## **ABSTRACT**

**Background:** The challenges of resource management in public health facilities are largely caused by many inefficient practices at various levels, by various accountability failures in the supply chain for medical supplies. There have been reports of thefts, with no counter claims of losses, which could be inferred that facilities were not able to detect it due to failures in the accountability system or that there is rampant theft in the health facilities.

*Materials and Methods:* An analytical cross-sectional study was conducted on panel data of a census of 21 health facilities. Data was collected using a data collection tool with respect to Co-trimoxazole tablet from first quarters of 2011, 2012 and 2013, giving 63 observations.

**Results:** The study revealed that 66.7% (42/63) of all inventory record observations for Cotrimoxazole 480mg tablet had errors. Of these observations, 64.3% (27/42) could not account for more than 1% of the bottles of Co-trimoxazole 480 mg tablets received. In total, 19% (1,958 bottles by 1000 tablets) of the 10,185 bottles issued to these facilities over the period of review were not accounted for. By Medical Stores Limited (MSL) Dispatch Note (June 2014) pricing, this gave a monetary value of KR 84, 585.60, unaccounted for. On regression analysis, proportion of use of inventory tool showed that a unit increase in the proportion of use inventory tool, decreases the inventory error by a 57.512%, (p-value = 0.015). Product density, staff-to-client ratio, indicator product turn-over and proportion of personnel trained in inventory management, were found to be unrelated to inventory record error.

**Conclusion:** The finding of the study revealed accountability challenges in inventory management at this level of service delivery. With the results down-playing the contribution of factors analysed in this study, unknown causes, inclusive of theft, remain the dominant cause of inventory error in inventory management.