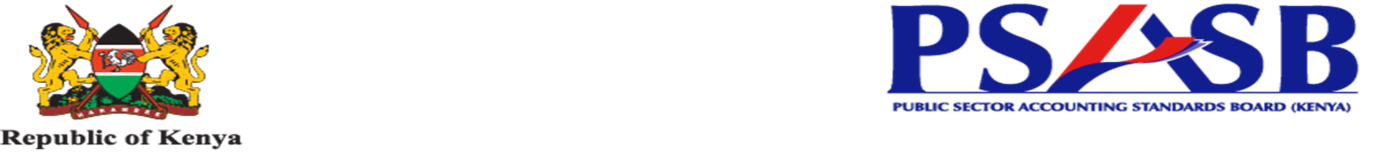
**Draft County Audit Programs**

1 | P a g e



**GOVERNMENT OF KENYA**

**DRAFT AUDIT PROGRAMS FOR COUNTY GOVERNMENTS**

**April 2024**

# **COMPLIANCE PROCESSES**

**(To be customised for each Program)**

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| **Audit Program No.:** | **Period Under Review:** | **Department:** |
| **Prepared By:** | | |
| **Reviewed By:** | | |

# **Sub-Process: Governance**

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 1. | Confirm that the county executive committee is properly constituted and performs its duties in accordance with the set laws and regulations. | Noncompliance with laws and regulations.   * Capacity constraints of the CEC due to;   + Lack of   qualifications and skills   * + Legal suits due to lack of   representation and diversity   * + Lack of clearly defined TOR on appointment | Appointment letters for County Executive Committee members  Signed off Code of Conduct by CEC.  Assembly Vetting report | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on appointment of county executive committee. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the County executive committee letters * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Confirm that the county executive committee is composed of the following as per Art. 179 of the COK 2010:   + The county governor and the deputy county governor; and   + Members are appointed by the county governor, with the approval of the assembly, from among persons who are not members of the assembly.   + The numbers of members appointed are not more than one-third of the number of   members of the county assembly if the |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | assembly has less than thirty members; or ten, if the assembly has thirty or more members.   * Review qualifications of the county executive committee members to confirm that they are as per Sec 35(3) of CGA,2012   + is a Kenyan citizen;   + is a holder of at least a first degree from a university recognized in Kenya;   + satisfies the requirements of Chapter Six of the Constitution; and   + Have knowledge, experience and a distinguished career of not less than five years in the field relevant to the portfolio of the department to which the person is being appointed.   + Does not hold any other State or public office. * Review the composition of the CEC on diversity/ inclusiveness to confirm that (Sec 35 of the CGA, 2012);   + Not more than two thirds of either gender;   + Takes into account representation of minorities, marginalized groups and communities; and   + Takes into account representation of community and cultural diversity within the county. * Confirm that the CECMs have signed their appointment letters that clearly stipulate their roles   and other terms of appointment. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Roles and responsibilities in line with Section 183 of the COK (2010) and section 36 of the CGA act 2012 * Remuneration and benefits in line with the gazette notice NO. 6518 of **7th July, 2017** * Accountability as required by Section 183 of the COK (2010) * Confirm that the CECMs have taken oath of Office prior to taking over Office Sec. 38 and First Schedule of the CGA, 2012 * Confirm that the CECMs undertake their mandates in accordance with the appointment letters. * Confirm that appointed CEC were vetted by Assembly CGA Sec 8 (1a) * Carry out other tests of operating effectiveness aligned to specific county policies, procedures,   service delivery standards, minutes of meetings and strategic plans. |
|  | Members do not understand the role or responsibilities of the CEC | Induction/Orientation Program | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on induction/orientation of new members of the county executive committee * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Interview CECM and confirm that the design documented under TOD is implemented as documented. * Administer questionnaires * Walkthrough and document the process flow/ map. Note any gaps in implementation.   **TOE** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain the training attendance registers and training programs for the CECMs * Confirm that the CECMs are provided with effective induction in order to familiarize themselves with their responsibilities Sec. 15 of Mwongozo; The Code of Governance, 2015 * Review the contents of the Induction Training Programme to confirm that the induction programme is comprehensive enough to cover the Constitution of Kenya, 2010, Leadership & Integrity Act, Public officers Act, bribery Act, PFM Act, and County Government Act, (Sec. 15 of Mwongozo; The Code of Governance, 2015);   + Roles and responsibilities of the CECMs   + General principles of Corporate Governance   + County Executive Committee Practices   + Orientation of the County Government   + Strategic Plans   + Financial Status   + Policies   + Risk Management   + Compliance Program   + Code of Ethics * Confirm that competence needs assessment of the CECMs is periodically done and an Annual Development Plan developed to identify the gaps Sec. 15 of Mwongozo; The Code of Governance, 2015 * Confirm that the CECMs are provided with continuous development programs that are designed to keep the CECMs abreast with latest developments in the respective sectors, corporate governance and other critical issues relating to the operation of the CEC 15 of Mwongozo; The Code of Governance, 2015 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | service delivery standards, minutes of meetings and strategic plans. |
