LEGAL NOTICE NO. 251

THE PUBLIC FINANCE MANAGEMENT ACT

(No. 18 of 2012)

IN EXERCISE of the powers conferred by section 24 of the Public Finance Management Act, 2012, the Parliamentary Service Commission makes the following Regulations:

THE PUBLIC FINANCE MANAGEMENT (SENATE MONITORING AND EVALUATION) REGULATIONS, 2015

PART I—GENERAL PROVISIONS

1. These Regulations may be cited as the Public Finance Management (Senate Monitoring and Evaluation) Regulations, 2015.

2. In these Regulations—
   “accounting officer” means the Clerk of the Senate;
   “bank account” means an account opened at a commercial bank for the purpose of monitoring and evaluation under these Regulations;
   “Clerk” means the Clerk of the Senate appointed under Article 128 of the Constitution;
   “Commission” means the Parliamentary Service Commission established under Article 127 of the Constitution;
   “Committee” means Senate Monitoring and Evaluation Committee established in accordance with Regulation 13;
   “county office” means an office set up by a Senator in accordance with the Parliamentary Service (Constituency Office) Regulations, 2005;
   “county” means a county as prescribed under Article 6(1) of the Constitution;
   “Fund” means the sum allocated to Senators for purposes of carrying out monitoring and evaluation under the Commission budget;
   “House” means the Senate;
   “recipient” means a nominated or elected Senator;
   “returns” means documentation indicating expenditure incurred during the monitoring and evaluation exercise;
   “Speaker” means the Speaker of the Senate; and
   “staff” means an employee or employees of a Senator under these Regulations.
3. (1) The purpose of the Regulations is to guide the Senate Sessional Committee on Monitoring and Evaluation in the administration, disbursement and management of the Fund to ensure efficiency and effectiveness.

(2) The Regulations—
(a) specify the sources of funds to the Fund;
(b) provide guidance on the administration and management of the Fund; and
(c) provide financial procedures for the Fund.

4. (1) These Regulations shall apply to recipients of funds, the Committee established under Regulation 13, employees of the Commission and any other staff or officer employed by the Senator and involved in the management and administration of the Fund.

(2) The application of these Regulations shall be guided by Article 96 (1) of the Constitution which mandates the Senate to represent the counties and serve to protect the interests of the counties and their governments.

PART II—ESTABLISHMENT OF THE FUND

5. (1) There is established a Fund to be known as the Senate Monitoring and Evaluation Fund.

(2) The Fund shall be utilized to carry out monitoring and evaluation activities in exercise of the Senate’s oversight function over county governments.

6. The Fund shall consist of the following—
(a) monies appropriated under the Commission’s Budget for monitoring, evaluation and impact assessment;
(b) grants and donations to the Fund received through the Commission; and
(c) any other lawful sources.

7. (1) The object of the Fund is to provide grants to Senators to carry out monitoring and evaluation activities in exercise of the Senate’s oversight role over county governments in accordance with Article 96 of the Constitution.

(2) Without prejudice to sub-regulation (1), the Fund shall be utilized—
(a) to undertake county expenditure tracking surveys;
(b) to facilitate consultation forums on issues affecting the counties;
(c) to assess public perception on service delivery in the counties;
(d) to undertake research, studies and surveys on various thematic areas affecting counties;
(e) to undertake social audit of development projects being undertaken in the counties;

(f) to track revenues being collected by county governments;

(g) to track and monitor development activities in the counties; and

(h) on any other monitoring and evaluation activity relevant to the mandate of the Senate.

(3) Nominated Senators shall carry out the monitoring and evaluation activities in paragraph (1) at the national level in respect of the interest that they represent in the Senate.

8. The initial allocation to the Fund shall be one billion shillings provided under the Commission’s 2015/16 budget provided that the allocation shall be reviewed from time to time.

9. The Fund shall be distributed as follows—

(a) a one per cent administration fee shall be charged on the total fund allocated and shall be retained by the Commission for purposes of facilitating administrative functions for the Fund;

(b) one per cent of the total fund allocation shall be set aside for capacity building;

(c) six per cent of the total fund allocated shall be set aside for the nominated Senators and this amount shall be divided equally among the nominated Senators; and

(d) the balance shall be shared among the elected Senators according to the formula set out in the First Schedule.

10. (1) The funds shall be disbursed in accordance with conditions set out in the Second Schedule.

