

TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
CHAPTER ONE.....	3
1.2 Mandate of the Committee.....	3
1.3 Committee Membership.....	4
1.4. Acknowledgement.....	5
2.1 Guiding principles and legal parameters in the Examination of the Bungoma County Education Support Scheme Reports and Financial statements.	6
1. Constitutional Principles on Public Finance.....	7
2. Direct Personal Liability.....	7
2.5. Board of Trustees / Fund Administration Committee.....	10
CHAPTER THREE.....	11
3.2 SCRUTINY OF EXPENDITURE FINANCIAL YEAR 2023/2024	11
CHAPTER FOUR.....	14
4.0 OBSERVATIONS AND RECOMMENDATIONS	14
4.1 COMMITTEE OBSERVATIONS.....	14
4.2 RECOMMENDATIONS.....	15
4.3 ADOPTION SCHEDULE.....	16

CHAPTER ONE

1.1 PREAMBLE

Hon. Speaker,

It is my pleasant duty to present the Bungoma County Government Scholarship and Bursary report and financial statements as at 30th June, 2024 in respect to the Department of Education and Vocational Training. This document was tabled in the County Assembly of Bungoma on 5th September, 2024 and committed to the Sectoral Committee for their interrogation, input and recommendation through a report to this Honorable house.

1.2 Mandate of the Committee

The sector Committee on Education and Vocational Training was constituted pursuant to the provisions of Standing Order No. 217 of the County Assembly of Bungoma and executes its mandate in accordance with Standing order 217(5) which provides as follows:

- i.** Investigate, inquire and report all matters relating to the mandate, management, activities, administration, operations and estimates of the assigned departments.
- ii.** Study the programme and policy objectives of departments and the effectiveness of the implementation;
- iii.** study and review all county legislation referred to it;
- iv.** study, assess and analyze the relative success of the departments as measured by the results obtained as compared with their stated objectives;
- v.** investigate and inquire into all matters relating to the assigned departments as they may deem necessary, and as may be referred to them by the County Assembly;
- vi.** to vet and report on all appointments where the constitution or any law requires the County Assembly to approve, except those under Standing order 185(Committee on Appointments); and
- vii.** make reports and recommendations to the County Assembly as often as possible, including recommendations of proposed legislation

1.3 Committee Membership

Hon. Speaker,

The Committee on Education and Vocational Training as currently constituted comprises the following Members:-

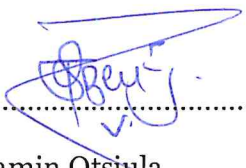
1) Hon. Benjamin Otsiulah	Chairperson
2) Hon. Stephen Kaiser	Vice Chairperson
3) Hon. Christine Mukhongo	Member
4) Hon. Vitalis Wangila	Member
5) Hon. Charles Nangulu	Member
6) Hon. Aggrey Mulongo	Member
7) Hon. Hentry Nyongesa	Member
8) Hon. Joan Kirong	Member
9) Hon. Johnston Ipara	Member
10) Hon. Jacob Psero	Member
11) Hon. Timothy Chikati	Member
12) Hon. Abraham Obama	Member
13) Hon. Ali Machani	Member
14) Hon. Hon. Jack Kawa	Member
15) Hon. Franklin Simotwo	Member

1.4. Acknowledgement

I take this opportunity to thank the Offices of the Hon. Speaker and Clerk of the County Assembly of Bungoma for the support received as it discharged its mandate.

I also appreciate committee members for dedicating their time to examine the Bungoma County Government Scholarship and Bursary report and financial statements of the Education and Vocational Training department as at 30th June, 2024. Further, I would also like to appreciate the members of staff who worked with us for their commitment in coming up with the report.

It is therefore my pleasant duty and privilege, on behalf of the Committee on Education and Vocational Training, to table this report and recommend it to the House for consideration and adoption.

Signed  Date. 4/02/2025

(Hon. Benjamin Otsiula MCA Khasoko Ward).

Chairperson, Sectoral Committee on Education and Vocational training.

CHAPTER TWO

2.1 Guiding principles and legal parameters in the Examination of the Bungoma County Education Support Scheme Reports and Financial statements.

INTRODUCTION

Hon. Speaker,

The Scholarship and Bursary report and financial statements as at 30th June, 2024 was tabled on 5th September, 2024 and committed to the Sectoral Committee for interrogation and recommendations to the House.