|  | lack of proper planning of committee meetings. | Approved Operational Procedures for meetings  Approved Committee Annual workplan.  Signed Committee minutes | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on the county executive committee meetings. * If the control is not documented, enquire from process owner how it is meant to be executed   **TOI**   * Sample minutes and confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Obtain the County executive committee meetings calendar of events and minutes file of meetings for the period under review. Sample the minutes using an approved sampling criteria * Confirm that CEC Papers are made available to the CECMs not less than ten days before the date of the meeting Sec. 1.8 of Mwongozo; The Code of Governance, 2015 * Sample the meetings held and confirm that the Meetings of the county executive committee were held as stipulated in sec 41 of CGA, 2012;   + The deliberations of the meetings of the county executive committee were recorded in writing.   + That there was quorum of meetings of a county executive committee which is more than one   half of its membership. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * That resolution of the county executive committee was by majority of the members present and voting. * The resolution is made available to the public * Confirm the agenda on conflict of interest that all members declared any conflict of interest which was recorded in the minutes Sec. 16(8) of the Leadership and Integrity Act, 2012 * Confirm that there was agenda in County executive committee meetings to determine the organization of county as per section 46 of the CGA, 2012   + establishing, continue or vary any department, and determining the objects and purposes of the department;   + determining the number and nature of departments at the decentralized units;   + abolishing any department; and   + Determining or change the name of any department. * Confirm that the agenda in County executive committee meetings related to the functions defined in Art. 183 of the COK, 2010:   + Implemented county legislation;   + Managed and coordinated the functions of the county administration and its departments;   + Prepared proposed legislation for consideration by the county assembly.   + Provided the county assembly with full and regular reports on matters relating to the county. * Confirm that there was agenda, discussions and resolutions in County executive committee meetings |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | to facilitate urban area or city planning as per section 37 of the CGA, 2012;   * In monitoring the process of planning, formulation and adoption of the integrated development plan by a city or municipality within the county. * In assisting a city or municipality with the planning, formulation, adoption and review of its integrated development plan; * In facilitating the coordination and alignment of integrated development plans of different cities or municipalities within the county and with the plans, strategies and programs of national and county governments; and * Resolve any disputes or differences in connection with the planning, formulation, adoption or review of an integrated development plan. * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and   strategic plans |
|  | Failure to meet stakeholder expectations | Approved Performance management plan | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on the designing and implementation of the annual performance management plan. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain the approved plan and confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**  **Performance Management Plan**   * Confirm that the county executive committee has designed and approved performance management plan to evaluate performance of the county public service and the implementation of county policies in accordance section 47(1) of the CGA, 2012 * Confirm that the approved performance management plan with contains(section 47(2) of the CGA, 2012);   + objective, measurable and time bound performance indicators;   + linkage to mandates;   + annual performance reports;   + citizen participation in the evaluation of the performance of county government; and   + Public sharing of performance progress reports. * Confirm that the governor submits the annual performance reports of the county executive committee and public service to the county assembly for consideration section 47(3) of the CGA, 2012 * Confirm that the performance management plan and reports are made available to the public section 47(4) of the CGA, 2012 |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that the performance management plan is linked to the Sectoral Plans section 109(2(b)) of the CGA, 2012 * Confirm that the Performance Management System conforms to the nationally applicable guidelines on performance management section 113(3) of the CGA, 2012 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and strategic plans |
|  | Signed Performance Contracts. | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on performance contracting * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain a sample signed PC and confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Confirm if the CEC is accountable to the County Governor on the performance of their function through the signed performance contract. Art. 179 (6) Constitution of Kenya, 2010. * Obtain a listing of all PCs for the CECMs and the County Secretary and sample based on the approved sampling criteria. * Confirm that the County Government a Performance Contracting Tool to be used in assessing the performance of the CECMs and the CS (Sec. 13.1 of |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | the County Governments Performance Contracting Guidelines For The respective period……. );   * Confirm that the following weights are assigned to the Performance Criteria and Indicators;   **Performance Criteria Weight (%)**  Financial Stewardship and 10 Discipline  Service Delivery 10  Institutional Transformation 15  Core Mandate 60  Cross-Cutting 5  **Total 100**   * Confirm that the CECMs and the CS are allowed to negotiate the PCs to ensure that they are aligned to CIDP, SDGs, the “BETA initiatives” Governor’s manifesto, SPS, and the approved budget estimates for the financial year Sec. 12 of the County Governments Performance Contracting Guidelines For The respective period……. * Confirm that the Performance Management and Coordination Secretariat is in place and comprising of CECM CO(s) Directors Heads of Sections/Units as Per   14.1 of the County Governments Performance Contracting Guidelines For The respective period…….   * Confirm that that Performance Management and Coordination Secretariat vetted the performance contracts stipulated in (14.1 of the PCG) * Confirm that the signed PCs are cascaded to lower levels and signed by (Sec. 16.1 of the PCG );   + Chief Officers |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Directors * Heads of Sections * Confirm that the signed PCs are further cascaded to downstream institutions and linking specific deliverables and targets to individual officers through work plans and the staff performance appraisal tool.   Confirm that all other Officers have signed the Staff Performance Appraisal Forms Sec. 16.1 of the PCG |
