





TEACHERS SERVICE COMMISSION

ANNUAL REPORT 2017-2018




THE NATIONAL ASSEMBLY
PAPERS LAID

 TEACHERS SERVICE COMMISSION KENYA <small>EFFECTIVE SERVICE FOR QUALITY TEACHING</small>	27 FEB 2019	DAY <i>Wed.</i>
	Hon. Aden Duale Miniam Nduko	

THE TABLE:

TEACHERS SERVICE COMMISSION

ANNUAL REPORT FOR THE PERIOD

2017-2018

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VISION, MISSION AND CORE VALUES

Vision

To be a transformative teaching service for quality education

Mission

To professionalise the teaching service for quality education and development

Core Values

Professionalism

Customer focus

Integrity

Innovativeness

Team spirit



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ABBREVIATIONS & ACRONYMS

ADA	Alcohol and Drug Abuse
CAJ	Commission of Administrative Justice
CBA	Collective Bargaining Agreements
CBC	Competence Based Curriculum
KENEPOTE	Kenya Network for HIV Positive Teachers
KNUT	Kenya National Union of Teachers
KUPPET	Kenya Union of Post Primary Education Teachers
KePTS	Kenya Professional Teaching Standards
KRA	Kenya Revenue Authority
NSSF	National Social Security Fund
PWD	Persons with Disability
SEQIP	Secondary Education Quality Improvement Project
TESCONEP	Teachers Service Commission Network for Positive Living
TPD	Teacher Professional Development
TPAD	Teacher Performance Appraisal and Development
PAYE	Pay As You Earn
PLC	Professional Learning Communities
PIN	Personal Identification Number
QMS	Quality Management Systems
SBTSS	School Based Teacher Support Systems
VCT	Voluntary Counselling and Testing



DEFINITION OF TERMS

Career Progression:	A process of advancement in a career or profession
Decentralization:	Transfer of authority to manage teacher management functions from the TSC headquarters to the Counties
Performance Management:	A process used by the Commission to ensure that its goals and objectives are consistently met in an effective and efficient manner by employees
Performance appraisal:	A systematic evaluation and documentation of performance TSC employees which form the basis for their career development
Professional conduct:	A set of acceptable qualities, attributes and behavior expected from employees of the Commission in their service to customers.
Risk Management:	Is the identification, evaluation, and prioritization of the effect of uncertainty on the Commission's objectives for mitigation measures to be put in place.
Teaching Standards:	A set of requirements for the professional conduct of teachers that define the expected minimum level of achievement
T-pay system:	A system that enable employees to access their pay- slips and process loans online
Separation from employment:	The process of managing exit or termination of an employment relationship



EXECUTIVE SUMMARY

The preparation and submission of the TSC Annual Report is in compliance with the provisions of Article 254 of the Constitution of Kenya which require all Constitutional Commissions and Independent offices to submit their annual reports to the President and Parliament after the end of each Financial Year. This report is based on performance contract targets, programmes and activities undertaken by the Commission during the period 1st July, 2017 to 30th June, 2018 with highlights on key performance milestones and achievements in the core mandates and support services. Emerging issues and detailed financial statements are also included in this report.

1. Review and development of TSC Policies

During the period under review, the Commission reviewed some of its policies to align with relevant government laws, national policies and address emerging issues. The policy on Customer Service and Information Management, Work Environment and safety and Information Communication Technology (ICT) were reviewed. New Policies that include the Policy on the appointment and deployment of institutional administrators and Asset Management policy were also developed.

2. Implementation of the Collective Bargaining Agreement with teachers unions

The Commission successively implemented the first phase of the Collective Bargaining Agreement (2017-2021) with w.e.f 1st July 2017. This gave all teachers enhanced salaries which will be paid in annually until the expiry of the CBA. Other allowances shall also be paid in accordance with the provisions of the Code of Regulations for Teachers.

3. Development of Career Progression guidelines for teachers

Career Progression Guidelines for the teaching service was developed and put into operation with effect from 8th November; 2017. The guidelines replaced the existing schemes of service for non-graduate, graduate, technical teachers and lecturers.



4. Decentralization of the Commission's functions

In an endeavour to improve service delivery of decentralized functions, the Commission continued to strengthen its operations by allocating 212 laptops to Counties and Sub-County offices. In addition, 26 motor vehicles and 248 motorcycles were distributed to facilitate movement and monitoring of school activities. Land was also acquired to construct offices in five Counties namely; Kwale, Machakos, Tana River, Kitui and Kiambu.

5. Teacher Professional Development Policy & Framework

The Teacher Professional Development (TPD) Policy Framework was launched on 16th April 2018. The programme is meant to equip teachers with requisite competency skills and address performance gaps identified in the Teacher Performance Appraisal and Development (TPAD). The framework outlines the programme design where teachers will be trained based on the Commission's prescribed professional teaching standards referred to as the Kenya Professional Teaching Standards (KePTS). The Framework provides for re-certification to ensure professional compliance and a pathway for career progression of teachers. To this end, two modules were developed and launched which include; Teacher Professional Development (TPD) Module Level 1 and TPD instructional leaders' Module Level 1.

6. Review of TSC Service Charter

The TSC Service Charter was revised to align it with the legal instruments that guide Commission's operations with a view to improve efficiency in service delivery. The charter was also translated into Kiswahili and Braille to cater for all customers. In addition, some commitments were made to improve service delivery.

7. Development of the Institutional Risk Management Policy and Framework

The Commission developed and implemented the Institutional Risk Management Policy and Framework. A Risk Management Division was established with relevant staff to operationalize its activities. A Risk Management Committee and a team of thirty Risk champions were appointed and trained to facilitate the implementation of the policy.



8. Performance in core mandate

During the period under review, the Commission made great strides towards the execution of her constitutional mandate which include; registration of 28,189 teachers, recruitment of 16,709 teachers and promotion of 17,762 teachers to various grades. Further, 2,527 teachers and 4,233 institutional administrators were deployed to various institutions across the country to rationalize staff and attain regional balance in teacher distribution. In addition, 9,719 claims relating to retirement, death and National Social Security Fund (NSSF) were processed and submitted for payment.

9. Performance in support services and emerging issues

Among the key achievements during the period was the upgrading of the teachers' portal and T-Pay system with additional modules. The emerging issues were; Low computer literacy levels among the teachers, inadequate funding, shortage of teachers, security threats in certain parts of the country and unavailability of land for construction of County and Sub-County offices.



MESSAGE FROM THE COMMISSION CHAIRPERSON

I am pleased to present the Teachers Service Commission Annual Report for the fiscal year 2017/2018. The Commission has continued to deliver on its mandate in line with the constitutional provisions by enhancing teacher management functions and regulating the teaching service in the country. The report reflects on the Commission's milestones and achievements for the period while highlighting emerging issues experienced.

I wish to report that 2017/2018 was an eventful year for the Commission with marked progress and challenges that threatened full realization of its constitutional mandate. Among the performance milestones and achievements was the implementation of the first phase of the Collective Bargaining Agreements (CBA) signed in July 2016 with the Kenya National Union of Teachers (KNUT) and Kenya Union of Post Primary Education Teachers (KUPPET). The implementation took effect on 1st July 2017 which saw all teachers benefit from the revised salary award to be paid in the four years during the period of the agreement. The Commission's policies were also reviewed to align with relevant national laws and policies and also to address the emerging issues arising from the revised Code of Regulations for Teachers and programmes under implementation.

