



LEGAL NOTICE NO 2

THE PUBLIC FINANCE MANAGEMENT ACT

(No 18 of 2012)

THE PUBLIC FINANCE MANAGEMENT (EMBU COUNTY EDUCATION
SUPPORT FUND) REGULATIONS, 2015

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Regulation

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THE PUBLIC FINANCE MANAGEMENT ACT

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THE PUBLIC FINANCE MANAGEMENT (EMBU COUNTY EDUCATION SUPPORT FUND) REGULATIONS, 2015

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

PART I—PRELIMINARY

1 These Regulations may be cited as the Public Finance Management (Embu County Education Support Fund) Regulations, 2015 and will take effect upon gazettelement

Citation and validity

2 (1) Terms included in these Regulations, unless otherwise stated, have the meanings assigned under the Public Finance Management Act

(2) In addition and unless the context otherwise requires—

“bursary” means a scholarship to attend a secondary, polytechnics,, special schools, college, or university without repayment ,

“Executive member” means the County Executive Committee member responsible for Education,

“County” means Embu County,

“county government” means Embu County government,

“Committee” means the education fund committee established under regulation 7,

‘Chief Officer ’ means the chief officer responsible for Education who shall be the Fund Manager,

“Director” means director responsible for education ,

“HELB” means Higher Education Loans Board as provided for in Higher Education Loans Board Act, CAP 213A,

“Fund” means the Embu County Education Fund established under Regulation 5,

Loan means a sum of money lent to an eligible student by HELB on behalf of the Committee to be repaid with interest,

“Loans fund” means part of the Fund that is appropriated by Committee for loans and administered by HELB,

“Scholarship” means a payment of a sum of money from the Fund to maintain an able student in furthering his/her education

“Student” means a student from Embu County,

3 The purpose of these Regulations is to provide financial support to needy students in the county and without prejudice to the generosity of the foregoing, the main objectives of these Regulations are as follows—

Purpose and
objective of
the
Regulations

- (a) to establish the county education support fund,
- (b) to provide for management and administration of the fund, and
- (c) to operationalize the fund

4 These Regulations apply to the County Government of Embu

Application

PART II—ESTABLISHMENT OF EDUCATION SUPPORT FUND

5 (1) There is established a Fund to be known as Embu County Education Support Fund which shall be managed and administered by the Fund Manager

Establishment
of the Fund

- (2) The Fund shall provide funds to be used for—
- (a) granting bursaries,
 - (b) awarding scholarships,
 - (c) giving loans, and
 - (d) any other educational interventions as they may arise

6 The sources of funds for the Fund shall consist of—

Source of
Fund

- (a) monies appropriated from the County Revenue Fund by the County Assembly,
- (b) sums which represent the repayment of the capital and interest of any loan granted by the Committee, and
- (c) any gifts donations, grants and endowments made to the Fund

PART III— ESTABLISMENT OF THE EDUCATION FUND COMMITTEE

7 (1) There is established a Committee to be known as the Education Fund Committee

Establishment
of the
Committee

- (2) The committee shall comprise of—
- (a) Chairperson appointed by the Governor,
 - (b) chief Officer responsible for education who will be the secretary and shall be an *ex officio* member,
 - (c) chief Officer responsible for Finance or his representative

- (d) county Director of Education or his representative who shall be an *ex officio* member,
- (e) four persons appointed by Executive Committee member one from each sub county taking into consideration of gender balance of the committee
- (f) one member representing persons with disabilities

8 A person is qualified for appointment as a Chairperson or as a member of the committee if that person is—

Qualifications
of the
chairperson
and members

- (a) is a resident of Embu County,
- (b) meets the requirements of Chapter Six of the constitution of Kenya,
- (c) in the case of the Chairperson, is a holder of at least a bachelor's degree from a university recognized in Kenya and with a working experience in either education sector, administration or business of five years, and
- (d) in the case of members appointed under regulation 7(2) (g) is a holder of at least Kenya Certificate of secondary education or its equivalent

9 The Chairperson and members appointed under regulation 7 (2) (g) shall be appointed for a term of three years and shall be eligible for re-appointment for one further term

