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LEGAL NOTICE NO. 2

THE PUBLIC FINANCE MANAGEMENT ACT

(No. 18 of 2012)

IN EXERCISE of the powers conferred by section 116 of the Public Finance Management Act, 2012, the County Executive Committee Member for Finance, makes the following Regulations:—

**THE PUBLIC FINANCE MANAGEMENT, (BARINGO COUNTY ASSEMBLY
CATERING AND HEALTH SERVICES SCHEME FUND) REGULATIONS, 2017**

Citation

1. These Regulations may be cited as the Public Finance (Baringo County Assembly Catering and Health Services Scheme Fund) Regulations, 2017.

Interpretation.

2. In these Regulations, unless the context otherwise requires—

“Board” means the County Assembly Service Board established under section 12 of the County Governments Act, 2012;

‘Captain Order’ means a note pad used to indicate guests requirements for food and drinks in restaurants;

“Committee” means the Baringo County Assembly Catering Committee established under these Regulations;

“Executive Committee Member” means the County Executive Committee Member responsible for Finance.

“Financial year” means the period of twelve months ending on the 30th June in each calendar year;

“Fund” means the Baringo County Assembly Catering Scheme Fund established under these Regulations, as envisaged by Section 116 of the Public Finance Management Act, 2012;

“Member” means a member of County Assembly of Baringo

“Officer Administering the Fund” means the person designated by the county executive committee member responsible for finance as provided for by section 116 of the Public Finance Management Act, 2012;

“Staff” means an employee of the Baringo County Assembly Service Board who is employed on permanent and pensionable terms.

Establishment of the Fund

3. There is established a Fund to be known as Baringo County Assembly Catering Services Scheme Fund.

Object of the Fund

4. The object of the Fund shall be to provide for the purchase of catering equipment, managing and administration of the restaurant activities and for matters related or incidental thereto.

Initial Capital and other resources of the Fund

5. (1) The initial capital of the Fund shall consist of the monies appropriated by Baringo County Assembly.

(2) Other resources of the Fund shall consist of—

- (a) all sums of money received by or falling due to the Fund that may be appropriated by Baringo County Assembly;
- (b) any amounts that may from time to time be allocated by the County Government and appropriated by the County Assembly
- (c) all sums of money borrowed by the Committee with the approval of the County Assembly subject to provisions of section 142 of Public Finance Management Act for the purpose of exercising any of its functions or discharging any of its obligations;
- (d) all sums of money earned by or arising from investment made in respect of the Fund;
- (e) all other sums of money that may in any manner become payable to or vested in the Fund including gifts, grants and donations.

The Catering Management Committee

6. (1) There is established a committee to be known as the Catering and Health Services Committee which shall be constituted by each session of the County Assembly whose membership shall conform with the Constitution,

(2) The Committee members shall elect a chairperson and a vice chairperson from amongst themselves.

(3) In addition to the constituted members, there shall be three ex officio members namely, the Clerk to the Assembly, the Catering Manager and the Serjeant-At-Arms.

(4) The meetings of the Committee shall be convened by the chairperson or in the absence of the chairperson, by a member designated by the chairperson and shall be convened at such times as may be necessary for the discharge of the Committee's functions.

(5) The quorum for meetings of the Committee shall be the chairperson and any five members.

(6) The Committee may organize itself into sub-committees for purposes of effective performance of its mandate.

Administration of the Fund

7. (1) The County Executive Committee member for finance shall designate a person responsible for administration of the Fund in accordance with section 116(2) of the PFM Act, 2012 with the approval of the County assembly.

(2) The person designated in paragraph (1) shall be designated as the officer administering the Catering Services Fund.

(3) The officer administering the Fund—

- (a) shall supervise and control the administration of the Fund;
- (b) may recommend to the committee conditions on the use of any moneys in the Fund and may also impose any reasonable restriction or other requirement concerning such use;
- (c) shall cause to be kept books of accounts and other books and records in relation to the Fund;
- (d) shall prepare, sign and transmit to the Auditor-General in respect of each financial year and within three (3) months after the end of, a statement of accounts relating to the Fund, prepared and signed by him specifying the income of the Fund and showing the expenditure incurred from the Fund, in such details as the Executive Committee Member may from time to time direct in accordance with the Public Finance Management Act;
- (e) shall furnish such additional information as he/ she may deem to be proper and sufficient for the purpose of examination and audit by the Auditor-General.