It is worth noting that the Commission continued to honour its statutory obligations as required by law. Besides other obligations, an Institutional Risk Management Policy and Framework was developed and implemented in line with the Government Circular No.3/2009 from the National Treasury and the Mwongozo Code of conduct for State Corporations. A Risk Management Committee and a team of thirty Risk champions were appointed and trained to facilitate the implementation of the policy. The Commission was also granted a Certificate of Compliance from the Commission of Administrative Justice with a composite score of 89% after fulfilling most of the conditions for resolution of Public Complaints.

In conclusion, I wish to thank all staff for their commitment to service delivery, our stakeholders for their continued support and members of the public for valuable feedback which has enabled the Commission to realize immense gains in its endeavour to transform and professionalize the teaching service in line with its vision and mission.

DR LYDIA NZOMO, OGW, CBS



MESSAGE OF THE COMMISSION SECRETARY

I am honoured to submit the Teachers Service Commission Annual Report for the period 1st July 2017 to 30th June 2018. The report highlights the overall performance and the strides made in fulfilling the Commission's Constitutional mandate during the period. Despite the challenges, the Commission was able to accomplish a fair share of its performance contract targets and programmes. Among the key accomplishments during the period includes; the registration of 28,189 teachers, recruitment of 16,709 teachers including 7,700 for 100% transition from primary to secondary schools and promotion of 17,762 teachers to various grades.

Further, Career Progression Guidelines for the teaching service were developed and implemented to provide clear career growth for teachers. The guidelines will replace the existing schemes of service for teachers and lecturers. The Commission's Service Charter was also revised and translated into Kiswahili and Braille to improve efficiency in service delivery and also cater for all customers. In addition, the Teacher Professional Development (TPD) Policy and Framework was launched to equip teachers with requisite competency and skills to address performance gaps identified in Teacher Performance Appraisal and Development (TPAD). An induction module for teachers and one for instructional leaders were developed and launched to commence the implementation of the policy framework.

It is worth noting that the Commission continued to play a key role in the implementation of Secondary Education Quality Improvement Project (SEQIP) which is aimed at reducing teacher shortage in Science subjects, Mathematics and English in targeted Sub-counties by allocating 10 percent of the annual teacher recruitment to schools in the targeted areas and ensuring their retention. All teachers in 7,852 Public Primary and 147 Secondary Schools in the target areas are set to benefit from the School Based Teacher Support Systems (SBTSS) and Teacher Professional Development programmes.

Although the Commission made the outstanding achievements during the year, it was not without challenges. There were emerging issues that affected the optimal attainment of the Commission's mandate. Key among them was the inadequate funding, security threats in certain parts of the country, low computer literacy levels among the teachers and unavailability of land to construct offices in the Counties and Sub-Counties.



Finally, I wish to thank the Chairperson and the Commissioners for their strategic leadership and direction and the Secretariat staff for their commitment and diligence that made it possible for the Commission to effectively deliver on its mandate.

A handwritten signature in black ink, which appears to read 'Nancy Njeri Macharia', is positioned below the main text.

DR NANCY NJERI MACHARIA, CBS



Dr Nancy Macharia TSC CEO is assisted by Jackson Kabui to hoist the TSC flag. TSC has acquired a flag to enhance its corporate identity and image.

CHAPTER ONE

INTRODUCTION

1.0 Background of the Teachers Service Commission

Teachers Service Commission is established under Article 237 of the Constitution with a mandate to not only manage the quality and staffing levels in public primary and post primary institutions but to also advise the national government on policies affecting the sector. This mandate has been amplified in Section 11 of the TSC Act 2012 to; register, recruit, employ, assign duties, promote, transfer and exercise disciplinary control over teachers in all public primary and post primary institutions. The Commission is also mandated to review the standards of education and training of persons entering the teaching service, review the demand for and supply of teachers and advise the national government on matters relating to the teaching profession.

The Act further mandates the Commission to; ensure teachers comply with teaching standards, facilitate career progression and professional development of teachers in the teaching service, monitor the conduct and performance of teachers, collect and maintain teacher management data.

1.1 The Composition and structure of the Commission

The Commission is constituted in line with Article 250 of the Constitution and Section 5 (1) of the TSC Act. It has nine members headed by the Chairperson and eight Commissioners including the Vice- Chairman. Pursuant to Section 13 (1) of the Act, the Commission has 5 Committees which include; Human Resource, Strategy and Innovations, Field Services, Finance and Audit to enhance its operations. The Commission has a Secretariat headed by the Commission Secretary who is also the Chief Executive Officer responsible for running the day to day operations.

1.2 The Commission's Reform Agenda

During the period 2017/2018, the Commission continued to support the wider government reform agenda by implementing programmes with an overall goal to provide quality education and protect the rights of the Kenyan child within the learning environment. The reform agenda is articulated in the TSC Strategic Plan (2015-2019) and is



anchored on three strategic pillars namely: Teacher competence, conduct and performance management; Reforms and innovations in provision of teaching services and Service delivery re-engineering and decentralization. These reform initiatives are expected to bring about optimal utilization of teachers, increased teacher-learner contact time, improved learning outcomes and increased uptake in provision of education on a digital platform among others.

CHAPTER TWO

PERFORMANCE MILESTONES AND ACHIEVEMENTS

2.0 Introduction

The Commission embraced a Performance Management System to improve service delivery as outlined in the Strategic Plan 2015-2019. At the beginning of the 2017/2018 contract period, the Commission Secretary signed a Performance Contract with the Commission that established a basis for efficient and effective service delivery to the customers. The following milestones were realized during the period.

2.1 Review and development of TSC Policies

During the year under review, the Commission reviewed its policies to align with relevant national laws and policies as well as addressing the emerging issues. Among the policies reviewed is the Policy on Customer Service and Information Management, Work Environment and safety and Information Communication Technology (ICT). The policy on the appointment and deployment of institutional administrators was also developed to provide procedure for identification, selection, appointment and deployment of institutional administrators namely; principals, head teachers, deputies, deans, registrars, senior masters and senior teachers. Further, a policy on Asset Management was developed to guide the Commission in the acquisition, management, control and maintenance assets through consistent, effective and efficient asset management principles.

2.2 Implementation of Institutional Risk Management Policy and Framework

In compliance with the National Treasury Circular No.3/2009 and the Mwongozo Code of Governance for State Corporations, the Commission implemented the Institutional Risk Management Policy and Framework. A Risk Management Unit was established and a Risk Management Committee appointed with membership drawn from all Directorates. The Committee shall be chaired by the Commission Secretary. In addition, thirty (30) Risk champions who include seven (7) County Directors and representatives from all the service areas were appointed and trained to help the implementation of the policy framework. They will serve as custodians of the Directorates' risk registers, identification of emerging risks and putting in place mitigating measures to prevent the occurrence of risk events in the Commission. Establishment of these structures is a great milestone in adopting a risk management business approach in the Commission.



Risk Champions undergoing training at ARC Egerton University on 11th-14th June 2018

2.3 Implementation of the Collective Bargaining Agreement with Teachers Unions

The first phase of the Collective Bargaining Agreement (CBA) (2017-2021) signed with the teachers' unions was implemented with effect from 1st July 2017 where all teachers benefitted from the revised salary award to be paid during the CBA period. This cost the Commission Ksh.15.74 billion. Meanwhile, teachers will continue getting house allowance, hardship, commuter and annual leave allowances. Reader's facilitation/ aid allowance and special school allowances will also be paid to the eligible teachers.

2.4 Implementation of the policy on Appointment and Deployment of Institutional Administrators

The policy was developed and implemented to provide structures for career growth and professional development of Institutional Administrators. It outlines their academic and professional requirements for appointment and deployments to these institutions while providing the process for succession management. Appointments to these positions are substantive with enhanced salaries as stipulated in the Collective Bargaining Agreements.