(2) The first disbursement of the initial allocation shall be used for acquisition of facilities, office equipment and human resource for effective monitoring by the recipients.

PART III—ADMINISTRATION OF THE FUND

11. (1) The Fund shall be administered as a grant through the Senate Monitoring and Evaluation Office established by the Commission.

(2) The accounting officer shall in writing, appoint an employee of the Commission as the administrator of the Fund.

12. (1) The administrator of the Fund shall—

(a) consult and regularly update with the accounting officer and the committee on matters relating to the administration of the Fund;

(b) cause to be kept proper books of accounts and other books and records in relation to the Fund, of all activities and undertakings financed by the Fund;
(c) consolidate the required reports under these regulations and submit them to the Committee; and

(d) carry out any other duties assigned by the accounting officer.

(2) The administrator may in writing delegate an employee of the Commission to exercise any of the administrator’s powers or the performance of any of the functions under these Regulations.

(3) The accounting officer shall ensure that the Senate Monitoring and Evaluation Office is resourced with requisite personnel for purposes of the day to day operations and handling of matters related to the management of the Fund.

(4) The accounting officer shall open, maintain and manage a separate account with a reputable bank where the monies due to the Fund shall be kept.

(5) The disbursement of funds out of the Fund to the recipients shall be bi-annual.

(6) The accounting officer shall with the approval of the committee established under part IV of these Regulations introduce additional administrative measures from time to time for effective operation of the Fund.

PART IV—ESTABLISHMENT OF A COMMITTEE

13. The Senate shall in accordance with its Standing Orders, establish a committee to be known as the Senate Monitoring and Evaluation Committee consisting of a chairperson and not more than eight other members to oversight the Fund.

14. (1) The committee shall—

(a) consider the bi-annual disbursements out of the Fund;

(b) receive reports on the performance of the Fund from the administrator;

(c) examine the monitoring programmes being undertaken by the recipients of the Fund;

(d) prepare and submit an annual report on the operations and performance of the Fund to the Senate; and

(e) perform any other function as the Senate may approve.

(2) The business and the affairs of the committee shall be conducted in accordance with the Senate Standing Orders.

PART V—FINANCIAL PROCEDURES

15. The receipts, earnings and accruals to the Fund and the balance of the Fund at the close of each financial year shall be retained by the Fund for use for the purpose for which the Fund is established.

16. (1) The accounting officer shall cause to be kept all proper books and records of the accounts of the income, expenditure and liabilities associated with the Fund.
17. Within three months after the end of each financial year, the accounting officer shall submit to the Commission the accounts of the Fund showing—

(a) a statement of income and expenditure during that year; and
(b) a statement of the assets and liabilities of the Fund as at the last day of the financial year.

18. (1) The administrator of the Fund shall, within three months after the end of each financial year, prepare and submit to the accounting officer a report of the operations of the Fund for the immediately preceding year.

(2) The accounting officer shall submit the said report to the committee for consideration.

19. The accounting officer shall lay the annual report before the Commission within three months from the day the Commission next sits after the report is presented to him.

20. The procurement of all works and services relating to activities under these regulations shall be governed by the Procurement and Disposal Act and shall be processed through the Commission’s procurement unit.

21. An account approved by the Commission shall be opened for every Senator’s monitoring and evaluation activities, with a reputable commercial bank at the nearest location from the county office.

22. At the commencement of every financial year, the constituency office manager shall be issued with an Authority to Incur Expenditure by the Clerk for that financial year.

23. The county office manager shall purchase office equipment as may be necessary to effectively enable monitoring and evaluation.

24. The county office manager shall ensure that the money available is spent in conformity with existing Government financial regulations to facilitate quick, efficient and effective delivery of services.

25. The signatories to the account opened pursuant to regulation 22 shall be—

(a) the constituency office manager whose signature shall be mandatory; and
(b) two signatories appointed by the Senator for that purpose.

26. Copies of bank statements and any other financial records from every Senator’s allocation shall be availed to the Clerk at the end of every month.

PART VI—OFFICES AND STAFFING FOR PURPOSES OF MONITORING AND EVALUATION

27. (1) A Senator may utilize the county office established under the Parliamentary Service ( Constituency Offices) Regulations,
2005, for purposes of administrative activities in undertaking monitoring and evaluation.

