

(Legislative Supplement No. 32)

LEGAL NOTICE NO. 76

**THE PARLIAMENTARY SERVICE ACT**

(No. 10 of 2000)

IN EXERCISE of the powers conferred by section 36 of the Parliamentary Service Act, the Parliamentary Service Commission makes the following Regulations:—

**THE PARLIAMENTARY SERVICE COMMISSION (FINANCIAL PROCEDURES) REGULATIONS, 2005**

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| <p>1. These Regulations may be cited as the Parliamentary Service Commission (Financial Procedures) Regulations, 2005.</p>  | <p>Citation.</p>                       |
| <p>2. In these Regulations, unless the context otherwise requires—<br/> “Board of Survey” means the Board of Survey established by regulation 24;<br/> “Clerk” has the meaning assigned to it under the Act;<br/> “Fund” has the meaning assigned to it under the Act.</p>  | <p>Interpretation.</p>                 |
| <p>3. (1) These Regulations shall apply to all matters relating to the financial management of the Fund.<br/> (2) The administration of these Regulations is vested in the Clerk subject to the right of any person aggrieved by any decision of the Clerk to refer the matter to the Commission for reconsideration.<br/> (3) The Clerk may delegate his powers conferred by these Regulations to the Senior Deputy Clerk or to any other officer of the Commission, as he may deem fit.</p> | <p>Application and enforcement.</p>    |
| <p>4. The moneys of the Fund shall be—<br/> (a) utilized in accordance with the provisions of the yearly Finance Act;<br/> (b) spent in conformity with the decisions of the Commission;<br/> (c) exclusively and prudently used for the expenditures of the National Assembly in accordance with the appropriations made in its budget.</p>  | <p>Use of the Fund.</p>                |
| <p>5. The budget of the National Assembly shall be approved by the Commission before any moneys from the Fund are expended.</p>   | <p>Approval of budget.</p>             |
| <p>6. The Clerk shall have authority to incur obligations and expenditures chargeable to the Fund, but such authority shall be exercised in accordance with the general directions of the Commission.</p>   | <p>Authority to incur obligations.</p> |

Preparation of  
budget.

7. (1) For each financial year, the Clerk shall prepare a budget of the National Assembly which shall—

- (a) cover all incomes, expenditures and activities of the National Assembly for the financial year;
- (b) be divided into vote, sub-vote, heads and items according to their nature and affinity;
- (c) be accompanied by any annexes, explanatory notes and any relevant statements; and
- (d) juxtapose the allocations for the preceding financial year with the estimates for the current year together with projected allocations for the next financial year.

(2) The Clerk shall prepare and submit to the Commission the budget referred to in paragraph (1) on or before the 31st March of each financial year.

(3) The Chairman of the Commission shall submit the budget referred to in paragraph (1) to the National Assembly at least one day before the national budget is presented to the National Assembly.

Authorization of  
expenditure.

8. The appropriations approved by the National Assembly shall constitute the required authorization for the Clerk to incur obligations and expenditures for the purposes for which the appropriations have been approved and for the amounts so voted.

Authority to incur  
expenditure.

9. The Clerk shall administratively issue an authority to incur expenditure to other members of the Commission but the authority so issued shall be accompanied by guidelines stipulating how the authority to incur expenditure shall be utilized.

Availability of  
appropriations.

10. (1) All appropriations approved by the National Assembly shall—

- (a) be available for meeting obligations of the National Assembly for the financial year to which they relate;
- (b) remain available for a period of three months following the end of the financial year to which they relate if they are required to discharge pending obligations in respect of goods supplied and services rendered for that ended financial year.

(2) Any funds not utilized after the expiry of three months after the end of the financial year shall be deposited in the National Assembly Fund.

Obligations to the  
Fund.

11. The Fund shall not incur any financial obligation unless such obligation is—

- (a) based on contract, purchase order, local service order, agreement or other form of understanding entered into between the National Assembly and another party;
- (b) incurred after appropriations have been approved by the National Assembly;
- (c) has been transferred from the previous financial year in which it had remained unliquidated.

12. The Clerk shall—

- (a) be responsible to the Commission for ensuring that budgetary allocations are not exceeded and are only utilized for the purposes for which they were approved and may, on adequate grounds, disallow any proposal for unjustifiable expenditure.
- (b) submit to the Commission a semi-annual budget performance report indicating the budgetary appropriations, actual expenditures, commitments and explanations for over-expenditure or under-expenditure of funds for the period to which the report relates and may at any time demand quarterly budget performance reports from officers of the Commission charged with financial responsibility.