2.5 Development of Career Progression Guidelines for the teaching service

The Commission developed Career Progression Guidelines for the teaching service to replace the schemes of service for non-graduate, graduate, technical teachers and lecturers. The guidelines became operational with effect from 8th November, 2017. They provide procedures that standardize the professional development of teachers while outlining the basic requirements for career progression. The guidelines also provide a broad framework in school management, administration and clear pathways for career growth for all teachers joining the profession.

Consequently, all institutional administrators were awarded enhanced salaries in line with the CBA. A total of 66,454 Post Primary Institutional Administrators were awarded while 1,546 primary school teachers in Job Groups M and N were deployed to Administrative Positions. Further, 120 Head teachers were deployed to hold positions of Curriculum Support Officers after a competitive interview. This was part of the CBA signed between the Commission and the Teachers' Unions to be implemented in four years between 1/7/2017 and 30/6/2021.

2.6 Decentralization of TSC functions

In an endeavour to improve service delivery of decentralized functions, the Commission continued to strengthen its operations by allocating 212 laptops to the Counties and Sub-County offices. Further, 26 Motor Vehicles and 248 motorcycles were allocated to Sub-Counties to facilitate monitoring of school activities. Land was also acquired to construct offices in Kwale, Machakos, Tana River, Kitui and Kiambu Counties.

In order to improve efficiency in the dispensation of discipline cases of teachers, the management of discipline function has been decentralized to the Counties. During the period under review, 814 discipline cases were dispensed at the counties within the period of three months. This was an improvement from the six months stipulated in the Commission's Service Charter. The decentralization of hearing of discipline cases has significantly reduced the number of cases being heard in the headquarters and the period of dispensation.



Vehicles procured during the year and allocated to the Counties and Sub-Counties



Bomet County office under construction as at June 2018

2.7 Teacher Professional Development Policy & Framework

The Teacher Professional Development (TPD) Policy and Framework was launched on 16th April 2018 to equip teachers with requisite competency skills and address performance gaps identified in Teacher Performance Appraisal and Development (TPAD). The framework outlines the programme design where teachers will be trained based on the Commission's prescribed professional teaching standards referred as the Kenya Professional Teaching Standards (KePTS). The Teacher Professional Development (TPD) Module Level 1 and TPD instructional leaders' Module Level 1 were also developed and launched. The Framework provides for re-certification to ensure professional compliance and will also facilitate career progression of teachers.



The Commission Chairperson & Secretary /CEO during the launch of Teacher Professional Development (TPD) Policy and Framework on 16th April 2018 at the Crowne plaza

2.8 Review of TSC Service Charter

The revision of the Service Charter was necessitated by determination of the Commission to improve efficiency in service delivery. The Charter was revised to align with the legal instruments that guide the operations of the Commission and was translated into Kiswahili and braille to cater for all customers. Among the commitments made include:



- i. Posting all newly recruited teachers within 30 days after submission of duly filled employment forms
- ii. Response to written enquiries within 14 days upon receipt
- iii. Registration of new teachers within 30 days upon receipt of duly filled online applications
- iv. Acknowledging all applications for advertised posts for administrative positions within 14 days of receipt and making appointments for successful candidates within 30 days after interview
- v. Acknowledging applications for advertised posts for newly recruited teachers within 14 days and communicating interview results within 15 days
- vi. Acknowledging requests for teacher transfers within 14 days and communicating decision in 90 days
- vii. Determining discipline cases within 3 months after interdiction, registration and receipt of defense statements from the teachers
- viii. Review of discipline cases within 90 days from the date of receipt of written request for review
- ix. Processing benefits on exit from service within 3 months upon receipt applications on prescribed forms and specified documents.
- x. Initiating resolution process within 7 days upon receipt of written complaint



2.9 Secondary Education Quality Improvement Project (SEQIP)

Secondary Education Quality Improvement Project is a partnership between the Ministry of Education and the World Bank. The project is aimed at improving quality of education and enhancing retention in upper primary and transition from Primary to secondary in targeted areas with high incidence of poverty, low retention rates at primary level and low transition rates from primary to secondary.

The Commission has been Implementing SEQIP with a view to reducing teacher shortage in Sciences, Mathematics and English in targeted Sub-counties. The Commission is expected to allocate 10 percent of the annual teacher recruitment to schools in target areas during the project period and also to ensure their retention. All teachers in 7,852 Public Primary and 147 Secondary Schools in the target areas are set to benefit from the School Based Teacher Support Systems (SBTSS) and Teacher Professional Development programmes.

During the period under review, the Commission received kshs 142,282,520 from the World Bank through the Ministry of Education. By the end of the contract period, kshs 2,738,485 had been spent on monitoring teacher attendance and kshs 2,274,250 on SBTSS. The balance of kshs 137,269,785 will be used to implement the programme during the next contract period.

CHAPTER THREE

PERFORMANCE IN CORE MANDATE

3.0 Introduction

During the 2017/2018 contract period, the Commission made great strides in the realization of its core mandates as reported below.

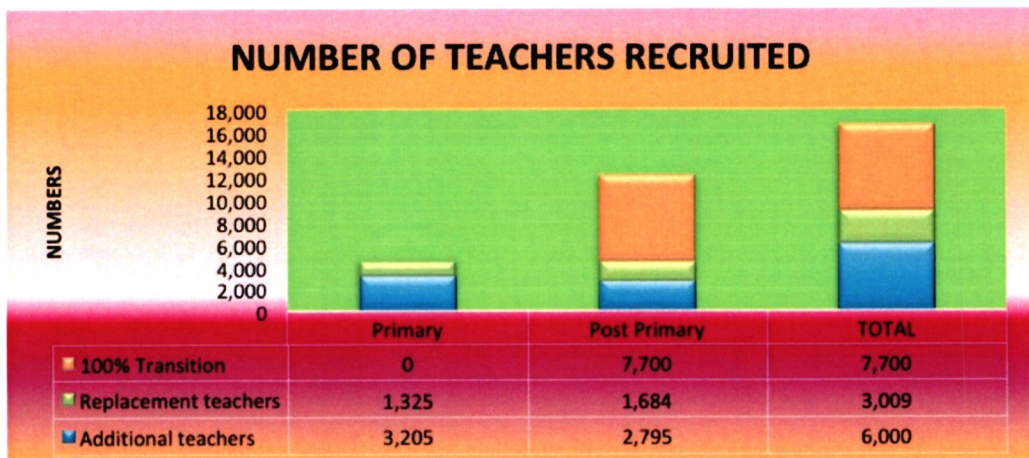
3.1 Teacher registration

Article 237 of the Constitution of Kenya and the TSC Act mandates the Commission to register all qualified teachers and ensure that any person who engages in the teaching service is registered. During the period under review, 28,189 teachers were registered. Regulation 23(1)(i) & (k) and (2)(a) of the Code of Regulations for Teachers which require applicants to upload Kenya Revenue Authority (KRA) Personal Identification Number (PIN) was implemented in addition to duly filling GP 69 Form and uploading a Certificate of Good Conduct. This will ensure that only teachers whose integrity can be proven and verified are registered.

3.2 Recruitment of teachers

Recruitment of teachers is demand-driven and has been decentralized to the counties. During the year under review, 16,709 teachers were recruited which included 7,700 for 100% transition from primary to secondary schools, 3,009 replacements and 6,000 additional teachers.

Fig 1: Recruitment of teachers





3.3 Promotion of teachers

The promotion of teachers is currently guided by the Career progression Guidelines for Teachers (2017). Teachers are promoted through a common establishment or competitive interview subject to Teacher Performance Appraisal and Development reports in accordance with the Code of Regulations for Teachers. During the period under review, 17,762 were promoted.