Term of office

10 (1) The Functions of the committee shall be—

Functions of
the committee

- (a) to formulate policies for regulating the disbursement and management of bursaries scholarships and loans,
- (b) to advise the Executive member on bursary disbursements scholarship awarding and loans,
- (c) to grant bursaries and scholarships
- (d) approve the list of beneficiaries to be granted loans as provided for in regulation 14,
- (e) to provide oversight and supervisory role in giving loans to students from the funds outsourced to the HELB by the County,
- (f) to receive any gifts, donations grants or endowments made to the Fund and to make legitimate disbursements there from
- (g) to determine the maximum amount to be awarded to the eligible student to be granted as bursaries scholarships and loans in a particular year, and

- (h) to receive and consider appeals for aggrieved applicant
 - (i) to perform any other functions for implementation of these regulations
- (2) To transact any business, two thirds of the members must be present
- (3) The Committee shall hold at least three meetings and maximum of six meetings in a year

11 (1) A member of the committee shall cease to be in office if— Vacancy of office

- (a) he or she resigns in writing to the appointing authority through the secretary giving a one month notice
- (b) the appointing authority is satisfied that such a member is by reason of his or her physical or mental infirmity unable to execute the functions of his or her office
- (c) the member violates the Constitution or any other law
- (d) there is gross misconduct, whether in the performance of the member's functions or otherwise,
- (e) there is incompetence or neglect of duty,
- (f) the member is adjudged bankrupt, or
- (g) the member dies

(2) Where the office of a member becomes vacant under subregulation (1) the Secretary shall forthwith notify the appointing authority for appropriate action

(3) Committee members shall draw allowances as advised by the Salaries and Remuneration Commission from time to time

PART IV— APPROPRIATION AND ADMINISTRATION OF THE FUND

12 (1) In appropriation of the Fund the committee shall take into account— Appropriation of the Fund

- (a) gender equity,
- (b) regional balance,
- (c) population,
- (d) poverty index,
- (e) minority groups and
- (f) persons with disabilities

(2) The committee in appropriating the funds shall ensure that—

- (a) seventy per centum of the annual allocation from the county government to the Fund is expended in disbursing bursaries on agreed formula to each ward,
- (b) six per centum on scholarships,
- (c) eighteen per centum on loans,
- (d) three per centum on administrative cost of the Committee, and three per centum on administrative cost for Ward Education Support Fund Committees

(3) The Executive member shall appoint Ward Education Support Fund Committees

(4) The Ward Education Support Fund Committee shall comprise of the chairperson and six other members taking into account the gender balance

(5) The term of office shall be three years renewable for a further one more term

13 (1) The Fund Manager shall be the officer administering the Fund

Administration
of the Fund

(2) The Fund Manager shall—

- (a) supervise the running, control and administration of the Fund
- (b) cause to be kept books of accounts and other books and records in relation to the Fund and for all loans financed from the Fund,
- (c) prepare, sign and transmit to the Auditor-General in respect of each financial year and within three months after the end thereof, a statement of accounts relating to the Fund prepared and signed by him or her specifying the income of the Fund and showing the expenditure incurred from the Fund in such details as the Executive Member may from time to time direct in accordance with the Public Finance Management Act,
- (d) furnish such additional information as may be required for the purpose of examination and audit by the Auditor-General,
- (e) supervise all legal documentation and disbursement of funds, and
- (f) not later than fifteen days after the end of each quarter, submit the quarterly report to the County Treasury and a copy to the Controller of Budget

(3) The Executive Member responsible for finance shall cause to be entered into a Memorandum of Understanding between the County government and HELB for purposes of administering the loans from the Fund

(4) The committee shall appropriate the Loans Fund and HELB shall specifically administer on behalf of the Fund Manager, funds appropriated for loans

(5) HELB shall charge the direct entry to undergraduate students an interest rate of four per centum per annum which is payable one year after graduation

(6) HELB shall charge the post graduate and continuing Education students an interest rate of twelve per centum per annum which is payable immediately after disbursement of the loan

(6) The interest charged on the loan shall form part of the administration fees for the funds, payable to HELB

(7) For the purpose of implementing these Regulations all monies appropriated for loans and administered by HELB on behalf of the Fund Manager shall be transferred from the Fund account into the HELB account with approval of the Committee