Budgetary appropriations and report.

13. The Commission may, where the circumstances of the situation so require—

- (a) instruct the Clerk to prepare a supplementary budget for presentation to the National Assembly;
- (b) issue approval to the Clerk to incur expenditure in a supplementary budget which has been approved by the National Assembly;
- (c) issue approval to the Clerk to transfer appropriations from one item to another.

Supplementary budget.

14. Subject to these Regulations, procurement by the National Assembly shall be done in accordance with the Exchequer and Audit (Public Procurement) Regulations, 2001, or any law on procurement for the time being in force.

Procurement LN No. 51/2001.

~~X~~ 15. There is hereby established a Tender Board which shall consist of—

- (a) the Clerk as chairman or an officer nominated by him in this regard;
- (b) the Head of Finance;
- (c) the officer in charge of the Accounts Department;
- (d) the Chief Procurement Officer as secretary; and
- (e) two members appointed by the Clerk from amongst the staff of the Assembly.

Establishment of Tender Board.

16. (1) The quorum for a meeting of the Tender Board shall be at least four members including the chairman.

Meetings and procedures of Tender Board.

(2) A member of the Tender Board who has any conflict of interest in a procurement shall disclose such interest and shall disqualify himself from participating in the process of awarding such procurement.

(3) All decisions of the Tender Board shall be by consensus or, in cases where there is no consensus, by simple majority and where there is a tie, the proposal supported by the chairman shall prevail.

~~X~~ (4) Members of the Tender Board may, with the approval of the Clerk, delegate their responsibility to their subordinate officers.

(5) The Clerk may co-opt into the Tender Board other members with such professional technical expertise as may be necessary for the performance of its tasks but such members shall have no voting powers.

Procurement thresholds.

17. Any procurement of a value—

- (a) of up to five hundred thousand shillings shall be supported by a minimum of three quotations;
- (b) exceeding five hundred thousand shillings shall be supported by the minutes of the Tender Board;
- (c) exceeding one million shillings shall be done through an open tender advertised in at least four major publications.

Advertisement to tender.

18. (1) An invitation to tender for goods, works or services the value of which is in excess one million shillings shall be advertised annually in at least four major publications, indicating the list of items and the volumes required and a date by which the tenders should be received.

(2) The advertisement referred to sub regulation (1) shall seek applications by bidders wishing to tender for specific goods, services or works.

(3) The Clerk shall provide the bidders with all relevant bidding documents and any other information that may be reasonably required in the bidding process.

Short-listing of suppliers.

\* 19. The short listing of suppliers shall be made by a Committee consisting of the—

- (a) Head of Finance, who shall be its chairman;
- (b) Head of Administration;
- (c) Procurement Officer;
- (d) Accounts Department representative; and
- (e) any other officer who may give technical expertise to the Committee.

Award of tender.

20. The award of the tender shall be done by the Tender Board after assessment of conformity with the specifications, delivery schedules and comparative market prices.

Procurement of consultancy services.

\* 21. Where the National Assembly seeks to procure the services of consultants—

- (a) the Commission shall advertise the terms of reference for such consultants which terms shall include the scope of the work to be done in respect of the consultancy services;
- (b) the Tender Board shall select qualified consultants;
- (c) the award of the consultancy shall be done by the Tender Board but the engagement of the consultants shall be approved by the Commission;

(d) the contract for consultancy firm shall incorporate performance benchmarks for the purposes of regular evaluation of the performance of the consultants;

\* (e) the consultancy firm awarded the tender shall be eligible for a retention down payment of ten per cent of the cost of the consultancy and the balance to be paid six months upon satisfactory completion of work.

22. The Clerk shall ensure that all contractual variations do not exceed ten per cent of the original value of the contract or agreement, as the case may be.

Variation of contracts.

\* 23. It shall be the duty of the Head of Finance, the Principal Accounts Controller, the Chief Procurement Officer and the Auditor-in-charge to submit to the Clerk all appropriate documents, explanations or justifications in support of expenditures and proposed obligations.

Duties of officers.

24. (1) There is established a Board of Survey which shall dispose of the assets of the National Assembly after prior advertisement of the intended disposal in reputable daily publication. *newspapers*

Board of Survey.