(2) Despite paragraph (1), a Senator may, to ensure effective monitoring and evaluation, establish a separate office for that purpose.

(3) The provisions of the Parliamentary Service (Constituency Offices) Regulations, 2005 on constituency offices shall, with necessary modifications, apply to any office established under paragraph (2).

28. (1) A Senator may utilize the constituency officers appointed under the Parliamentary Service (Constituency Offices) Regulations, 2005, for purposes of administrative activities in undertaking monitoring and evaluation.

(2) A Senator who opts to utilize the staff appointed under the Parliamentary Service (Constituency Offices) Regulations, 2005, shall vary the terms of the contracts of appointment of the staff to take into account the new responsibilities.

(3) Despite paragraph (1), a Senator may engage such additional staff as may be necessary to ensure effective monitoring and evaluation, subject to the ceiling of staff salaries approved by the Commission.

(4) The provisions of the Parliamentary Service (Constituency Offices) Regulations, 2005 with necessary modifications, apply to any office established under paragraph (3).

29. The county office manager appointed by a Senator under the Parliamentary Service (Constituency Offices) Regulations, 2005, shall—

(a) be the officer incharge of management of the finances allocated for monitoring and evaluation; and

(b) keep the Senator informed about the transactions of the monitoring and evaluation bank account established under these Regulations.

PART VII—MISCELLANEOUS PROVISIONS

30. (1) In the event of the winding up of the Fund, the cash balances shall be transferred to the Commission.

(2) All assets and liabilities accrued by the Fund shall be transferred to the Commission.

31. All assets acquired from the Fund shall remain the property of the Commission and shall vest in the Commission.

32. Part V of the Parliamentary Service (Constituency Offices) Regulations, 2005, shall, with necessary modifications, apply to handing over of offices, records and other property by a Senator who ceases to hold office.
FIRST SCHEDULE (Reg. 9)
FORMULA FOR ALLOCATING MONIES AMONG THE ELECTED SENATORS

<table>
<thead>
<tr>
<th>Parameter</th>
<th>Weight (%)</th>
</tr>
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<tbody>
<tr>
<td>Equal Share</td>
<td>q</td>
</tr>
<tr>
<td>Population</td>
<td>s</td>
</tr>
<tr>
<td>Size of County</td>
<td>r</td>
</tr>
</tbody>
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\[ CA = \left( \frac{q \times (\text{BES})}{47} \right) + \left( \frac{r \times (\text{SC})}{\text{TS}} \right) + \left( \frac{s \times (\text{CP})}{\text{TP}} \right) \]

Where:
- **CA**: Allocation due to Individual Elected Senator
- **ES**: Equal Share
- **CP**: County population
- **TP**: Total Population
- **SC**: Size of the County
- **TS**: Total Size

q, r, s-parameter weights where: \( q + r + s = 1 \) or 100%

SECOND SCHEDULE (Reg. 10)
CONDITIONS FOR DISBURSEMENT

1. All disbursements from the Fund to the respective recipients shall be approved and minuted by the committee.
2. All disbursements from the Fund’s main account shall be made through the recipient bank accounts maintained for every recipient by the Fund administrator;
3. The record of the amounts received by each recipient shall be submitted to the committee within thirty days after the close of the financial year and no disbursements for the succeeding financial year shall be made into the accounts until the said records are duly received.
4. The committee shall set out general conditions and requirements for release of funds from the Fund to ensure efficient and effective management of the Fund;
5. The committee may impose reasonable requirements including restrictions on a particular recipient and such restrictions or requirements shall be reported together with the monthly returns to be submitted to the Senate.
6. Returns from the first disbursement made to a recipient in any financial year must be filed with the administrator of the Fund by a recipient or the staff two months after the close of the first half of the financial year.
7. Returns from the second disbursement made to a recipient in any financial year must be filed with the administrator of the Fund by individual recipients or their staff two months after the close of the financial year;
8. No disbursement to any recipient shall be processed and approved until the administrator of the Fund is satisfied that the required returns have been filed in
such manner as shall be required by the administrator of the Fund filed within the timelines set.

9. The administrator of the Fund shall develop a schedule showing documentation to be submitted when recipients or their staff are filing the returns.

Dated the 1st December, 2015.

JUSTIN MUTURI,
Speaker of the National Assembly/
Chairperson, Parliamentary Service Commission.