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2ND INTERIM REPORT

CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT SYSTEMS FOR THE GOVERNMENT OF KENYA PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

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VOLUME	DOCUMENT	CONTAINS
1	Text Volume	1. Report Text Volume
2	Finance and Administration Manual	1. Financial and Accounting Regulations and Procedures Manual 2. Composition and Terms of Reference for Management Committees in the PPOA 3. Organization Of PPOA Internal Procurement Management Arrangements
3	ICT Component	Business Processes, Manuals, Technical Specifications and Annexes
4	Human Resources Policy and Administration Manual	Human Resources Policy and Administration Manuals and Annexes

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The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

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SECTION I – INTRODUCTION

BACKGROUND

The United States Agency for International Development (USAID), USAID/Kenya, Program Development and Analysis required support to assist in the design of management systems for the Government of Kenya Public Procurement Oversight Authority as detailed in this Interim Report and the Scope of Works.

Chemonics International consultancy team was fully mobilized in Nairobi on 16 April 2007 and started initial work under this assignment. The team members are listed below:

- Lead Consultant: Manmohan Ruprai
- Organizational Development Specialist: Michael Wanyoike
- ICT Specialist: Regina Mutoko

An Inception report with the work plan was prepared, completed and submitted on 23 April 2007. The work plan was updated on 2 May 2007. An Interim Report No. 1 with an updated work plan was completed on 15 May 2007.

This is the Second Interim Progress Report with the agreed benchmarks listed below:

1. Updated First interim report, summarizing tasks completed and other findings, with the refinements of the following annexes:
 - Draft financial rules and regulations, including internal procurement rules
 - Draft staff rules and regulations, including refinement to employee handbook and HR manual
 - Draft terms of reference for PPOA management committees and Advisory Board committees
2. Updated Draft Report on ICT specifications, based on further refinement of needs assessment, including:
 - Software, hardware, and connectivity requirements
 - Network capacity requirements
 - ICT procurement plan and implementation strategy, based on careful review of locally available products to ensure rapid deployment and local technical support
 - Staff training plan and plan to keep technologies up-to-date and ensure sustainability
3. The full team meets with reference committee to present progress and seek feedback on the management documents and reports produced.

Purposes and Activities

The Government of Kenya (GOK), with the support of Cooperating Partners, embarked on a Public Procurement Reform program as early as 1997. As part of the reforms, new Public Procurement Regulations were issued that came into effect on 1st March 2001 after which the Government of Kenya embarked on drafting a procurement law.

The goal of having in place a proper legal and regulatory framework has been achieved as the Public Procurement and Disposal Act, 2005 has been enacted into law by Parliament. One of the provisions of this Act is the establishment of the Public Procurement Oversight Authority (PPOA).

The establishment of PPOA is significant in that a good procurement system requires a good policy oversight institution to set the Government's overall procurement strategy and also to monitor ongoing performance and compliance with the law. It is the intention to set up the PPOA as a premier, first class public institution in the way it is managed, its focus on results, and the use of modern information and communications technology (ICT) for communication and other operations.

The process of establishing the PPOA is already well underway. A significant amount of preparatory work has been carried out. The Public Procurement Directorate (PPD) in the Ministry of Finance and the Directorate of Personnel Management (DPM) in the Office of the President have prepared interim and transitory drafts of the relevant constituent documents for the Authority which have been good reference material for this assignment. PPOA also intends to put in place a modern ICT management system. PPOA structure and organization will also be compared with comparable international institutions.

The Primary Objectives

The primary objectives of this consultancy are to:

1. Obtain support in developing the draft constituent documents in order to build an optimum organizational/management structure and other necessary institutional documents that are commensurate with modern management practices and that are in line with internationally accepted standards.
2. Obtain advice in establishing a comprehensive ICT management system for; (i) efficient internal management (e-management of Human Resources and accounting functions, etc.), (ii) effective internal and external communications, (iii) handling large volumes of information flows between PPOA, procuring entities, development partners, other stakeholders and the public in general.

The Client

The Client is USAID/Kenya represented by Program Economist as the principal contact for the consultancy and the USAID/Washington Cognizant Technical Officer (as appropriate), from whom all necessary approvals will be obtained.

The Primary Beneficiaries

The GOK Director General of Public Procurement Oversight Authority (PPOA) will be the principal point of contact for the Consultant with the Government of Kenya and the primary beneficiary of the technical assistance. A Reference Committee comprising of representatives from GOK Treasury and the Directorate of Personnel Management (DPM) has been constituted for consultation purposes, to which the Consultant will be required to make presentations. Any other stakeholders may be invited to the Committee as and when the need arises.