(2) Without prejudice to the generality of sub regulation (1), the Board of Survey shall—

- (a) examine unserviceable vehicles, equipment and other assets of the National Assembly;
- (b) make appropriate recommendations on the best mode of disposal of the assets;
- (c) indicate the degree of responsibility, if any, attaching to any official of the National Assembly responsible for the writing off of the assets;
- (d) review claims of damages against the National Assembly; and
- (e) recommend any action to be taken in respect of the assets to the Clerk who shall in turn submit the recommendation to the Commission.

\* (3) The Board of Survey shall consist of—

- (a) the Finance Officer, who shall be its chairman;
- (b) the Principal Accounts Controller;
- (c) the Sergeant-at-Arms;
- (d) the Deputy Clerk (Committees and Research).

(4) The quorum at a meeting of the Board of Survey shall be at least three members including the chairman.

(5) Decisions shall be taken by simple majority but in case of a tie the position taken by the Chairman shall prevail.

25. (1) Where the Board of Survey recommends the sale of the assets of the National Assembly, such sale shall be by competitive bidding.

Sale of assets.

(2) Notwithstanding the provisions of sub regulation (1), competitive bidding shall not be necessary where—



- (a) the Board of Survey has recommended the destruction of such property;
- (b) the estimated value of the asset is below the threshold determined by the Board of Survey;
- (c) the interests of the National Assembly shall be best served by the sale of the asset at a fixed price recommended by the Board of Survey; and
- (d) the interests of the National Assembly shall be best served by the disposal of the asset by way of gift or at a nominal price to a non-profit making organization.

(3) The sale of the assets of the National Assembly shall be on the basis of cash payment, money orders and bank cheques on or before delivery.

Receipts of  
supplies and  
equipment.

26. All supplies and equipment to the National Assembly shall be received by the stores officer and verified, as against quality and the contract of supply, by way of signature of the stores officer on the relevant documents.

Issue of supplies  
and equipment.

27. (1) The supplies and equipment of the National Assembly shall only be issued—

- (a) to staff members who have obtained approval from their respective departments to requisition supplies and equipment; and
- (b) upon submission of an authorized requisition form by the staff seeking the stores.

(2) Stores issue voucher for all items shall be issued in favour of the authorized officials.

(3) After issuance of stores, the recipient of the stores shall retain the original stores issuance voucher while the stores clerk shall retain a copy of a signed voucher.

Loss of cash or  
property.

28. Loss of cash or any property of the National Assembly shall immediately be reported to the Clerk who shall initiate investigation thereon and where necessary, contact the Police for assistance.

Loss of stores.

29. If loss of any cash, stores, assets or equipment of the National Assembly is reported—

- (a) the Clerk shall launch an investigation into the loss and that investigation may lay responsibility of the loss to an officer of the National Assembly;
- (b) an officer held responsible for any such loss may be required to reimburse the loss either in full or partially and may be disciplined if the loss arose out of misappropriation on the part of the officer;
- (c) the Clerk may recommend the writing off of an asset where nobody has been held responsible for such loss;
- (d) the Commission, after full investigation of each case, may authorize the writing off of losses or such other adjustments to

National Assembly records as may be necessary to bring the stock balances to be in conformity with the actual quantities;

- (e) any investigations and remedy adopted pursuant thereto shall be executed within the financial year in which the loss is incurred and in any event not later than three months after the expiration of that financial year.

30. No amount of money due to the National Assembly may be waived except with the prior authorization by the Commission in which case the Commission shall indicate the name of the persons or organizations benefiting from the waiver and the circumstances that justified the waiver.

Waiver of liability.

31. All equipment and other property of the National Assembly issued on loan to any person shall be recorded in a log book maintained by the Accounts Controller which log book shall show the date the loan was made, the terms and conditions of the loan, and the name and signature of the borrower.

Loan of National Assembly assets.

32. (1) The Commission shall open and maintain, in Nairobi, such bank accounts as may be necessary for the exercise of its functions.

Bank accounts.

(2) The bank accounts referred to in sub regulation (1) shall be closed only with the approval of the Commission.

(3) Separate ledger accounts shall be maintained for each bank account held by the Commission.

(4) The Principal Accounts Controller shall demand from the banks monthly bank statements, which shall, where applicable, be accompanied by withdrawal instructions and debit and credit advice.

(5) The Principal Accounts Controller shall reconcile each bank account monthly and give the Clerk detailed information on the reconciled accounts.

33. All monies due to the National Assembly shall only be received by the Principal Accounts Controller or his designated alternate and official receipts shall be issued for all such moneys received.

Receipts of moneys.