Education importance to a society need not to be overemphasized for its benefits are immense. In a summarized way it helps people to become better citizens by differentiating between good and bad. It shows us the importance of hard work and at the same time help us to grow and develop a society to live in knowing and respecting rights, laws and regulations.

While progress has been made in our Country and County such near universal provisions of basic free education user costs remain a significant barrier to education access. These costs often differently affect lower income families and learners, feeding a cycle of disadvantages in equitable access to quality education.

The County Government formally established the County –scholarship and bursary support program in 2018 with the objective being to assist bright and needy students who have been enrolled in National and extra-County schools.

2.2 Legal parameters

Hon. Speaker,

In the execution of its mandate, the Committee of Education and Vocational Training is given a legal backing under the Constitution of Kenya 2010, Public Finance Management Act, 2012, County Governments Act, 2012 and Bungoma County Education Support Scheme Regulations 2019.

These statutory provisions include:

1. Constitutional Principles on Public Finance

Article 201 of the Constitution of Kenya, 2010 enacts fundamental principles that “...**shall guide all aspects of public finance in the Republic...**” These principles include, *inter alia*, that: **201(a)** *There shall be openness and accountability, including public participation in financial matters;* **201(d)** *Public money shall be used in a prudent and responsible way;* and **201(e)** *Financial management shall be responsible, and fiscal reporting shall be clear.*

Section 149(1) (a) and (b) of the PFM Act 2012 provides as follow...“an accounting officer is accountable to the County Assembly for ensuring that the resources of the entity for which the officer is designated are used in a way that is;

- a) *Lawful and authorized*
- b) *Effective, efficient, economical and transparent*

2. Direct Personal Liability

Article 226(5) of the Constitution of Kenya, 2010 is emphatic that “*If the holder of a public office, including a political office, directs or approves the use of public funds contrary to law or instructions, the person is liable for any loss arising from that use and shall make good the loss, whether the person remains the holder of the office or not*”.

The scholarship scheme is anchored on the Bungoma County Scholarship and bursary scheme regulations 2019 established as per section 116 of the Public Finance Management Act.

The major sources of funding as specified in the regulations entails: Monies from the exchequer account, gifts, donations and endowments from legal sources.

The principle of establishing the scheme as per the regulations:

1. Increase access to quality education and training
2. Support needy students proceeding to Secondary, Vocational, Tertiary and Higher Institutions
3. Promote an integrated strategic approach in addressing education training and skills development
4. Fulfill the departments social responsibility through funding of education institutions within the county
5. Reduce disparities and inequalities in provision of education and training within the county
6. Model an alternative framework in funding education and training.

2.3. Committees for Scholarship and bursary programs

Hon. Speaker,

The following are key committees in bursary and scholarship schemes operations.

a) The County Education Support Scheme Committee

It comprises of 9 members amongst them is the chief officer-education-who is the chairperson, officer from education department who is to be the secretary, chief officer-Finance or representative, two persons appointed by CECM-Education after recommendations from the county education board, two persons appointed by CECM-Education from the community who are knowledgeable in matters education and other two persons appointed by the CECM-Education to represent special groups.

The key functions amongst others; Ensure that money held in the scheme is spent as per the purpose for which the scheme is established, receive gifts donations, grants or endowments made to the scheme, prepare financial statements and submit to the Auditor general, vet approve and endorse recommendations from ward committees amongst other functions.

b) Ward bursary and scholarship committees

The committee consists of 5 members as follows: The ward administrator who is the secretary of the committee; two members representing special interest groups from among youth, persons with disabilities and marginalized communities within the ward; two persons from the community who are knowledgeable on education matters. The chairperson is elected by members during the first sitting-The key functions are to: Receive bursary application forms, Vet bursary applicants using established criteria, and identify the beneficiaries within the ward using the guidelines provided

c) County scholarship committees

Is nominated by the CECM In charge of education after consultation with various stakeholders. The Committee is comprised of 9 members representing various interests groups. Such as religious groups, person living with Disabilities. The Committee is to approve the vetted list forwarded from the ward bursary and scholarship committees. The committees may also organize visitations to ascertain the neediness of the scholarship.

