

KENYA PLANT HEALTH INSPECTORATE SERVICE

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**MATRIX OF ACTION POINTS ARISING FROM THE MINUTES OF THE
55th AUDIT RISK AND GOVERNANCE COMMITTEE MEETING**
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ARGC PAPER

Below is the matrix of matters arising from the minutes of the 55th Audit, Risk and Governance Committee meeting indicating the resolutions by the Committee.

No	Minute Reference	ISSUE	ACTION	PROGRESS AS AT JUNE 2025		Actor
1	MIN/AC/28/2024(a)	Unclear Reporting Line for Deputy Directors in Laboratory Department	The review of the Human Resource Instruments is scheduled to be done in the fourth quarter of financial year 2024/25. The Committee directed the Management to: Ensure the timelines as proposed are observed.			DCS
2	MIN/AC/28/2024(b)	Waiver of Revenue from ACL Analyses.	The review of the Human Resource Instruments is scheduled to be done within Q4 FY2024/2025. The Audit Committee had directed Management to: Ensure the timelines as proposed are observed.			DCS
3	MIN/AC/28/2024(c)	Property, Plant and Equipment (PPE).	KEPHIS has engaged KALRO on the issue of subdivision and transfer of title for the Nakuru land. GEODEV Kenya Ltd has been to undertake the survey, subdivision, and titling of the land. Relevant			

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			documents were filed with the Director of Survey for approval on 26th July 2024. The Committee directed management to: Fast track the progress and provide updates including the progress on the land in Kitale.			DCS
4	MIN/AC/28/2024(e)	Limited Office Space at Lwakhakha.	The work has been completed. Inspection Committee will visit the office in the month of April 2025 to do final inspection of the work done. The Committee directed that: Ensure that inspection of the work is done in the month of April to enable employee to have working space.			MSCM
5	MIN/AC/29/2024(j)	Inadequate Maintenance and Update of KEPHIS Asset Registers	A team from the National Treasury had trained the KEPHIS team to update the asset register in accordance with the National Treasury's guidelines on asset management: The matter be resolved without delay. Progress report to be tabled in the next Committee meeting.			MSCM
6	MIN/AC/46/2024 (z)	Challenges for Internal Audit Department	Procurement of new laptops has been done. Once received, Internal Audit will be allocated an equitable number of laptops.			DCS

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			Resolution: The Committee directed management to prioritize provision of the 4 laptops to the department and the Director Internal Audit to liaise with Director, Corporate Services for the issuance of the laptops.			
7	MIN/AC/10/2025	Gaps in reconciliation and oversight in fuel management	The transport reporting module is currently being tested and we are working with the ERP developer to ensure the module becomes fully operational. The Committee directed management to: - Ensure that Transport module in the ERP is functional in order to enhance accountability in transport management. This should be implemented by the beginning of the 2025/2026 financial year.			DCS

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8	MIN/AC/10/2025	Additional declaration on the PIP not addressed by Phytosanitary Certificates	The Committee observed that the Standard Operating Procedure (SOP) for Import Certification of Plants, Plant Products and regulated articles is not adhered to. The following consignments were released at JKIA without import documents adequately addressing the requirements of the Plant Import permits. Related phytosanitary certificates did not contain the additional declarations specified in the Plant Import permits. PIP 2024/306660 (Chrysanthemum spp.) PIP2024/315304 (Pomegranate) PIP2024/315301 (Plums) PIP2024/315313 (Peach) PIP2024/315307 (Persimmon) A show cause letter, reference no KEPHIS/HQ/4/19/Vol 58/43 dated 4th March 2025 was issued to the officer in charge of JKIA. The Committee directed that: - The officers involved in the clearance of the above consignments be issued with show cause letters in their personal name and not their title. - Management to ensure that the officers respond to the letter explaining why there was lack of strict adherence to inspection procedures and protocols.			DPBS