|  | Performance contracting reports | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on Performance contracting reporting. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain one annual Performance contract report and confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation.   **TOE**   * Confirm that there was Performance Monitoring and Reporting as per 16.2 of the PCG * Confirm that the Submission of Performance Reports was adhered to (16.3 of PCG).   + Submit quarterly performance reports within fifteen (15) days following the end of a quarter.   + The annual performance reports thirty (30) days after the end of the contract year for all performance indicators. The reports should |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | be in the prescribed formats as provided in Annex III of the PCG respective period…….  **NB/** The sections stated above will change as per applicable period PCG. |
|  | County Assembly oversight reports | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on the county assembly oversight over the County executive committee are in place. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain one oversight report and confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation.   **TOE**   * Obtain all reports submitted to County Assembly by the executive. * Test to confirm that as per CGA sec 47(3) that the Governor submits all annual performance reports of the county executive committee and public service to the county assembly for consideration. * Verify that as per CGA sec 92 (2) the Governor submits an annual report to the county assembly on citizen participation in the affairs of the county * Confirm per CGA sec 30(2)J the governor submits to   the county assembly an annual report on the implementation status county policies and plans; |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that on being requested to do so by the county assembly, the County Treasury prepares and submits to the county assembly a report on any matter relating to its responsibilities within fourteen days of the request. As per section 124 of the PMFA 2012 * Confirm that actions were taken on the resolutions of   the County Assembly communicated to the County Executive. |
|  | Integrity deficiencies | Established and approved Leadership and Integrity Code  Signed Code of Conduct | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on approval and signing of Leadership and Integrity Code for State Officers in the County * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain one file of a member of the County executive committee. * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation.   **T.O.E**   * Obtain all the files of the CECMs. * Confirm that the County Government has developed a Specific Leadership and Integrity Code for State Officers in the County Sec. 37 of the of Leadership and Integrity Act, 2015 * Confirm that the Specific Leadership and Integrity Code for State Officers in the County has been |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | approved by EACC Sec. 39 of the of Leadership and Integrity Act, 2015   * Confirm that the CECMs have signed the Specific Leadership and Integrity Code issued by the County Government at the time of taking the oath of office or within seven days of assuming a State office Sec. 40 of Leadership and Integrity Act, 2015 * Where there has been any breach of the Code, confirm how the disciplinary proceeding has been dealt with as per section 41 of the Leadership and integrity Act 2012 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures,   service delivery standards, minutes of meetings and strategic plans. |
| 2. | Confirm that the Accounting officers are properly appointed and perform their duties in accordance with the set laws and regulations. | Noncompliance with laws and regulations.   * Capacity constraints of the Accounting Officers due to;   + Lack of   qualifications and skills   * + Legal suits due to lack of   representation and diversity   * + Lack of clearly defined TOR on appointment   Inadequate capacity Abuse of office | Appointment letters for Accounting Officers  Signed off Code of Conduct by Accounting Officers.  Assembly Vetting report | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on the appointment and duties of county accounting officers. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain a sample file and Confirm that the design documented under TOD is implemented as documented.   Walkthrough and document the process flow/ map. Note any gaps in implementation.  **TOE**   * Obtain the appointment letters of the Accounting Officers and Chief Officers |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that the chief officers were nominated by the governor from a list of competitively sourced as recommended County Public Service Board Sec. 45(1(a)) of the CGA, 2012 * Confirm that the nominated Chief Officers are sufficiently qualified and experienced as per the approved Job Specifications Sec. 45(1(a)) of the CGA, 2012 * Confirm that the county assembly has vetted and approved appointment of the county chief officers Sec. 45(1(b)) of the CGA, 2012 * Confirm that a county chief officer is responsible to the respective county executive committee member for the administration of a county department as provided under Sec 46 of the CGA. * Confirm that the Chief Officers have signed their appointment letters that clearly stipulate their roles and other terms of appointment.   + Roles and responsibilities in line with and Sec. 45(3) and 46 of the CGA act 2012 and Sec. A.11(1) of the County Public Service Human Resource Manual, 2013   + Remuneration and benefits in line with the SRC Circulars   + Accountability and reporting as required by Sec. 45(3) of the CGA act 2012 * Confirm that the Chief Officers undertake their mandates in accordance with the appointment letters as Chief Officers * Confirm that the CECM, Finance has appointed   Accounting Officers with due regard being given to person responsible for the administration of a county |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | government entity (Chief Officers) Sec. 148(1) of the PFMA, 2012   * Confirm that all County Government entities have a designated accounting officer Sec. 148(3) of the PFMA, 2012, except for the circumstances that the county government has adopted a centralized county financial management service as provided for in Sec. 148(4) of the PFMA, 2012 * Confirm that the Chief Officers undertake their mandates in accordance with the appointment letters as Accounting Officers * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and   strategic plans. |
|  |  | * Integrity deficiencies | Approved Code of Conduct and Ethics 2016 | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on Code of Conduct for Public Officers in the County * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the signed Code of Conduct for one Chief Officer * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Obtain all the files of the Chief Officers who have been designated as Accounting Officers |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that the County Government has developed a Specific Code of Conduct and Ethics for Public Officers in the County Sec. 5(1) of the Public Officers Ethics Act, 2003 * Confirm that the Chief Officers have signed a Specific Code of Conduct and Ethics issued by the County Government at the time of taking the oath of office or within seven days of assuming public office   Sec. 34 (1-2) of The Public Service Code of Conduct  and Ethics, 2016   * Where there has been any breach of the Code, confirm how the disciplinary proceeding has been dealt with as per section 41 of the Leadership and integrity Act 2012 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and   strategic plans. |
|  |  | Accounting Officers do not understand their roles and responsibilities. | Induction/Orientation Program  Approved Training and development plan. | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on orientation of new Accounting Officers * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Interview one Accounting Officer and confirm that the design documented under TOD is implemented as documented. * Administer questionnaire. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain the training attendance registers and training programs for the Accounting Officers * Confirm that the COs are provided with effective induction in order to familiarize themselves with their responsibilities within three months of joining office. H.6 of the County Public Service Human Resource Manual, 2016 * Confirm that copies of the County Governments PFM Regulations, 2015 has been made available to all the Accounting Officers Sec. 5 of the CGPFMR, 2015 * Review the contents of the Induction Training Programme to confirm that the induction programme is comprehensive enough to impart required knowledge, skills and attitudes to enhance their performance as Accounting Officers. * Confirm that training needs assessment of the Accounting Officers is periodically done to identify the gaps and an Annual Training and Development Plan developed. H.3 of the County Public Service Human Resource Manual, 2016. * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and   strategic plans. |
|  |  | Failure or delay in submitting statutory reports | Reports submitted within statutory timelines | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on the reporting timelines for accounting officers * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain one report and confirm that the design documented under TOD is implemented as documented.   Walkthrough and document the process flow/ map. Note any gaps in implementation  **TOE**   * Confirm that the entity keeps financial and accounting records that comply with the PFMA Act; Sec. 149(2(b) of the PFMA, 2012. The records include;   + Cash book(Reg. 100 of the CGPFMR, 2015)   + Vote Control Book(Reg. 51(1(i))) of the CGPFMR, 2015)   + Register of all Bank Accounts(Reg. 87(1) of the CGPFMR, 2015)   + Imprest Register (Reg. 93(4(c)) of the CGPFMR, 2015)   + Assets Register(Reg. 136(1) of the CGPFMR, 2015)   + Register of all losses(Reg. 146 of the CGPFMR, 2015)   + Register of all budgetary reallocations(Reg. 47(2) of the CGPFMR, 2015)   + Such other books of accounts and records for proper maintenance and production of the accounts of the Vote (Reg. 100 of the CGPFMR, 2015) * Confirm that all financial and accounting records that the entity keeps in any form including in electronic   form are adequately protected and backed up Sec. 149(2(c)) of the PFMA, 2012 |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that a quarterly financial statements and report for a county government entity is prepared in a format prescribed by PSASB and submitted to The County Treasury not later than fifteen days after the end of the Quarter Sec. 166(3) of the PFMA, 2012 * Confirm that an annual financial statements and report for a county government entity is prepared in a format prescribed by PSASB and submitted to The Auditor-General and a copy to County Treasury, the Controller of Budget, and the Commission on Revenue Allocation not later than three months after the end of the Quarter Sec. 164(4) of the PFMA, 2012 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures,   service delivery standards, minutes of meetings and strategic plans. |