2.4. Process of identifying the students.

Students are invited to apply at ward level. The prospective applicants were required to be:

1. Disciplined according to the latest school or college report

2. Be admitted, continuing or student with an offer letter for admission to special school secondary school, vocational training Centre, tertiary institution or recognized university in Kenya
3. Needy and vulnerable bright students
4. Resident of the ward they are applying from

Applicants are then vetted at the ward level by ward bursary and scholarship committees who forward their recommendations to the County Scholarship Committee. The county scholarship committee undertakes home visitation to ascertain the suitability of the students for scholarship.

2.5. Board of Trustees / Fund Administration Committee.

Hon. Speaker,

As at 30th June, 2024, the following were the members of Board of Trustee and Management.

1. Chairperson-Nicholas T. T. Kiboi
2. Fund Administrator/Secretary-Selina Nyongesa
3. Member –Moris Kiboi.
4. Member – Fred Kikete.
5. Member –Bukhuni Makhanu
6. Member –Wambiya Katoyi
7. Member –Godfrey Watulo
8. Member – Bishop Lirhu Wafula

Management Team.

- i. Dr. David Wamamili-CECM.
- ii. Nicholas T. T. Kiboi -Chairperson.
- iii. Selina Nyongesa - Fund Administrator.
- iv. Julius Wafula - Fund Accountant
- v. Eunice Imbweya – Director
- vi. Gilbert Cheshari - Finance Officer
- vii. Wycliffe Matumbai - Economist

CHAPTER THREE

3. 1 Fund allocation Vs releases since inception

Hon. Speaker,

Since its inception in 2018, the fund has received a cumulative allocation of Kshs. 1,935,700,000 while a total of Kshs. 1,649,000,000 has been released to date. The table below gives the breakdown per financial year;

Financial yrs.	Allocations	Releases
FY 2018/2019	190,000,000	190,000,000
FY 2019/2020	240,000,000	170,000,000
Fy 2020/2021	110,000,000	110,000,000
Fy 2021/2022	550,000,000	550,000,000
Fy 2022/2023	524,000,000	524,000,000
Fy 2023/2024	321,700,000	105,000,000
Total	1,935,700,000	1,649,000,000

3.2 SCRUTINY OF EXPENDITURE FINANCIAL YEAR 2023/2024

Hon. Speaker,

The County Education Support Scheme Fund had an approved budget of Kshs. 321,700,000 as per the approved 2nd supplementary budget. The report submits an actual expenditure of Kshs. 167,941,910 representing a 52.2% absorption rate. On this, the Department submission was that only Kshs. 90,000,000 million was received by close of financial year while Kshs. 216,700,000 was remitted in August of this financial year, leaving a deficit of Kshs. 15,000,000 . The Committee took note of this

discrepancies in reporting and notes that absorption was therefore 28% and not 52.2% as projected.

The number of beneficiaries for scholarship was 647 while 45,000 learners benefited from the Bursary Fund.

Hon. Speaker,

The Fund is listed to have an expenditure of Kshs. 100,034,430 broken down as follows;

Description	Amount
General Expences	40,000
Committee allowances	1,380,000
Printing and stationary	107,000
Bank charges	196,085
Education Support Scheme Fund (Scholarship and bursary)	94,830,770
Scholarship launch	2,312,875
Fuel consumption	68,900
Senate interrogation at KICC	540,800
Report writing on financial and non-financial	558,000
Total	100,034,430

Based on the submissions from the above table, the operating expenses amounted to Kshs. 5,203,660 which translates to 5.2% of the Total expenditure. This is above the 3% threshold as required by the Regulations.

Hon. Speaker,

It was established, that the Current receivables for the fund stood at Kshs. **224,415,800** which includes Kshs. 7,715,800 as loan repayment due and Kshs. 216,700,000 as transfers from Treasury which was received in August of this financial year.