34. (1) The Principal Accounts Controller shall record in the books of account all receipts on the day the remittance is received and deposit such receipts in the bank not later than the close of the next working day.

Deposit of receipts in bank.

(2) All monies not deposited in a bank account as required in sub regulation (1) shall be kept in an official safe installed at the cash office for that purpose.

35. (1) The Clerk may establish a petty cash fund whose total float shall not exceed one hundred thousand shillings a month.

Petty cash fund.

(2) The fund established under sub regulation (1) shall--

- (a) be maintained by the cashier on the imprest system and shall be kept in safe custody;

(b) be fixed and its total cash float shall not be varied without the prior approval of the Clerk;

(3) All petty cash requests shall be approved by the Clerk or his designated officer.

(4) The internal auditor shall regularly spot-check the petty cash, document his findings and report any anomaly in the petty cash float to the Clerk.

(5) No officer shall be advanced more than five thousand shillings from the petty cash fund per request.

Cash advances.

36. (1) All salary and other cash advances to members and staff of the Commission shall be authorized by the Clerk or his designated officer.

(2) No contract or purchase order shall be made on behalf of the Commission requiring payment in advance of delivery of goods or performance of services except with the prior permission of the Clerk and the reasons for accepting the advance payment shall be reported to the Commission.

(3) No officer of the Commission shall advance, lend or exchange any sum of which he is answerable to the Clerk except with the prior permission of the Clerk.

Payments from the Fund.

37. (1) Every obligation or proposal to incur expenditure from the Fund or any other special fund of the Commission, shall require prior approval by the Clerk before the expenditure is so incurred.

(2) Payment from the Fund shall only be made—

(a) on the basis of duly certified supporting vouchers and other documents indicating that the goods or services in respect of which the payment is made have been received in accordance with the documents establishing the obligations; and

(b) after the Principal Accounts Controller has ensured that the payment has not previously been made and that he has no knowledge of any information that would bar the making of the payment.

(3) The signatories to the bank accounts of the Commission shall be—

(a) the Clerk;

(b) the Head of Finance;

(c) The Principal Accounts Controller ; and

(d) the Deputy Clerk in charge of Administration.

(4) The Principal Accounts Controller shall be responsible for registering cheques, ensuring safe custody of the cheques and counterfoils as evidence of payment.

(5) The Clerk shall approve all payments before they are made.

(6) All cheque payments against invoices shall be made by a crossed cheque worded "Account Payee only".



(7) All cheques shall be endorsed by at least three signatories referred to in sub-regulation (3).

(8) Any alteration on a cheque shall be counter signed by at least one signatory provided that no alteration shall be permitted in the name of the payee in which case the cheque must be cancelled and a replacement cheque issued thereof.

(9) No cheque shall be issued against a duplicate voucher or invoice but the Clerk may dispense with this requirement in any case where he finds it necessary in which case duly certified copies of the voucher or invoice and a letter of indemnity by the supplier shall suffice.

38. (1) The staff of the National Assembly shall only be engaged under the written authority of the Commission based on approved positions and approved appropriations in the budget.

Payment of salaries.

(2) Salaries shall be paid on the last day of each month unless the day falls on a weekend or public holiday in which case the salaries shall be paid on the working day immediately preceding the last day of the month.

(3) The salaries paid shall be based on the Commission scales and other conditions of service as determined by the Commission.

(4) All posts in the National Assembly shall be classified by title and salary scale in accordance with the duties and responsibilities under each post as established by the Commission.

(5) The first appointment to all posts in the National Assembly shall be at the first step of the appropriate salary scale.

(6) All statutory deductions made by the National Assembly on the salaries of staff shall be promptly remitted to the relevant authorities and schemes.

39. (1) Salary in advance may be granted to cover a period of approved local or official travel if the staff member is scheduled to be away from the duty station on the payday.

Salary advances.

(2) The Clerk may, in exceptional cases and upon a proper written application, authorize the payment to a staff member of a salary advance of one month's basic salary excluding all allowances.

(3) Any salary advance granted to a staff member under sub-regulation (2) shall be deducted from the member's salary commencing the second month following the day on which the advance was given and the deduction shall be spread equally over a period not exceeding twelve months.

(4) Any outstanding salary advances at the time of resignation, retirement, termination, dismissal or death shall be recovered from any salary or pension or other benefits due to the member of staff or his beneficiaries as the case may be.

Made on the 30th June, 2005.

F. K. X. OLE KAPARO,  
Chairman,  
Parliamentary Service Commission.