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9	MIN/AC/10/2025	Use of Duplicate Phytosanitary certificates to clear Multiple Consignments	Plant Import permits listed below were cleared using a copy of a Phytosanitary Certificate instead of the original at JKIA: PIP2024/300577 PIP2024/300581 PIP2024/300574 PIP2024/305017 A show cause letter, reference no KEPHIS/HQ/4/19/Vol 58/43 dated 4th March 2025 was issued to the officer in charge of JKIA. The Committee directed that: - The officers involved in the clearance of the above consignments be issued with show cause letters in their personal name and not their title. - Management to ensure that the officers respond to the letter explaining why there was lack of strict adherence to inspection procedures and protocols			DPBS
10	MIN/AC/20/2025	Revenue Reconciliation (IEICS with E-Citizen)	Revenue reconciliations between IECS and eCitizen had not been conducted by accountants at the following offices: JKIA, Kisumu, PQBS, Mombasa, Kitale, and Nakuru.			DCS

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			The Committee directed management to: Improve internal systems to ensure that all income from different regions can be easily traced to eCitizen, thereby facilitating smoother reconciliation of revenue.			
11	MIN/AC/20/2025	Confirmation of Proof of Payment in Seeds and IECS Systems	There was loss of loss of revenue in Taveta office involving the use of proof of payment in IECS system. The Committee directed management to: - Immediately stop the functionality of the Proof of Payment method. - The committee appointed by the Managing Director to complete the investigation and prepare a report.			DCS
12	MIN/AC/20/2025	Policy on Upfront Payment for Services	KEPHIS Muguga office did not strictly adhere to the policy on upfront payment for services. The committee directed management to: - Immediately stop offering services on credit.			DCS

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			- The Deputy Director in charge of Muguga to collect all outstanding debts amounting to Kes 1,527,500.00.			
13	MIN/AC/20/2025	Services not-on boarded in the E-Citizen.	The following services had not been onboarded to eCitizen, as per the presidential directive: • Health Certificates • Wood Treatment Services • Nursery Inspection • Laboratory Services The committee directed management to: Ensure that all services are automated and integrated with eCitizen to comply with the presidential directive by the end of the 2024/25 financial year.			DCS
14	MIN/AC/20/2025	Leave Management	The ERP system allowed employees to carry forward negative leave balances at the end of the financial year. Additionally, the system permitted changes to be			DCS

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			made to leave applications even after they had been approved. The committee directed management to: - Put in place strict controls to ensure that staff can only proceed on leave for their entitled number of days. Supervisors to approve leave applications without delay. - Configure the ERP not to allow changes to the leave application after approval.			
15	MIN/AC/20/2025	Reimbursement of Training Levies from National Industrial Training Authority (NITA)	There was no documentary evidence provided to show that the institution has been claiming eligible training fee reimbursements from NITA. The committee directed management to:			DCS

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			- Establish and implement controls to ensure timely reimbursement of levies from NITA. - Ensure that the COPE certificate from NITA is up to date			
16	MIN/AC/21/2025	Auditor General's report on KEPHIS for the year ended 30th June 2024	The Auditor General issued a qualified opinion on the financial statements due to the following issues: - Missing title deeds for institutional land. - Discrepancies in revenue reporting between exchange transactions and the eCitizen platform. The committee directed management to: - Follow up on the land title deeds - Ensure that there is reconciliation between revenue as reported in KEPHIS systems and eCitizen.			DCS

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17	MIN/AC/21/2025	Auditor General's report on KEPHIS Mortgage Scheme for the year ended 30th June 2024.	The Auditor General issued an unqualified audit report, but highlighted a discrepancy in the interest rate applied to staff mortgages. The rate used was 4%, instead of the 3% prescribed by the Salary and Remuneration Commission (SRC) policy. The committee directed management to: Adjust the mortgage interest rate from 4% to 3% in alignment with SRC guidelines.			DCS



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