
KIA-11/08-09	Supply of Hardware items	Goods	16,156.00	Unique Suppliers Ltd
3/09-10.	Paper CD Shredder	Goods	23,606.00	Elite Book Centre
4/9-10	Supply of Manure Garden	Goods	19,040.00	Joseph Githinji Thumbi
4/9-10	Supply of flower seedling/manure	Goods	22,039.95	Peak Nurseries
10/09-10.	Salon to let	Goods	13,000.00	Mouth Bettross V Enture
11/09-10.	Supply of Tyres (Tubes)	Goods	24,500.00	Kingway Tyres – Westlands
15/09-10	Supply of Electrical Items	Goods	6,500.00	Broadview Enterprises Ltd
15/09-10	Supply of Electrical Items	Goods	3,200.00	Kifka Electrical & Hardware Supplier
15/09-10	Supply of Electrical Items	Goods	8,000.00	Mborenjo Enterprises
16/09-10	supply of electrical items	Goods	7,000.00	Kifka Electrical & Hardware Supplier
16/09-10	supply of electrical items	Goods	12,400.00	Mborenjo Enterprises
22/09-10	Supply of stationery for 08-09	Goods	18,859.99	Alba Eximp Agencies
24/09-10	Sale of Firewood	Goods	20,000.00	Gachio Junior
25/09-10	Supply of Angel Bracket G16 and Fix-machine –conference centre	Goods	19,500.00	E. K. Metal Fabricators
50/09-10	supply of office desk	Goods	22,000.00	Viable Deco Solutions Ltd
52/-05-06	Supply of Ice cream	Goods	28,800.00	Milk And Cream Products Ltd

TENDER/QUOTATION No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
56/09-10	To quote for engraving of kitchen Utensils	Goods	17,297.40	City Engravers
66/09-10	Supply of tyres	Goods	26,400.00	Auto Gem Tyre Centre
82/09-10	Quote for supply of electrical items	Goods	8,200.00	Broadview Enterprises Ltd
82/09-10	Quote for supply of electrical items	Goods	14,210.00	Kifka Electrical & Hardware Supplier
128/09-10	Quote for supply of Gutters machine, Binding machine, cut out double and socket double	Goods	15,000.00	Hitech Enterprises
129/09-10	Quote for supply of secretarial chair	Goods	13,600.00	First Choice
130/09-10	Quote for supply for engraving kitchen items	Goods	12,853.00	City Engravers
143/-08-09	Printing of posters KIA quality policy	Goods	29,199.98	Nissi Creative Services
154/08-09	supply of dry foodstuffs	Goods	21,600.00	Rosebud Holdings
	Supply of Air Conditioners	Goods	19,952.00	Airtouch East Africa Ltd
	Supply of stationery for 08-09	Goods	29,990.00	Arctic Computer Shop Ltd
	supply of Car battery	Goods	4,930.00	Chloride Exide Kenya Ltd
	Supply of uniforms/clothing	Goods	35,300.00	Gala Cloth Wear Ltd
	Supply of DVD machine for Library	Goods	5,095.00	Housewife's Paradise
	Medicine for participants	Goods	8,550.00	Kam Pharmacy Limited
	Supply of tree seedlings	Goods	20,000.00	Kenya Forestry Seeds
	supply of round up for weeds	Goods	18,660.00	Kenya Seed Company
		Goods	5,240.00	Machtech Services Ltd
	Supply of detergents/cleaning materials	Goods	10,199.88	Mikeline Detergents
	supply of chicken capon	Goods	24,745.00	Njaskio Enterprises
	welding of Dustbins	Goods	10,400.00	Samuel Benson Mungai
	Supply of round up for seeds	Goods	11,800.00	Simlaw Seeds Company Limited
	Supply of detergents/cleaning materials	Goods	6,380.00	Soilex Prosolve Ltd

TENDER/QUOTATION No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
	Supply of donation items	Goods	10,500.00	Sports Station Ltd
		Goods	6,960.00	Toolcrafts Ltd
	supply/installation of Telephone sets	Goods	27,666.00	Whab Communications Services
	Catering and Hostel	Goods	1,743,520.95	Petty Cash
	ICT and Library	Goods	108,696.00	Petty Cash
	Repairs and Maintenance	Goods	140,945.00	Petty Cash
	Stationery	Goods	49,755.00	Petty Cash
54/09-10	To quote for charges of providing preventive maintenance for structured cabling	Services	17,600.00	Whab Communications Services
54/09-10	supply/installation of Telephone sets	Services	29,999.99	Whab Communications Services
89/09-10	Quote for Inspecting and repair of Televisions	Services	18,000.00	Aggrey Luguayeshi
93/09-10	Repairs of Kitchen equipments	Services	15,920.00	Hi-Tech Enterprise
	Renewal of memberships	services	13,500.00	Automobile Association Of Kenya
	repair of motor vehicles	services	16,761.00	Cmc Motors Group Ltd
	Trimming/cutting of trees	Services	10,000.00	Edward Kadenge
	Cutting/trimming of trees	services	26,000.00	Francis Charles Thairu
		services	21,600.00	George Otieno Aketch
		services	15,000.00	Infinity Link
	Renovation of sewerage system	services	17,060.12	Jomcon Renovators
	Medical check up for the catering staff	services	20,400.00	Mbagathi District Hspital
	Repair of sewerage	services	13,600.00	Mborenjo Enterprises
	Video shooting	services	20,000.00	Media Connection
	Consultancy services for Job Evaluation and Analysis	services	15,000.00	Ministry Of Public Works
	fumigation services	services	24,124.00	Patfam Services
	Repair of Generator	services		Ryce Engineering

TENDER/QUOTATION No.	ITEM/SERVICE DESCRIPTION	CATEGORY (WORKS, GOODS SERVICES)	AMOUNT	CONTRACTOR
			21,170.00	
		services	15,000.00	Tom Juma
	Advertising & publicity	Services	110,450.00	Petty Cash
	Catering and Hostel	Services	89,295.55	Petty Cash
	ICT and Library	Services	25,757.00	Petty Cash
	Repairs and Maintenance	Services	202,548.75	Petty Cash
	KIA Resource persons	Services	27,607.60	Petty Cash
	Repairs and Maintenance	Works	71,167.00	Petty Cash
Total			3,605,142.80	