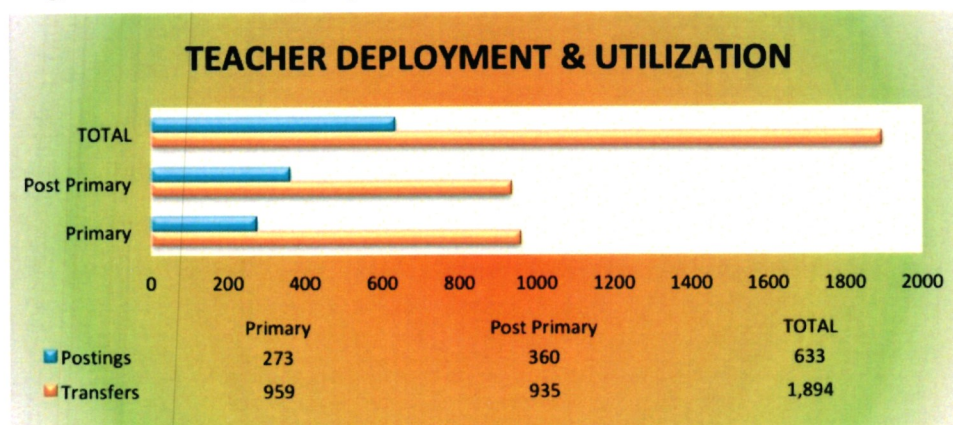
Table 1: Promotion of teachers

Grade/Job group	Number of teachers promoted
J – K	5,147
K – L	12,615
TOTAL	17,762

3.4 Teacher deployment and utilization

Teacher deployment is guided by staffing norms provided by the Commission from time to time. It is aimed at ensuring equitable distribution of teachers for optimal utilization. This is achieved through transfers, teacher balancing, posting and deployment of Institutional Administrators. During the year under review, 2,527 teachers were deployed to various primary and post primary institutions across the country to rationalize staff and bridge regional disparities in teacher distribution. These include 1,894 transfers and 633 postings from study leave and disciplinary cases. Further 4,233 heads of institution were deployed to various institutions across the country in line with the policy on Appointment and Deployment of Institutional Administrators

Fig 2: Teacher deployment and utilization





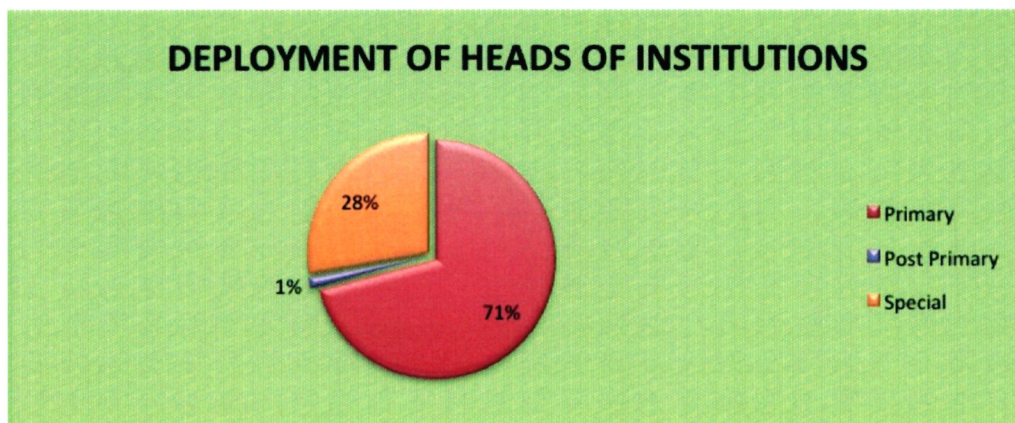
From Fig 2 above, 633 teachers were posted from study leave and disciplinary process (273 from primary and 350 to post primary institutions) while 1,894 were transferred, 959 from primary and 935 from post primary institutions.

Table 2: Deployment of heads of institution

Nature of Institution	Number
Primary	3000
Post Primary	59
Special	1,174
TOTAL	4,233

From the above table, 4,233 teachers were deployed, 3000 to Primary, 59 to Post Primary and 1,174 to special institutions which translated to 71%, 1% and 28% respectively as shown in the pie chart below.

Fig 3: Deployment of heads of institution



3.5 Enhancing Teacher Professionalism and Integrity

The Constitution of Kenya and TSC Act empowers the Commission to exercise disciplinary control over teachers with a view to enhance professionalism and integrity in the teaching service. During the period under review, the Commission carried out Teacher Performance Appraisal Development (TPAD) monitoring in 416 sampled public primary and secondary schools across all counties where teachers were appraised and evaluation reports done. The reports showed that TPAD had a positive impact on the supervision on teaching programmes and



attendance at the school level. A total of 3,879 newly recruited and 1,874 serving teachers were inducted on the provisions of The Code of Regulations for Teachers and Code of Conduct and Ethics to equip them with the necessary knowledge about the profession. Further, 104 teachers found guilty of immoral behavior were removed from the register of teachers.

3.6 Separation from employment

Separation process involves submitting Pension claims to the National Treasury for payment, updating and forwarding the National Social Security Fund (NSSF) schedules to the Managing Trustee and releasing teachers to other institutions. During the period under review, 9719 claims relating to retirement, death and NSSF were processed and submitted to the relevant institutions for payment against 10,230 cases received.

In addition 23,881 cases of the disputed 1997 retirements were processed for submission to the National Treasury for payment of revised pension. Further, 7,205 retirement notices for teachers due to retire in 2019 were issued to enable them do the necessary preparations. In order to improve efficiency in the processing of pension claims, an online database was created which has significantly improved record keeping and reduced errors.

Table3: Submission of processed claims for payment

S/ No	Type of claim	No. of claims received	No. of claims processed	Paying Institution
1.	Retirement	7,677	7677	National Treasury
2	Death	1,200	911	National Treasury
3.	NSSF	1,353	1131	Managing Trustee
	TOTAL	10,230	9,719	

CHAPTER FOUR

PERFORMANCE IN SUPPORT SERVICES

4.0 Introduction

The Commission carries out various support services and programmes to enhance its mandate, comply with relevant government policies and other statutory obligations. Below are the achievements made under support services and programmes during the 2017/2018 contract period are outlined:

4.1 Online services

Teachers Service Commission embraced Information Communication Technology in its operations to meet its service delivery objectives. It has continued to improve service delivery by automating its processes with a view to effectively turn the Commission into a paperless organization. During the year under review both the teachers' portal and T-pay system were upgraded with additional modules to improve efficiency in loan applications.

4.1.1 The declaration of Income, Assets and Liabilities (Wealth Declaration) Module

The declaration of Income, Assets and Liabilities is a statutory requirement where all employees declare their wealth every two years. A module was developed to automate the Wealth Declaration process in order to enhance efficiency, accessibility, confidentiality and security. This has enabled timely generation of reports while reducing the cost of printing, processing, transportation and storage of Wealth Declaration forms.

4.1.2 Online Pay Slip System (T-Pay portal)

The Pay As You Earn (PAYE) P9 form used for KRA tax returns was automated and can now be accessed through the Online Pay slip System (T-Pay Portal). This has tremendously improved service delivery by providing timely response, accessibility, efficiency, compliance and accurate reports. It has also saved the Commission and employees the time and cost of processing the returns.



Joyce Wanjiru (left), a TSC ICT officer shows a headteacher how to fill her online wealth declaration during the Kenya Primary Schools Heads Association (KEPSHA) 13th Annual Delegate Conference in Mombasa.