# **Sub-Process: Legal Compliance**

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 1. | To establish that the county legal services department is established and is operating in compliance with laid down rules and regulations. | Failure to establish the County Attorney Office | Approved Organization Structure ( Establishing Office of the County Attorney) | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on establishment of county legal services. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain the appointment letter and Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Confirm that the county government has established The office of the County Attorney provided for in Sec 4 of the Office Of The County Attorney Act, 2020 * Confirm that the person appointed to the office by the Governor and approved by the County assembly (Sec 5 of the Office Of The County Attorney Act, 2020);   + is an Advocate of the High Court of Kenya of at least five years standing; and   + Meets the requirements of Chapter Six of the Constitution. * Confirm that the County Attorney has signed the appointment letters that clearly stipulate their roles and other terms of appointment.   + Roles and responsibilities in line with and Sec.   7 of the Office of The County Attorney Act, 2020);   * + Remuneration and benefits in line with the SRC Circulars   + Accountability and reporting as required by Sec.   45(3) of the CGA act 2012   * + Term Sec.6(1) of the Office of The County Attorney Act, 2020); * Confirm that the County Attorney has taken oath of   Office prior to taking over Office Sec. 5(3) and First |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | Schedule of the Office of The County Attorney Act, 2020)   * Confirm that the County Attorney does not engage in any other gainful employment that may result in a conflict of interest Sec. 11 of the Office Of The County Attorney Act, 2020) * Confirm that the County Attorney undertakes his/her mandates in accordance with the appointment letters as the County Attorney. Confirm that County Attorney performs the following functions as per Sec 7 of the Office Of The County Attorney Act, 2020;   + attends the meetings of the county executive committee as an ex-officio member of the executive committee;   + shall, on the instructions of the county government, represent the county executive in court or in any other legal proceedings to which the county executive is a party, other than criminal proceedings;   + shall advise departments in the county executive on legislative and other legal matters;   + shall negotiate, draft, vet and interpret documents and agreements for and on behalf of the county executive and its agencies;   + shall be responsible for the revision of county laws; * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery   standards, minutes of meetings and strategic plans. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  | Integrity deficiencies | Approved Leadership and Integrity Code | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on approval and signing of Leadership and Integrity Code for State Officers in the County * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the personal file of the County Attorney * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **T.O.E**   * Confirm that the County Government has developed a Specific Leadership and Integrity Code for State Officers in the County Sec. 37 of the of Leadership and Integrity Act, 2015 * Confirm that the Specific Leadership and Integrity Code for State Officers in the County has been approved by EACC Sec. 39 of the of Leadership and Integrity Act, 2015 * Confirm that the County Attorney has signed the Specific Leadership and Integrity Code issued by the County Government at the time of taking the oath of office or within seven days of assuming a State office Sec. 40 of Leadership and Integrity Act, 2015 * Where there has been any breach of the Code, confirm how the disciplinary proceeding has been dealt with as per section 41 of the Leadership and integrity Act   2012 |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and strategic plans. |
|  |  | Staff capacity constraints such as inadequate numbers of staff in the Office of the County Attorney | Approved Staff Establishment Plan | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on developing and approving the Staff Establishment Plans * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the Staff Establishment Plan for the Office of the County Attorney * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Confirm that the Approved Staff Establishment Plan has created the following Offices and positions Sec. 17 and 18 of the of the Office Of The County Attorney Act, 2020 ;   + County Solicitor   + County Legal Counsel(Legal Officers) * Confirm that that the establishment of the Offices is approved by CPSB as required by Sec. 60 of the CGA, 2012 in consideration of;   + Establishment of the public office serves public interest in line with the core functions of the   county government; |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * There exists no other public office in the county public service discharging or capable of discharging the duties for which the county is requested to establish another office; * Upon the establishment of the office, the vacant office is filled competitively and transparently in accordance with the prescribed appointment or promotion procedures; * The establishment of the office including its level of grading, qualification and remuneration does not