The consultants work closely with the Reference Committee to ensure that there is a common understanding of deliverables at each key stage of the project. This has been done through consultations and presentations of draft reports and documents to incorporate the feedback of PPOA staff and reference committees.

STRATEGIC DIRECTION

The establishment of the Public Procurement Oversight Authority will enhance the capacity for transparent and competitive procurement practices so that that public may be able to realize value for money. The role of the Authority to build an optimum organizational, management structure and other necessary institutional documents that are commensurate with modern management practices and that are in line with internationally accepted standards is crucial to the realization of the national ideal of an efficient, fair and transparent procurement system in the country. The vision and mission of Authority provides the direction and motivation for enhanced performance and continuous self-improvement and operations.

VISION

“To be a world class Public Procurement Oversight Authority”.

MISSION

“To innovatively design and facilitate an effective supply chain system that provides value for money, by ensuring competition, fairness, transparency and accountability while contributing to national socio-economic development”.

MOTTO

“Spearheading best procurement practices for a better nation”.

THE AUTHORITY’S CORE VALUES

The Authority’s operations and service delivery to the public are based on a value system whose core elements will be:

- Integrity
- Ethics & Professionalism
- Impartiality

These key elements are further underpinned by the following attributes:

- Promptness, Efficiency & Effectiveness
- Creativity & Innovativeness
- Discipline
- Commitment & Team Work
- Customer Focus
- Social Responsibility
- Transparency and Accountability

WORK COMPLETED

Week 1

- Inception report detailing weekly work plan for remainder of consultancy, as well as summary of research results during week one completed 23 April 2007
- Initial meetings held with USAID, PPOA, and Reference Committee (Working Group) held
- Meetings arranged with comparable institutions in Kenya with the assistance of PPOA
- Draft documents developed by DPM/PPD Team collected on 19 April 2007 from PPOA
- Initial review of available documents commenced

Week 2, 3, and 4

- ICT needs assessment and business process diagrams complete
- Proposed organization chart complete, including description of management structure and draft job profiles.
- Detailed analysis and comprehensive review of available management documents commenced.
- First interim report, summarizing tasks completed and other findings, with the following annexes:
 - Draft financial rules and regulations, including internal procurement rules
 - Draft staff rules and regulations, including refinement to employee handbook and HR manual
 - Draft terms of reference for PPOA management committees and Advisory Board committees
- Draft Report on ICT specifications, based on further refinement of needs assessment, including:
 - Software, hardware, and connectivity requirements
 - Network capacity requirements
 - ICT procurement plan and implementation strategy, based on careful review of locally available products to ensure rapid deployment and local technical support
 - Staff training plan and plan to keep technologies up-to-date and ensure sustainability
- Full team met with reference committee to present progress and seek feedback

WORK IN PROGRESS

Week 5

Second Interim Report with development and refinements to all annexes and incorporate comments received from USAID and PPOA

- Draft financial rules and regulations, including internal procurement rules
- Draft staff rules and regulations, including refinement to employee handbook and HR manual
- Draft terms of reference for PPOA management committees and Advisory Board committees
- Human resources manuals and development plan completed
- Draft Report on ICT specifications, based on final refinement of needs assessment, including
 - Software, hardware, and connectivity requirements
 - Network capacity requirements
 - ICT procurement plan and implementation strategy, based on careful review of locally available products to ensure rapid deployment and local technical support
 - Staff training plan and plan to keep technologies up-to-date and ensure sustainability
- Draft and finalize business flow diagrams

Week 6

- Draft final report including all final documentation for organizational structure and ICT framework
- Final report including all final documentation for organizational structure and ICT framework

Existing Legal and Regulatory Framework

Up to March 2001, the procurement system consisted of the Central Government system, the Local Authorities system, the State Corporations system, and the Procurement of Consultants Services for Civil Works. The systems were contained in the Supplies Manual of 1978, and supplemented by circulars from the treasury. The Director of Government Supplies was responsible for ensuring the proper observance of the provisions of the Manual. The Manual created various tender boards including the Central Tender Board, Ministerial Tender Board, and District tender Board.