4.2 Management of HIV & AIDS at the workplace

During the year under review, the Commission continued to undertake various HIV and AIDS prevention and management programmes at the workplace. Seven sub-wellness units were operationalized in six counties and counseling services including referrals provided to 1,200 employees. Voluntary Counseling and Testing (VCT) services were also provided to 2,116 employees countrywide. Education and Communication Materials on HIV/AIDS were distributed to employees in Bomet Isiolo, Nairobi and Turkana counties to assist in behavior change.

The success of these programmes has attracted many organizations to partner with the Commission in the in the promotion of HIV/AIDS related programmes in their workplaces and beyond. On 22nd March, 2018, the Commission hosted a delegation of HIV Parliamentary Committee of Malawi Parliament which had visited the country to benchmark with the Commission on management of HIV/AIDS at workplace. The visit was in recognition of the experience and milestones reached in managing HIV and employee Wellness at the workplace with regard to; stigma and discrimination, budgeting and resource mobilization. The visit culminated to an invitation of Kenya Network for HIV Positive Teachers (KENEPOTE) by the delegation to Malawi to help in the formation of a Network of HIV Positive Teachers.



Delegation of HIV Parliamentary Committee of Malawi Parliament with TSC staff on 22nd March 2018

4.3 Gender and disability mainstreaming

During the year under review, the Commission recruited 28 teachers with special needs 14 male and 14 female where 27 were posted post primary institutions and one (1) to primary. In recognition an effort made to support the needs of Persons with Disability, the National Council for Persons with Disability (PWD) issued a compliance certificate to the Commission after carrying out an accessibility Audit at the TSC headquarters. The Commission was rated 92% compliant in supporting the needs of persons with disability. Accessible parking spaces for PWDs were reserved and marked using the international symbol for PWDs.

4.4 TSC Open Day

The TSC Annual Open Day was held on 23rd March 2018 in nine (9) regions namely; Metropolitan, Aberdares, North Rift, Highlands, Coast, Western, South Rift, Lake and Northern Kenya. The event was attended by various stakeholders and members of the public. The aim of the Open Day was to create awareness on the mandate of the Commission and its operations, provide an opportunity to interact with stakeholders and create goodwill and mutual understanding.

During the forums, stakeholders were sensitized on the implementation of the Collective Bargaining Agreement gains, Performance Contracting and Teacher Performance Appraisal and Development (TPAD), decentralized services and efforts made to improve services in the Counties and Sub-Counties. The Commission also had an opportunity to get a feedback on the services offered and respond to Issues raised by stakeholders. Issues raised during these forums have been gradually addressed.



Stakeholders celebrating TSC open day for Nyanza region in Kisii County on 23rd March 2018



Vice-Chairperson Cleopas Tirop during the Open day celebration for the western region held on 23rd March 2018 in Kitale



4.5 Compliance with statutory obligations

During the year, the Commission complied with the following statutory requirements among others. The Annual Presidential Report on National Values and Principles of Governance for the period 15th January 2017 to 15th January 2018 was submitted in accordance with the Public Service Values and Principles Act (2015). An action plan on corruption mitigation was prepared and submitted to Kenya Leadership Integrity Forum (KLIF) as required by law.

The Institutional Risk Management Policy and Framework was implemented in compliance with government Circular No.3/2009 from the National Treasury and the Mwongozo Code of Governance for State Corporations. The Commission fulfilled most of the conditions for resolution of Public Complaints and was granted a Certificate of Compliance by the Commission of Administrative Justice (CAJ) with a composite score of 89% which was an improvement from 81% recorded during the 2016/2017 financial year.

4.6 Medical health care cover for TSC employees

The Commission takes cognizance the importance of the wellbeing of its employees and their families. Owing to the increased medical expenses, the Commission secured a comprehensive medical cover for both secretariat staff and teachers to protect them and their families against financial loss for costs incurred as a result off sickness or injury. During the year under review, teachers were provided with a medical insurance and group life cover worth kshs 5,110,740,450 for both inpatient and outpatient while that of the secretariat stood at kshs 360,000,000

4.7 Training and capacity building

Training and capacity building is critical for effective service delivery. Various training, sensitization and capacity building programmes for all categories of secretariat staff and teachers were conducted to improve performance and service delivery. A total of 11,200 employees benefitted from these programmes which cost the Commission Kshs 28, 406,482

Among the training and capacity building programmes include training on; strategic management, corporate social responsibility for leaders and managers, Gender and Disability, financial literacy and Management, Teacher Professional Development (TPD), supervisory skills development, Application of emotional intelligence



to inspire high performance, Principles & Practices of Effective Contract Management, ICT security, Good customer care practices and complaints management, Quality Management Systems (QMS), Procedures and Requirements (ISO 9001:2015), Boosting communication, Protocol and report writing, Road safety and etiquette, Sign language, Competency Based Curriculum and core skills training, HRMIS and payroll verification and auditing skills, Performance appraisal management including HRMIS – online performance appraisal, Culture, strengthening payroll management, audit skills, risk management & data analysis from automated payroll systems, leadership and change management and the provisions of Mwongozo among others.

Further, various sensitization programmes were conducted to create awareness such as the CBA and Career Progression Guidelines, Alcohol and Drug Abuse, Primary Health Care, Workplace policy on HIV & AIDS and stigma reduction, National values, Leadership and Integrity, Retirement process and preparedness, Salary Overpayment and Returned Salaries among others.

CHAPTER FIVE

EMERGING ISSUES AND WAY FORWARD

5.0 Introduction

Although the Commission realized significant milestones and achievements during the period 2017/2018, it was not without challenges. There were emerging issues that hampered full realization of its constitutional mandate. The National Treasury revised the Commission budget which saw some expenditure items reduced by 75%. This adversely affected operations, maintenance of equipment and other functions during the Performance Contract period. Construction of County offices in Bomet and Kilifi were equally affected since the development budget was withdrawn in Revised Budget Estimates II.

Further, the 30% requirement for award of tenders to the Women and PWDs could not be realized because the supply of goods and services reserved for them were affected by austerity measures. Only tenders worth kshs 59,230,000 were awarded against the target kshs 270,000,000 that was to be allocated to the group. Other emerging issues are listed in the table below:

Table 4: Other emerging issues and way forward

Emerging issues	Proposed way forward
i. Low computer literacy levels among the teachers	The Ministry Of Education and the Commission to Continuously build capacity for teachers on ICT
ii. Teacher shortage of 90,097 (59864 post primary &30,233 primary)	The government to allocate more funds for teacher recruitment and the Commission to seek alternative modes of curriculum delivery
iii. Security threats in certain parts of the country	The Commission to enhance corroboration with other government security agencies to ensure that adequate security is provided in security prone areas.
iv. Inadequate office accommodation for field staff	The National and County Government to provide land and resources for the construction of offices in the Counties and Sub-Counties

CHAPTER SIX

FINANCIAL REPORTS

TEACHERS SERVICE COMMISSION

6.0 EXTRACT OF UN-AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 30TH JUNE 2018

6.1 STATEMENT OF RECEIPTS AND PAYMENTS

RECEIPTS	NOTE	2017/2018 (Kshs '000')	2016/2017 (Kshs '000')
Transfers from National Treasury	1	216,762,019	190,544,600
Proceeds from Sale of Assets	2	934	410
Other Revenues	3	515,725	491,520
TOTAL REVENUES		217,278,678	191,036,530
PAYMENTS			
Compensation of Employees	4	216,088,554	189,761,656
Use of goods and services	5	657,027	863,609
SEQIP Project Expenses	6	5,013	-
Acquisition of Assets	7	341,299	261,443
TOTAL PAYMENTS		217,091,893	190,886,709
SURPLUS		186,785	149,820



DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO

DATE: 27.09.2018



CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS

ICPAK NUMBER: 8372

DATE: 27.09.2018

**6.2 STATEMENT OF FINANCIAL POSITION****STATEMENT OF FINANCIAL POSITION****TEACHERS SERVICE COMMISSION****STATEMENT OF ASSETS & LIABILITIES****AS AT 30 JUNE 2018**

FINANCIAL ASSETS	NOTE	2017/2018 (Kshs '000')	2016/2017 (Kshs '000')
Cash and Cash Equivalents			
Bank Balances	8A	1,883,833	1,838,941
Cash Balances	8B	2	-
Total Cash And Cash Equivalents		1,883,835	1,838,941
Accounts Receivables	9	271,060	2,217,700
TOTAL FINANCIAL ASSETS		2,154,895	4,056,642
LESS FINANCIAL LIABILITIES			
Accounts Payables	10	789,662	2,878,194
NET FINANCIAL ASSETS		1,365,233	1,178,448
REPRESENTED BY			
Fund balance b/fwd.	11	1,178,448	1,028,628
Surplus for the year		186,785	149,820
NET FINANCIAL POSITION		1,365,233	1,178,448

DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO

DATE: 27.09.2018

CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS

ICPAK NUMBER: 8372

DATE: 27.09.2018



6.3 STATEMENT OF CASH FLOWS
TEACHERS SERVICE COMMISSION
STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 30 JUNE 2018

CASH FLOW FROM OPERATING ACTIVITIES	NOTE	2017/2018 (Kshs '000')	2016/2017 (Kshs '000')
Receipts for operating income			
Transfers from National Treasury	1	216,762,019	190,544,600
Other Revenues	2	515,725	491,520
TOTAL		217,277,744	191,036,120
Payments for operating expenses			
Compensation of Employees	4	216,088,554	189,761,656
Use of goods and services	5	657,027	863,609
Transfers to Other Government Units	6	5,013	-
Adjusted for:		216,750,594	190,625,266
Changes in receivables		1,946,641	7,034,056
Changes in payables		(2,088,531)	(6,495,845)
Net cash flow from operating activities		385,259	949,065
CASHFLOW FROM INVESTING ACTIVITIES			
Proceeds from Sale of Assets	3	934	410
Acquisition of Assets	7	(341,299)	(261,443)
Net cash flows from Investing Activities		(340,365)	(261,033)
NET INCREASE IN CASH AND CASH EQUIVALENT		44,894	688,032
Cash and cash equivalent at beginning of the year		1,838,941	1,150,910
Cash and cash equivalent at end of the year		1,883,835	1,838,941



The accounting policies and explanatory notes to these financial statements form an integral part of the financial statements. The entity financial statements were approved on 27th September 2018 and signed by:

Nancy Njeri Macharia

**DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO**

DATE: 27.09.2018

Cheptumo Ayabei

**CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS**

ICPAK NUMBER: 8372

DATE: 27.09.2018



6.4 BUDGET EXECUTION - RECURRENT

Budget execution - Recurrent - FY 2017/18

Revenue/ Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=d-c	f=d/c %
RECEIPTS						
Exchequer releases	201,362,000	16,238,457	217,600,457	216,619,736	980,722	100%
Proceeds from Sale of Assets	475,000	42,000	517,000	516,659	341	100%
TOTAL	201,837,000	16,280,457	218,117,457	217,136,395	981,063	100%
PAYMENTS						
Compensation of Employees	200,219,000	16,780,000	216,999,000	216,088,554	910,446	100%
Use of goods and services	1,013,992	(286,543)	727,450	657,027	70,423	90%
Acquisition of Assets	604,008	(213,000)	391,008	341,299	49,709	87%
GRAND TOTAL	201,837,000	16,280,457	218,117,458	217,086,880	1,030,578	100%
SURPLUS/ DEFICIT	-	-	-	49,515	(49,515)	

Nancy Njeri Macharia

DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO

DATE: 27.09.2018

Cheptumo Ayabei

CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS

ICPAK NUMBER: 8372

DATE: 27.09.2018

**6.5 BUDGETEXECUTION – DEVELOPMENT FY 2017/18**

Revenue/ Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation
	a	b	C=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases - Development	118,000	(118,000)	-	-	-	
Exchequer releases - SEQIP	-	143,000	143,000	142,283	717	99%
TOTAL	118,000	25,000	143,000	142,283	717	99%
PAYMENTS						
SEQIP Project Expenses	-	143,000	143,000	5,013	137,987	4%
Acquisition of Assets	118,000	(118,000)	-	-	-	#DIV/0!
GRAND TOTAL	118,000	25,000	143,000	5,013	137,987	4%
SURPLUS/ DEFICIT	-	-	-	137,270	(137,270)	

*Nancy Njeri Macharia*DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO

DATE: 27.09.2018

*CPA Cheptumo Ayabei*CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS

ICPAK NUMBER: 8372

DATE: 27.09.2018



6.6 STATEMENT OF COMPARATIVE BUDGET AND ACTUAL AMOUNTS

Budget execution - Recurrent & Development Combined - FY 2017/18

Revenue/Expense Item	Original Budget	Adjustments	Final Budget	Actual on Comparable Basis	Budget Utilisation Difference	% of Utilisation Difference to Final Budget
	a	b	c=a+b	d	e=c-d	f=d/c %
RECEIPTS						
Exchequer releases	201,480,000	16,381,457	217,861,457	216,762,019	1,099,439	99%
Proceeds from Sale of Assets	475,000	42,000	517,000	516,659	341	100%
TOTAL	201,955,000	16,423,457	218,378,457	217,278,678	1,099,779	99%
PAYMENTS						
Compensation of Employees	200,219,000	16,780,000	216,999,000	216,088,554	910,446	100%
Use of goods and services	1,013,992	(286,543)	727,450	657,027	70,423	90%
SEQIP Project Expenses	-	143,000	143,000	5,013	137,987	4%
Acquisition of Assets	722,008	(213,000)	509,008	341,299	167,709	67%
GRAND TOTAL	201,955,000	16,423,457	218,378,458	217,091,893	1,286,564	99%
SURPLUS/DEFICIT	-	-	-	186,785	(186,785)	

Fachau

Car Jeei

DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO

CPA CHEPTUMO AYABEI
DIRECTOR FINANCE & ACCOUNTS

DATE: 27.09.2018

ICPAK NUMBER: 8372

DATE: 27.09.2018



6.7 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2018

1. EXCHEQUER RELEASES	2017-2018 (Kshs)	2016-2017 (Kshs)
Description		
Total Exchequer Releases for quarter 1	52,123,254,133	45,453,000,000
Total Exchequer Releases for quarter 2	54,362,709,000	47,406,200,000
Total Exchequer Releases for quarter 3	50,717,957,895	48,006,755,200
Total Exchequer Releases for quarter 4	59,558,097,690	49,678,644,800
TOTAL	216,762,018,718	190,544,600,000
2. PROCEEDS FROM SALE OF ASSETS		
Receipts from the sale of vehicles and transport equipment	933,999	410,000
TOTAL	933,999	410,000
3. OTHER REVENUES		
Interest Received– Fixed Deposit Account at NBK	8,836,670	8,688,957
Rental Income Collected as AIA - TSC Building	6,548,348	2,846,246
Receipts Collected as AIA - Commission on Third Parties	500,340,457	479,234,586
Other Receipts Not Classified Elsewhere (Donations)	-	750,000
TOTAL	515,725,475	491,519,789
4. COMPENSATION OF EMPLOYEES		
Basic Salaries - Permanent Employees	136,877,627,340	120,925,491,321
Basic Wages - Contractual Employees	7,431,700	6,613,356
Personal Allowances paid as part of Salary	69,957,333,493	59,943,600,606
Personal Allowances paid as reimbursements	92,717,441	29,020,387
Employer Contributions to Staff Pensions Schemes	787,540,055	549,658,425
Employer Contributions to Compulsory National Social Security Schemes	7,313,937	7,379,467
Employer Contributions to Compulsory Health Insurance Schemes	8,358,590,532	8,299,892,926
TOTAL	216,088,554,496	189,761,656,488