disadvantage similar offices in the county public service or occasion unfair competition for staff among county public bodies; * The establishment of the office does not confer unfair advantage to a group of or individual serving public officers; * The county government entity has prudently utilized offices previously provided in its establishment; and * Funding for the office to be established is duly provided for * Confirm that the vacant positions are filled competitively as required by Sec. 60(1(c)) of the CGA, 2012 * Confirm that the appointed Officers meet such qualifications and skills as provided for in Sec. 17 of the Office Of The County Attorney Act, 2020 for the County Solicitor and Sec. 18 of the of the Office Of The County Attorney Act, 2020 for the Legal Counsel * Confirm that the Officers do not engage in any other   gainful employment that may result in a conflict of |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | interest Sec. 11 of the Office Of The County Attorney Act, 2020   * Carry out other tests of operating effectiveness aligned   to specific county policies, procedures, service delivery standards, minutes of meetings and strategic plans. |
|  |  | Poor representation of the county government in legal proceedings | Assignment of authority and responsibility | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on legal proceedings * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the legal proceeding case file * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Obtain the legal proceedings case files. Undertake sampling using an approved sampling criteria * Confirm that County Attorney represents the county executive in court or in any other legal proceedings to which the county executive is a party, other than criminal proceedings Sec. 7(c) of the Office Of The County Attorney Act, 2020 * Where delegation is done by the County Attorney to the County Solicitor or any other legal counsel, confirm that it is made through an instrument (in writing) and that the function is performed according to the   instrument Sec. 14 of the Office Of The County Attorney Act, 2020 |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Confirm that when representing the County Executive in legal proceedings, the County Attorney, the County Solicitor or the Legal Counsel are bound by the Code of Ethics provided in the Second Schedule of the Office Of The County Attorney Act, 2020 with regard to;   + Integrity   + Confidentiality   + Honesty   + Loyalty and dedication   + Quality of service   + Competence   + Diligence   + Selflessness   + Transparency   + Conflict of interest * Confirm that a department or public entity established within a county executive does not engage the services of a consultant to represent the County Executive in legal proceedings without the approval without the approval of the County Executive Committee Sec. 16(1) of Office Of The County Attorney Act, 2020 * Carry out other tests of operating effectiveness aligned   to specific county policies, procedures, service delivery standards, minutes of meetings and strategic plans |
|  |  | Overpayment of outsourced cases | Approved budget, procurement plan, and signed contracts |  |
|  |  | Inadequate funding of the County Attorney’s Office | Approved Budget | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on funding of the office of the county attorney. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI** |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Obtain the county approved budget and review the allocations for the Office of the County Attorney * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation.   **TOE**   * Confirm that when the Office of the County Attorney is established, the County Government allocates funds to the Office as required by Sec. 60(1(g)) of the CGA, 2012 and Sec 27 of the Office Of The County Attorney Act, 2020 * Confirm that the funds are sufficient to enable the Office of the County Attorney is able to cater for administrative expenses of the Office and such other purposes Sec 27(2) of the Office Of The County Attorney Act, 2020 * Carry out other tests of operating effectiveness aligned to specific county policies, procedures, service delivery standards, minutes of meetings and strategic plans |
|  |  | Failure or delay in submitting statutory reports | Statutory timelines | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on annual reporting by county attorney. * If the control is not documented, enquire from process owner how it is meant to be executed.   **TOI**   * Obtain the county annual report * Confirm that the design documented under TOD is implemented as documented. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * Confirm that after the thirtieth of June in each year, the County Attorney prepares and furnishes the Governor a report of the operations of the Office during the year that ended on thirtieth June Sec. 28(1) of Office Of The County Attorney Act, 2020 * Confirm that the Annual Report contains (Sec. 28(2) of Office Of The County Attorney Act, 2020);   + the financial statements of the Office;   + a description of the activities of the Office; and   + Such other information relating to its functions that the Office may consider necessary. * Confirm that The County Attorney submits to the Clerk of the County Assembly a copy of the report furnished to the Governor for tabling before the County Assembly within fifteen days after the day on which the Governor receives the report Sec. 28(3) of Office Of The County   Attorney Act, 2020 |