Hon. Speaker,

The fund had an opening balance of Kshs. 138,327,309 brought forward on July 1st 2023 held in KCB account number 1182244041. There is also a declaration of Kshs. 4,969,621 as bank balances relating to the fund. The two accounts had Kshs. 1,282,196 at KCB and Kshs. 3,687,425 at CBK. This contradicted the disclosure during the 4th Quarter Financial statement that put the bank balance at KCB as Kshs. 243,234,110

CHAPTER FOUR

4.0 OBSERVATIONS AND RECOMMENDATIONS

4.1 COMMITTEE OBSERVATIONS

Hon. Speaker,

The committee made the following observations;

1. There were a lot of discrepancies between the disclosures on the funds financial statement and the Fourth Quarter Consolidated Financial Statement. For instance the consolidated financial statement puts the expenditure on the fund at Kshs. 90,000,000 while the funds Statement puts this at Kshs. 167,941,910. Additionally, the figures of expenditures tabled by the Department appears to be different from those figures submitted by Treasury in the Consolidated Financial statement pointing to erroneous entry by the Reporting Unit at Treasury or submission of different figures to Treasury and County Assembly by the Department
2. In the financial year 2022/23, the Department did not utilize all the allocated funds to the tune of Kshs. 138,327,309. These funds were utilized during the 1st Quarter of 2023/24.
3. In the financial year 2023/24, the Education support scheme fund had a total allocation of Kshs. 321,700,000 where Bursary Fund had Kshs. 140,000,000 and Scholarship Fund Kshs. 180,000,000 while Kshs. 1,700,000 was allocated under Ward Based Project.
4. The amount not transferred from National Treasury stood at Kshs. 216,700,000 by the close of the financial year without clear explanation.

4.2 RECOMMENDATIONS

The Committee made the following recommendations;

1. **THAT**, the Department should liaise with the treasury to prevent discrepancies between the figures in the financial statements and the approved budget.
2. **THAT**, all funds should be utilized within the financial year.
3. **THAT**, adequate allocation should be given to scholarship fund to cater for the number of beneficiaries provided.
4. **THAT**, the Department should be making timely requisition to Treasury so that funds do not remain un-utilized at the end of a given Financial Year.

ADOPTION SCHEDULE

We the undersigned Members of Education and Vocational Training append our signatures adopting this report with the contents therein.

NAME	DESIGNATION	SIGNATURE
1. Hon. Benjamin Otsiula	Chairperson	
2. Hon. Steve Kaiser	Vice Chairperson	
3. Hon. Ali Machani	Member	
4. Hon. Johnston Ipara	Member	
5. Hon. Joan Kirong	Member	
6. Hon. Abraham Obama	Member	
7. Hon. Timothy Chikati	Member	
8. Hon. Jacob Psero	Member	
9. Hon. Christine Mukhongo	Member	
10. Hon. Jack kawa	Member	
11. Hon. Aggrey Mulongo	Member	
12. Hon. Vitalis Wangila	Member	
13. Hon. Charles Nangulu	Member	
14. Hon. Hentry Nyongesa	Member	
15. Hon. Franklin Simotwo	Member	

ANNEXURES

1. Minutes of Adoption

**MINUTES OF EDUCATION AND VOCATIONAL TRAINING
COMMITTEE HELD ON 21st DECEMBER 2024 AT KIKA HOTEL
KISUMU.**

MEMBERS PRESENT

1. Hon. Benjamin Otsiula	Chairperson
2. Hon. Stephen Kaiser	Vice- Chairperson
3. Hon. Hentry Nyongesa	Member
4. Hon. Franklin Simotwo	Member
5. Hon. Christine Mukhongo	Member
6. Hon. Vitalis Wangila	Member
7. Hon. Jacob Psero	Member
8. Hon. Joan Kirong	Member
9. Hon. Timothy Chikati	Member
10. Hon. Abraham Obama	Member
11. Hon. Johnston Ipara	Member
12. Hon. Charles Nangulu	Member
13. Hon. Aggrey Mulongo	Member
14. Hon Jack Kawa	Member
15. Hon Ali Machani	Member

SECRETARIAT

1. Peter Wafula Makokha	– Committee Clerk
2. Protus Simiyu	- Hansard officer
3. Lindah Tubaka	- Research
4. Levis Wakhungu	- Legal
5. Nicholas Maghas	- Fiscal Analyst
6. Job Toili	- SAA

AGENDA

1. Prayer
2. Determination of quorum
3. Adoption of the Agenda
4. Declaration of Interest
5. Communication from the Chair
6. Adoption of Bursary and Scholarship Financial Statements Report as at 30th June, 2024

MIN/1/21/12/2024:PRAYER

NAME PETER MAKOKOTO Signature [Signature]

DATE 6/1/2025