5. USE OF GOODS AND SERVICES		
Utilities, Supplies and Services	36,113,493	34,253,077
Communication, Supplies and Services	36,811,972	80,133,492
Domestic travel and subsistence and other transportation costs	161,712,296	130,323,036
foreign travel and subsistence & other transportation costs	3,180,299	14,693,751
Printing , advertising and information supplies & services	15,692,079	5,564,463
Rentals of produced assets	39,108,768	33,170,897
Training expenses	36,951,545	85,866,519
Hospitality supplies and services	44,644,282	25,456,934
Insurance costs	78,591,132	292,445,106
Specialized Materials and Supp	3,727,709	4,139,413
Office and general supplies and services	15,874,135	17,223,313
Fuel oil and lubricants	54,135,977	27,112,416
Other operating expenses	55,833,497	51,586,990
Routine maintenance - vehicles	53,089,634	24,629,538
Routine Maintenance - other assets	21,560,200	37,010,473
TOTAL	657,027,018	863,609,418
6. TRANSFER TO OTHER GOVERNMENT ENTITIES		
SEQIP Expenses	5,012,735	-
TOTAL	5,012,735	-
7. ACQUISITION OF ASSETS		
Refurbishment of Buildings	44,226,917	25,794,179
Purchase of vehicles and other transport equipment	197,001,189	137,551,990
Purchase of office furniture and general equipment	11,991,954	6,873,308
Purchase of ICT Equipment	88,079,137	91,223,976
TOTAL	341,299,196	261,443,453



8. 8A BANK ACCOUNTS

NAME OF BANK, ACCOUNT NO. & CURRENCY	TYPE OF ACCOUNT	2017-2018 (Kshs)	2016-2017 (Kshs)
National Bank of Kenya-Secretariat A/C No.01001005707400	Recurrent	15,778,723	15,778,723
National Bank of Kenya-Teachers A/C No.01001000905000	Recurrent	1,325,283,273	1,002,031,086
Central Bank of Kenya A/C No. 1000181117	Recurrent	(142,099,675)	262,204,645
National Bank of Kenya A/C No.01377083109304	Fixed Deposit	528,640,754	519,804,084
Central Bank of Kenya - PRIEDE A/C No. 1000291133	Project	19,877,465	39,122,499
Central Bank of Kenya - SEQIP A/C No.1000370882	Project	136,303,900	-
TOTAL		1,883,784,440	1,838,941,037

8B CASH IN HAND

Cash in hand	2017-2018 Kshs	2016-2017 Kshs
Cash in Hand – NBK	2,054	459
Cash in Hand – CBK	48,900	-
TOTAL	50,954	459
Analysis of Cash:		
Teachers Service Commission Headquarters – Cash-office	2,054	459
Teachers Service Commission Headquarters – Cash-office	48,900	-
TOTAL	50,954	459
8. ACCOUNTS RECEIVABLES		
Domestic Debtors & Advances	10,467,062	8,747,624
Temporary – Imprests	431,813	474,158
Other Receivables & Clearance Accounts	260,160,848	2,207,786,690
Withholding Taxes	-	691,755
TOTAL	271,059,723	2,217,700,227



ACCOUNTS PAYABLES		
Other Payables & Clearance Accounts	686,597,458	2,255,231,208
Agency Accounts – Inter-Ministerial A/C	61,481,041	80,480,027
AP Liabilities	41,583,729	542,482,347
TOTAL	789,662,228	2,878,193,582
BALANCES BROUGHT FORWARD		
Bank accounts	1,838,941,037	1,150,889,467
Cash in hand	459	20,515
Receivables	2,217,700,227	9,251,756,550
Payables	(2,878,193,582)	(9,374,038,822)
TOTAL	1,178,448,141	1,028,627,710



6.8 PROGRESSION FOLLOW UP OF AUDITOR'S RECOMMENDATIONS

The following is the summary of issues raised by the external auditor in their letter and the comments from the management. Focal persons have been nominated to resolve the various issues as shown below with the associated time frame within which we expect the issues to be resolved.

Ref No. on external audit Report	Issue / Observations from Auditor	Management comments	Focal Point person to resolve the issue	Status	Time frame
	<p>Stores and Cash Losses</p> <p>Note 8 to the financial statements reflects receivables – outstanding imprest and clearance accounts balance of Ksh.2,217,700,000 as at 30 June 2017. The figure of Kshs. Ksh.2, 217,700,000 includes unrecoverable losses of stores and cash losses amounting to Kshs.10, 487,516 and Kshs.2, 928,398 respectively, which as previously reported occurred between the years 1988 and 2000. The matter was investigated and the Director of Public Prosecutions directed the suspect to be charged with the offence of stealing by person employed in the Public Service contrary to Section 280 of the penal code. A review of the matter during the year under review indicates that the suspect was charged and the case is pending. The case was set for hearing on 19 March 2018 but adjourned to 25 June 2018.</p>	<p>Loss of Stores Ksh. 10,487,516</p> <p>These were losses occasioned by theft of stores which the Commission followed up. The suspect was charged at the Kibera Law Courts vide O.B. NO.46/3/6/2013 with the offense of stealing by person employed in public service contrary to section 280 of the penal code.</p> <p>In response to the Commission's letter Ref: TSC/LS/004/ Acc/10 /45 dated 21/ 3/2018 enquiring on the progress of the case, the prosecuting officer vide letter Ref: KBR/ODPPP/1 dated 21/3/2018 replied that the case is ongoing and the last hearing date was on 19th March, 2018 when it was adjourned to 25th July, 2018. Our legal officer is following up on the matter to ensure that it is finalized as soon as possible.</p>	SDD LEGAL SERVICES	In progress	