# **Sub-process: Outsourced Legal Services**

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 1 | To establish whether litigation process is done in line with laws. | Unnecessary litigations | * Alternative Dispute Resolution (ADR) Mechanisms in place * ADR Reports * Contract register and minutes of negotiations/Report. | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on outsourced legal services   **TOI**   * Obtain the established ADR Mechanism. * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation.   **TOE**   * Confirm whether there was legal opinion issued by County Attorney. * Confirm whether ADR mechanisms have been established in line with **Art.159 (2c) Constitutional of Kenya, 2010** * Confirm whether dispute resolutions are in line with **part III** **Labour Relations Act, 2007 & L.4 PSC HR Policy, 2016** * Ascertain whether ADR clause in the signed contract was exhausted as prescribed. * Confirm whether the provision of the Act were included in the contract and any matters referred to arbitral court **Sec 24 Nairobi center for International Arbitration Act, 2013 revised 2018** * Confirm whether there is written request by Department to CEC to approve engage of legal consultant for provision of legal services. **Sec. 16 of Office Of The County Attorney Act, 2020** |
|  |  | Insufficient Court preparations leading to loss of cases | Case file (Assignment of the file to a particular liaison counsel, Court notification, Letters of instruction, Minutes of meeting between Liaison Attorney and External Counsel, Court pleadings­) | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on outsourced legal services.   **TOI**   * Obtain the Case file. * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation.   **TOE**  Confirm the instrument of delegation to a liaison counsel was assigned **(Sec. 14 Office Of The County Attorney Act, 2020 revised 2022);**  Confirm completeness (pleadings, court attendance, correspondents, receipts of any filing fee paid in court, any ruling given during the case, any conservatory orders e.g. injunctions, pleadings filled by aggrieved party, judgement, decree and execution, invoice/fee note of external lawyer, etc) of case files and correspondence between the external lawyer and the County. **Law society Code of Ethics**   * Confirm if court notification was issued and filed. * Confirm whether letter of instruction was issued * Confirm whether external lawyer has adhered with **LSK Code of Conduct** e.g. declared conflict of interest, overcharging etc. * Confirm whether the County was continuously updated at all times by the external counsel. |
|  |  | Overpayment of legal fees | Taxed bill of legal cost. | **TOE**  Ascertain fees paid were fair and ruled according to the advocate remuneration order, the instructions, **Clause 72 LSK Code of Conduct.**  In case of dissatisfaction of the bill of cost confirm whether an appeal was lodged. **Civil Procedure Act & the Rules 2010** |
|  |  | Collusion between County Attorney and external Counsel |  | Confirm whether County Attorney and external Counsel has declared conflict of interest. **LSK Code of Conduct** |
| 2. | Ascertain that all outsourced conveyance matters are conducted in accordance with law | Unforeseen conflicts arising from unprocedural dealings in land and resultants cost.  Loss of County land ownership rights and developments therein  Noncompliance with relevant laws and regulations | County Attorney legal opinion on need to engage external counsel.  Approval by CEC to engage external Counsel.  Letter of instruction for external Counsel  Updated Asset register, Tittle deeds, Updated survey maps, Minutes of Department of Lands | **TOD**   * Establish the key requirements of Land Act 2012, Land Registration Act 2012, National Land Commission Act, Land Acquisition Act, and any other relevant laws, regulations, policies and procedures on outsourced legal services.   **TOI**   * Obtain the letter of instruction . * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation.   **TOE**   * Confirm whether there was legal opinion issued by County Attorney. * Confirm whether ADR mechanisms have been established in line with **Art.159 (2c) Constitutional of Kenya, 2010** * Confirm whether there is written request by Department to CEC to approve engagement of legal consultant for provision of legal services. **Sec. 16 of Office of The County Attorney Act, 2020** * Establish completeness of conveyance file (proposal from Dept. of Land-justification, pre-feasibility study, valuation by County valuers, ) * (official search and due diligence, site visit, survey, mutation form, and confirmation of beacon if applicable, sale agreement, duly executed transfer forms, land rent and rates clearance certificates, valuation report from Min. of Land, stamp duty assessment, receipt of payment of stamp duty, title deed) * Establish if fees paid were fair and drawn according to the advocate remuneration order, the instructions, **Clause 72 LSK Code of Conduct on overcharging.** |

