



PUBLIC PROCUREMENT OVERSIGHT AUTHORITY  
*Transforming Procurement*

**MOI UNIVERSITY**

**PROCUREMENT REVIEW REPORT**

**JUNE, 2015**

## **REVIEW REPORT IN SUMMARY**

This report details the findings and recommendations of the procurement review of Moi University (MU), carried out by the Public Procurement Oversight Authority (the Authority) team from 18<sup>th</sup> May to 3<sup>rd</sup> June, 2015. The main objective of the exercise was to review the status of the MU's procurement, contracting and implementation processes and systems, in order to determine the level of compliance with the Public Procurement and Disposal Act, 2005 (the Act) and its attendant regulations, circulars and directives issued by the 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 MU.

The review considered performance of procurement functions for the period 1<sup>st</sup> July, 2013 to 30<sup>th</sup> June, 2014. The scope of the review covered MU's procurement and disposal cycle from planning to completion, using 30 key performance indicators. The review also considered the disposal proceedings undertaken by MU during the period. The procedures performed during the review involved examination of procurement records and documents pertaining to MU's procurement systems and processes, examination of open tender method and alternative procurement procedures such as restricted tenders, direct procurement and selected samples of request for quotations and discussions with the key persons involved in the functions related to procurement. The team also reviewed the implementation of the findings and recommendations of external and internal audit report carried out during the period under review.

The team used a sample thirty two (32) procurement proceedings to evaluate the level of compliance with the Act, the attendant Regulations and Directives issued by PPOA. In so doing, careful considerations were given to implications and the significance of individual ratings of the key performance indicators. It was clear that some instances of non-compliance had greater significance than others. This factor was taken in to account in determination of the final compliance level of MU.

The overall assessment of the compliance level for MU was calculated to be 61.2% with reference to the Act, the Regulations and guidelines in respect of the sampled procurement transactions for the period under review. This is below the minimum acceptable level of compliance of 60% as set out in the Performance Monitoring Plan for the project carried out by ARD, Inc as part of the Reforming the Public Procurement System Phase II project and indicates that the overall performance of MU in procurement and disposal was satisfactory but had some weaknesses that need to be addressed.

The report is divided into seven chapters. Chapter one is the introduction to the report, chapter is on the organisation of the MU. The key general findings and recommendations as they relate to each of the areas considered in this review are provided in Chapter 3. The specific findings on the actual procurement proceedings examined are exemplified in Chapter 4. The compliance rating and scoring results are highlighted in Chapter 5 while an action plan for implementation of the recommendations is provided in Chapter 6 of the report. PPOA will at a later date review the implementation of the recommendations in the action plan.

## **Conclusion**

In the course of reviewing the procurement and disposal records, we identified various deviations in the conduct of procurement functions as highlighted in the body of this report. Various recommendations have been made, which MU is expected to implement to ensure adherence to the procurement law. In addition, an action plan has been discussed and agreed with MU with the aim of improving compliance, efficiency, and effectiveness in procurement management.

The major challenge experienced by the review team was in the availing of low procurement/ cash purchases documents requested for the review purposes. This made it difficult for the review team to make an informed conclusion on the matter.

Overall, MU has demonstrated a satisfactory level of compliance at 61.3% (against the minimum threshold of 60%) in respect to the sampled procurement transactions. MU should endeavour to improve their performance so that it complies with procurement law by improving on its weak areas. As a quick win MU is encouraged to organize training on various aspects of procurement law and regulations as pointed out in the report.