<p>Loss of Cash kshs 2,928,398</p>	<p>Cash loses kshs 2,928,398</p> <p>These were cash losses which occurred in the period 1988-2000. The Commission has since then been following up the matter in the Courts with numerous challenges. A letter Ref: CID/IB/SEC/4/3/1/A/VOL.III/64 by the Investigating Officer dated 5/9/2014 indicated that there were insurmountable challenges in charging the culprits. During the meeting held on 24/9/15, a recommendation was made to write off the loss. Consequently, the Commission vides the letter Ref: TSC/FIN/32/VOL. IX/34 dated 9/6/17, sought approval of the National Treasury. This was followed with a reminder Ref: TSC/FIN/60/VOL.IV/109 dated 30/ 1/18 before recognizing the write off in our books. The National Treasury vide letter Ref: AG/3/149/ Vol.1/(47) dated 6th March, 2018 advised on the procedure to be followed when writing off losses. The Commission vide letter Ref: TSC/ FIN/60/VOL.V/5 dated 4th July, 2018 complied with the said procedure and provided the required documentary evidence.</p>			
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<p>Refund of PAYE Ksh. 128,392,939</p> <p>In addition, included in the balance of Ksh.2, 217,700,000 is a long outstanding Pay As You Earn (PAYE) amount of Kshs.128, 392,939 which was paid to Kenya Revenue Authority (KRA) on account of former teachers who deserted their jobs and their salaries were returned to the Commission. Available information indicate that KRA carried out an audit on the PAYE amount and as a result adjusted the figure downwards to Kshs.46,060,915 as at 30 June 2017. A review of the matter in February 2018 revealed that the Commission had received a refund of Kshs.46, 057,935 from KRA on 23rd February 2018 and that it has sought authority to write-off the un-recoverable balance of Kshs.68, 802,494 from the National Treasury. It is not clear if National Treasury will grant the authority.</p> <p>In the circumstances, it has not been possible to confirm the recoverability of the accounts receivables – outstanding imprest and clearance accounts figure of Ksh.2, 217,700,000 for the year ended 30 June, 2017.</p>	<p>Refund of PAYE Ksh. 128,392,939</p> <p>The Commission and Kenya Revenue Authority auditors held a joint meeting on 26/2/2016 to discuss the modalities of verifying records and documents that supported the claim.</p> <p>The KRA in exercise of the provisions of section 59 of the tax Procedures Act 2015 audited the original claim of Kshs. 128,392,939 on 24/3/2016 which was revised downwards to Kshs. 46, 060,915 vide their letter dated 9/8/2016.</p> <p>The Commission received the refund of Kshs.46, 057,935.35 on 23/2/2018 from KRA vide letter dated 1/3/2018.</p> <p>The Commission wrote to National Treasury vide letter Ref: TSC/FIN/32/VOL. IX/25 dated 10/4/17 seeking approval for a write off of the un-recoverable balance of Kshs 68,802,494.55 with a follow up letter Ref: TSC/FIN/60/VOL.IV/109 dated 30/1/18. The National Treasury vides a letter Ref: AG/3/149/Vol.1/ (47) dated 6th March, 2018 advised the Commission to follow the laid down procedure. This was done vide letter Ref: TSC/FIN/60/VOL.V/5 dated 4th July, 2018</p>			
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	<p>Property, Plant & Equipment</p> <p>As reported in the previous years, the property, plant and equipment schedule balance of Kshs.3,662,965,318 under Annexure XVIII as at 30 June 2017 includes kshs.88,096 being the residual value of one (1) motor vehicle procured in 2004 for a total cost of Kshs.2,085,869. A review of the matter in January 2018 revealed that the vehicle had earlier been taken and auctioned by the auctioneers after obtaining a duplicate log book No. 20063490279 from KRA. Although the Commission repossessed the vehicle, a case is pending before a court of law as at the date of this report and the outcome is known.</p>	<p>Revaluation of the Motor Vehicle registration KAR 246L- Nissan Urvan whose net book value was Ksh. 88,096 by the Ministry of Public Works & Infrastructure is as follows:</p> <p>The vehicle was repossessed from auctioneers and the original log book submitted to KRA on 30/6/2011 to verify the rightful owner in response to their request vide letter ref: KRA/RTD/TRANS-DUP/10027/0-11 dated 13/6/2011. The case is ready for hearing after parties exchanged all pleadings.</p> <p>However, it was found out that crucial documents filed by the Plaintiff are missing from the Court consequently, the Court on 24th September, 2014 directed that the documents be replaced forthwith. However, the Plaintiff has not secured a hearing date to date and the Commission has prepared an application to have the case dismissed.</p>	<p>DIRECTOR ADMIN</p>	<p>In progress</p>	
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Nancy Njeri Macharia

**DR NANCY NJERI MACHARIA, CBS
COMMISSION SECRETARY/CEO**

DATE: 27.09.2018

Lydia N. Nzomo OGW

**DR LYDIA N. NZOMO OGW, CBS
CHAIRPERSON**

DATE: 27.09.2018



APPENDIX 1: THE COMMISSION



Dr. Lydia Nzomo, CBS
Chairperson



Kinoti Imanyara
Commissioner



Cleophas Tirop, OGW
Vice Chairman



Beatrice Marembo Adu, HSC
Commissioner



Saadia Abdi Kontoma, OGW
Commissioner



Mbarak Twahir, FKIM
Commissioner



Albert Fred Ekirapa
Commissioner



Tache Bansa Gollo
Commissioner



Dr. Salome Gichura, OGW
Commissioner



APPENDIX 11: THE MANAGEMENT TEAM



Dr Nancy Njeri Macharia, CBS
Commission Secretary



Cheptumo Ayabei
Director Finance & Accounts



Simon M. Kavisi OGW
Ag. Deputy Commission Secretary



Josephine Maundu
Director HRM & D



Grace Ngure
Ag. Director Accounts



Ibrahim G. Mumin, OGW
Ag. Director Administration



Patrick Mang'atu
Ag. Director Internal Audit



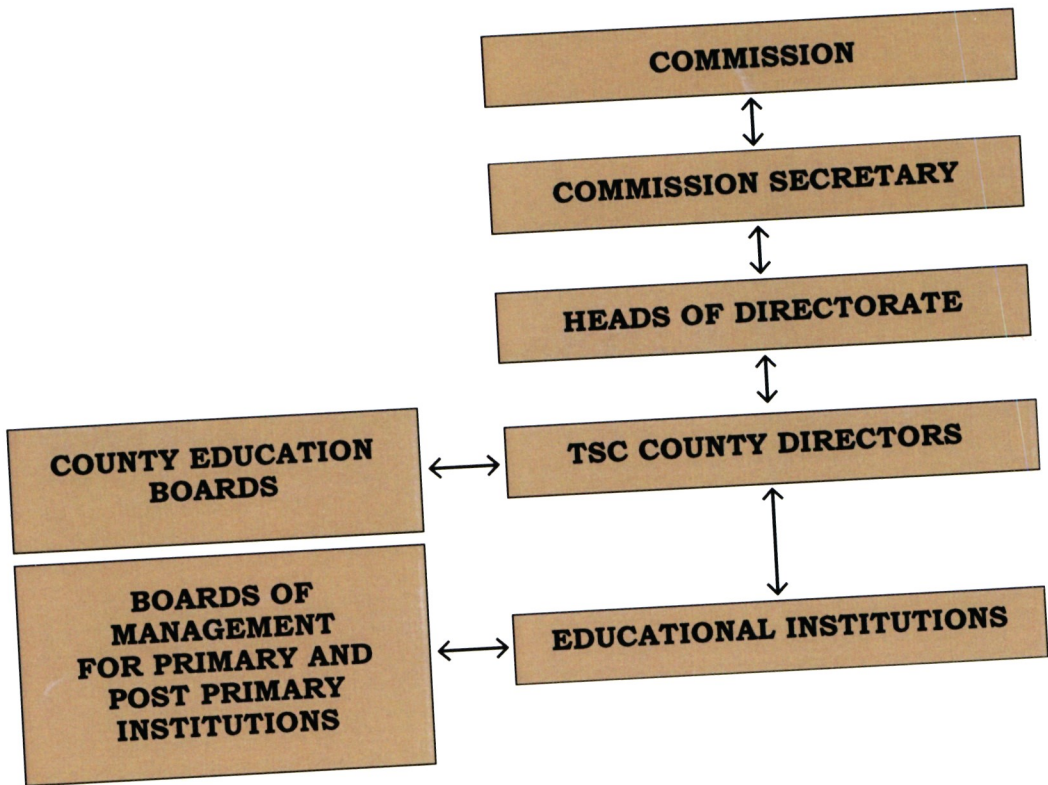
Ayub Imbira
Director ICT



Mary C. Rotich
Ag. Director TM



APPENDIX III: INSTITUTIONAL FRAMEWORK





TEACHERS SERVICE COMMISSION-KENYA

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