# **Sub-Process: County Legislative Process**

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 1 | To ascertain that the process followed in | Enactment of irregular laws due to non- | * The approved County Assembly calendar | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on County legislation. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  | making laws by the County Assembly is effective, efficient and complies with the Standing Orders. | adherence to standing orders. |  | **TOI**   * Obtain the approved County Assembly calendar. * Obtain the county Assembly standing orders. * Obtain the County Assembly Procedure and Rules Committee reports. * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation   **TOE**   * Ascertain that the calendar of the County Assembly has been approved by the county Assembly as required by law. Article 185 of the Constitution of Kenya, 2010. * Ascertain that the approved Calendar of the County assembly has been published in the county gazette, County Assembly website and at least two newspapers of national circulation. Article 199 of the Constitution of Kenya, 2010 and Section 25 County Government Act 2012. * Ascertain whether the assembly calendar is implemented as per the County Assembly standing orders. * For a selected sample of bills ascertain that the Chairperson of the Sectoral Committee to which a Bill is committed or a Member designated for that purpose by the Committee, shall present the Committee’s report to the County Assembly within twenty calendar days of such committal and upon   such presentation, or if the Committee’s report is not |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | presented when it becomes due, the Bill is ordered to be read a Second Time on such day as the County Assembly Business Committee shall, in consultation with the Member or the Committee in charge of the Bill, appoint. As per the relevant standing orders or Model County Assembly Procedure and Practice Manual Section 112 (Report Stage).   * For a selected sample, ascertain whether the County Assembly Procedure and Rules Committee considered and reported on matters relating to the Standing Orders as required by the County Assembly   standing orders. |
| 2. | To ascertain that the procedures followed in enactment of the County Finance Act complies with the provisions of the law. | Delayed delivery of services, programs & projects | The County Finance Act and County appropriation Act | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on enactment of the County Finance Act.   **TOI**   * Obtain the approved County Assembly calendar and the Standing Orders * Obtain the Approved Finance Act * Obtain the approved appropriation Act * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation   **TOE**   * Ascertain that the County appropriation bill has been considered and approved within the required timeline (Sec 130 of the PFM Act, 2012 and the County Assembly standing orders) * Ascertain that the finance bill has been considered and approved within ninety days after passing the |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
|  |  |  |  | Appropriation Bill (Sec 132 & 133 of the PFM Act, 2012 and the County Assembly standing orders) |
| 3. | To establish whether the Members County  Assembly extend professional knowledge, experience or specialized knowledge to any issue for discussion in the County Assembly. | Inadequate skills and capacity of the members of County Assembly in carrying out their legislative role | Training Calendar for the members of county assembly and the support staff | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on capacity building of Members of County Assemblies.   **TOI**   * Obtain training needs analysis and the training program * Obtain the county Assembly standing orders * Obtain the County Assembly Procedure and Rules Committee reports * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. * Note any gaps in implementation   **TOE**   * Ascertain whether the training program arrived at through a training needs analysis has been implemented as per Section H3 of the PSC HR policy and procedures manual 2016. * For a selected sample, ascertain if the procedures prescribed in the standing orders are being followed, including the engagement of technical experts where necessary. As per the Second Schedule of the County   Government Act, 2012. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 4. | To establish whether the County Assembly respects the principle of public participation. | Possible litigation from affected stakeholders | * Public participation policy | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on public participation.   **TOI**   * + Obtain the public participation policy   + Obtain the County Assembly standing orders   + Obtain the Petitions Register   + Confirm that the design documented under TOD is implemented as documented.   + Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * + Establish whether there is in place a public participation policy as best practice.   + Establish whether there are any petitions or suits filed in court with regard to the failure of the county Assembly to conduct public participation during legislation. County Government Act Section 3 (f) and 87.   + For the selected sample of bills, ascertain whether the Sectoral Committee to which the Bill was committed facilitated public participation and took into account the views and recommendations of the public when the Committee makes its report to the County Assembly as per the relevant standing orders   + Establish whether public participation was carried out in accordance to Article 196 of the Constitution of Kenya, 2010, County Government Act 87 and the   County assembly standing orders. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 5. | To ascertain that the MCAs disclose, and take reasonable steps to avoid, any conflict of interest, real or apparent, in connection to any matter to be discussed in the County Assembly or Committee. | Conflict of interest in enactment of county assembly laws. | Conflict of interest registers | **TOD**   * Establish the key requirements of laws, regulations, policies and procedures on county legislation.   **TOI**   * Obtain the County Assembly integrity training programs for MCAs as a best practice. * Obtain the County Assembly conflict of interest registers. * Obtain the County Assembly policy on management of gifts for state officers and the gifts register. * Obtain the declaration of wealth forms registers. * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * For the selected sample, ascertain whether the integrity training programs for MCAs were attended and a back to office report filed with the relevant officer as a best practice. * Ascertain whether conflict of interest registers have been filled. Section 17 (9) Public Service Code of Conduct and Ethics 2016. * Ascertain whether gifts to state officers are reported and entered in the gift register. Section 15 Public Service Code of Conduct and Ethics 2016. * Ascertain whether members of the county assembly are declaring their wealth regularly as required under Part IV Public Officers Ethics Act, 2003. |

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|  | **Audit Objectives** | **Risks** | **Expected Internal Controls** | **Audit Test** |
| 6. | To ascertain on the effectiveness and  efficiency of the  committees’ activities. | Lack of value for money | County Assembly Procedure and Rules Committee reports | **TOD**  Establish the key requirements of laws, regulations, policies and procedures on county assembly committee activities.  **TOI**   * Obtain the County Assembly standing orders * Obtain the minutes and reports of the committee on implementation. * Obtain sectoral committee minutes and reports * Confirm that the design documented under TOD is implemented as documented. * Walkthrough and document the process flow/ map. Note any gaps in implementation   **TOE**   * For a selected sample of bills passed by the County Assembly, ascertain whether the committee on implementation examined its operationalization and where operationalized, the extent to which such operationalization has taken place within the minimum time necessary, as per the relevant standing order. * For the selected sample of select committee   minutes, establish whether the meetings occurred and had quorum. |