Operation of the Fund

8. (1) The committee shall ensure that all the expenditure incurred and the profits realized therein shall be used in—

(2) Purchasing food, drinks or other goods for supply to the members' restaurant and bar in the county assembly.

(3) Purchasing equipment for improvement of the catering facility.

(4) Providing staff incentives which shall include but not limited to service charge in compliance with the hospitality industrial practices.

(5) The Officer Administering the Fund shall satisfy himself or herself on the financial status and use of the catering services in discharging the duty of administering the Fund.

(6) The Committee shall ensure that the monies accrued from the restaurant are used in such a manner as is deemed just and fit.

(7) All decisions of the Committee shall be made through minuted resolutions.

Conditions for release of money from the Fund

9. (1) The funds released from the Fund shall be based on the arising need as the committee may deem fit for the purposes of day to day running of the restaurant while taking heed of the need for the restaurant to sustain itself.

Procurement of goods

10. The Public Procurement and Assets Disposal Act of 2015 and regulations shall guide the procurement of goods and services.

Operation of the restaurant

11. (1) The mode of payment for the services offered at the restaurant shall be through a cashless system whereupon the amount used by a member or staff shall be deducted from his/her monthly emoluments.

(2) The deductions shall be effected on the summary of the daily sales from Captain Orders summarized on a monthly basis, duly checked by the Catering Manager and forwarded to the Clerk for final authorization to the payroll department.

(3) Financial statements shall be issued every month for members' verification against the duly signed bills.

(4) Members are required to sign their bills promptly to avoid undue delay in effecting payments and unwarranted financial embarrassment.

(5) A pay bill transaction account shall be created for members and staff of County assembly and their visitors. Payments may also be made using credit cards.

(6) Cash payments for services is not permitted

(7) Tipping is prohibited.

(8) The catering and health services committee have the discretion to withdraw services from members until all bills are paid up.

(9) The member or staff shall be responsible for the expenses incurred and the conduct of the visitor whilst within the precincts of the restaurant.

Proper Books of Accounts

12. (1) The officer administering the fund shall be responsible for maintenance of proper books of accounts and the preparation of annual financial statements which shall include the following—

(a) Income and expenditure account;

(b) statement of financial position;

(c) statement of cash flows.

(2) The officer administering the Fund shall ensure that the accounts for the Fund and the annual financial statements relating to those accounts comply with the accounting standards prescribed and published by the Accounting Standards Board from time to time.

(3) The officer administering the Fund shall cause to be prepared quarterly returns and financial statements to be submitted to the County Executive Committee member for finance and economic planning at the end of each quarter.

Audit of Books of Accounts and Financial Statements

13. The annual financial statements of the fund shall be subject to audit by the Auditor General in accordance with Articles 226 and 229 of the Constitution of Kenya and the Public Audit Act.

Supplementary terms

14. (1) These regulations shall be supplemented by such terms as may, from time to time, be detailed in the application form supplied by the committee and in the contract between the financial institution and the committee.

(2) Subject to these Regulations, the committee shall issue guidelines on—

- (a) The criteria for maintenance and day to day running of the restaurant; and
- (b) Such other matters as may be necessary for the proper management and administration of the fund.

Power to Amend Regulations

15. (1) The County Executive Committee Member may, with the approval of the county assembly, amend the regulations generally for the proper carrying out of the catering services and in particular, may make provisions—

- (a) Providing for the administration, management and investment of the resources of the fund;
- (b) Prescribing the basis on which a loan may be obtained.
- (c) Prescribing the procedure to be followed prior to the borrowing by the committee and for payment of the amount due on a loan together with any interest thereon;
- (d) Prescribing anything which may be or is required to be prescribed under this regulation.

Made on the 24th January, 2017.

GEOFFREY BARTENGE,

County Executive Committee Member for Treasury and Economic Planning.