14 (1) Notwithstanding any other provision of these Regulations HELB shall award for purpose of implementing these Regulations, loans to both undergraduates and post-graduates students in public and private universities in Kenya who for any reasons cannot access National Government HELB kitty or access insufficient funds that are not enough to see them through their studies

Qualification
for Loans

(2) In awarding loans to students every student wishing to be considered for the grant of a higher education loan shall make an application in the prescribed form provided by HELB through the committee

(3) HELB shall identify all the students who qualify to be awarded loans and submit a report of all applications in order of need and awarded amounts to the committee which shall scrutinize the list and approve the beneficiaries to be awarded loans

(4) The committee may approve or reject the name or names of applicants submitted to it by HELB to be awarded loans

(5) In case the committee rejects a name or names of applicants submitted by HELB, it shall within fourteen days after receipt of the list of beneficiaries send the list back to HELB with reasons for rejection and HELB will go ahead and award loans to all names that have been approved and act on reasons and recommendation of the committee on a name or names rejected

(6) HELB shall after receiving the approval report from the committee proceed to disburse and manage the Loans Fund over the four years period the beneficiary is in university or the minimum expected period of post graduate programme using the most efficient way and thereafter recover the same on behalf of the committee

(7) In administering the Loans Fund on behalf of the committee HELB shall take into account provisions of these Regulations and other relevant laws

15 (1) Every student wishing to be considered for the grant of bursary or scholarship shall make an application to the committee in a prescribed form

Application
for bursaries
and
scholarships

(2) The committee may accept or reject any application for a bursary or scholarship

(3) If the committee accepts the application it shall award the bursary or scholarship that it considers necessary depending on the agreed criteria

(4) Where the committee has resolved to award a bursary or scholarship to any eligible student, the committee shall notify the applicant in writing and require him or her within a specified period not exceeding two months to comply with any conditions precedent

(5) The list of all successful beneficiaries shall be publicized in *County Gazette* and notice boards

PART V- FINANCIAL PROVISIONS

16 (1) The Fund Manager shall open a bank account for the Fund in the name of Embu County Education Support Fund Account

Bank Account

(2) The bank account maintained in accordance with sub regulation (1) shall have three signatories who shall be—

- (a) the fund manager being a mandatory signatory,
- (b) chairperson of the committee, and
- (c) chief Officer responsible for Finance

17 (1) The Fund Manager shall cause to be prepared an estimate of its income and expenditure as specified in the budget cycle for approval

Annual
Estimates

(2) The annual estimates shall make provisions for all the estimates of expenditure of the committee for the financial year and shall provide for—

- (a) the grant of bursaries and scholarships to eligible students,
- (b) loan amount to eligible students to be forwarded to HELB for administration, and
- (c) the cost of administration of the committee and Ward Education Committees

- 18 The Fund Manager shall—
- Accounts and
Audit reports
- (a) cause to be kept all the proper books and records of accounts of income, expenditure assets, audits liabilities of the Committee and Ward Education Committees at the end of each financial year,
 - (b) not later than three months after the end of each financial year, submit financial statements relating to accounts referred to in paragraph (a) above, to the Auditor-General
 - (c) prepare a quarterly financial statement and the report which shall contain information on the financial and non-financial performance of the fund,
 - (d) not later than fifteen days after the end of each quarter, submit the quarterly report to the County Treasury and a copy to the Controller of Budget
- 19 On the winding up of the Fund, after enactment of a legislation on Education Support Fund—
- Winding-up of
the Fund
- (a) the administrator of the Fund shall pay any amount remaining in the Fund into the County Exchequer Account, and
 - (b) the County Executive Committee member for Finance shall with the approval of the county assembly, pay any deficit in the Fund from the County Exchequer Account

PART VI—MISCELLANEOUS

- 20 Any person who contravenes any provision of these regulations notice or order made under it commits an offence under these Regulations and shall upon conviction except where any other penalty is provided, be liable to a fine not exceeding one million shillings or to imprisonment for a term not exceeding one year or to both
- General
offences and
penalty
- 21 Subject to these Regulations, the committee may issue guidelines on such other matters as may be necessary for the proper management and administration of the Fund
- Guidelines of
committee

Dated the 20th January, 2015

J N NJAGI
County Executive Committee Member for Finance