A review of the country's public procurement system undertaken in 1999 revealed many shortcomings of the system including non-uniformity of the system, absence of sanctions or penalties against violators (apart from internal disciplinary action), non-inclusion of directives on the procurement of works, and inadequate provision for the settlement of disputes. In addition, there were institutional weaknesses leading to poor coordination, and teamwork among ministries. Another review of the country's procurement system under donor-funded projects pointed to other weaknesses such as lack of project procurement plans, poor capacity, and insufficient transparency in bid opening.

In view of the weaknesses, the government has instituted important reforms. One of such reforms was the Public Procurement Regulations (Legal Notice No. 51) which came into force in March, 2001. That regulation created the Public Procurement Directorate (PPD) and the Public Procurement Appeals Board (PPAB). It also unified all circulars that had previously governed procurement. This was Kenya's first attempt to create a uniform, clear and consistent procurement system for the entire public sector.

In the year 2005, further procurement reforms were undertaken when the law came into effect in October the same year. The Act has established the Public Procurement Oversight Authority (PPOA) with two bodies, namely, the Advisory Board and the Review Board. PPOA was established as a body corporate to guarantee its autonomy as it is not directly under the Ministry of Finance. Despite the legal, administrative reforms in procurement, the PPOA will not be effective without appropriate support, management structures and facilities.

The Minister of Finance as mandated by the Public Procurement and Disposal Act, 2005 passed the supplement legislation by passing the Public Procurement and Disposal Regulations 2006 which came into effect on 1 January 2007.

Institutional Framework

The Public Procurement and Disposal Act, 2005 establishes the Public Procurement Oversight Authority as a body corporate and provides that the Authority shall have all the powers necessary or expedient for the performance of its functions. The Authority shall have perpetual succession and a common seal and shall be capable of suing and being sued in its corporate name; and holding and alienating movable and immovable property.

The PPOA is a permanent institution of the Government, funded under the revenue budget. The PPOA will have no procurement or contracting functions at any level except for its own needs. The unit may provide technical or professional advice on generic procurement issues referred to it, but shall not get involved or provide opinion in any specific procurement

evaluation or contract award, thus preserving its pristine role as a policy, technical assistance, training and oversight unit.

The Authority shall have the following functions:

- To ensure that the procurement procedures established under the Act are complied with
- Monitor the public procurement system and report on the overall functioning of it and present to the Minister for Finance such other reports and recommendations for improvements as the Director-General considers advisable
- To initiate public procurement policy and propose amendments to the Act or to the regulations
- Assist in the implementation and operation of the public procurement system and in doing so:
 - Prepare and distribute manuals and standard documents to be used in connection with procurement by public entities
 - Provide advice and assistance to procuring entities on procurement matters
 - Develop, promote and support the training and professional development of persons involved in procurement
 - Issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements
 - Ensure that procuring entities engage procurement professionals in their procurement units
- Perform such other functions and duties as provided for under the Act

SECTION 2 - MANAGEMENT STRUCTURES DEFINED IN THE PUBLIC PROCUREMENT ACT

This section provides a basic structure of the main procurement functions identified in the Act including a classification of these functions in organizational terms. The classification of central functions, as provided below, are similar to the models for organizing public procurement structures in the region and the uniformity of functions performed across public procurement structures is striking. See Annex 2 for comparison of organizing public procurement structures in Uganda, Tanzania and Malawi.

The main functions to be performed by central public procurement institutions can be generally categorized as follows:

- Primary policy and legislative functions
- Secondary policy and regulatory functions
- Monitoring and control functions
- Advisory and operations. support functions
- Publication and information functions
- Professional qualifications and capacity-strengthening functions
- Development and procurement co-ordination functions
- Enforcement and remedies functions

Based on the functions defined in the Act and summarized below, the team in consultation with the PPOA and other regulatory bodies have drawn up and developed (i) the draft constituent documents to build the organizational and management structures and (ii) other management documents that are appropriate for the functioning of a modern PPOA with management practices that are in line with internationally accepted standards.

The team has provided advice and documentation for a the establishment of a comprehensive ICT management system for; (i) efficient internal management (e-management of Human Resources and accounting functions, etc.), (ii) effective internal and external communications, (iii) business processes handling large volumes of information flows between PPOA, procuring entities, development partners, other stakeholders and the public in general.

Major establishments and functions provided for PPOA under the Public Procurement and Disposal Act, 2005 are listed below for easy reference:

	OFFICE / BODY	ESTABLISHMENT AND FUNCTIONS UNDER THE PUBLIC PROCUREMENT AND DISPOSAL ACT, 2005
1	Public Procurement Oversight Authority	<p>The Public Procurement Oversight Authority is established as a body corporate.</p> <p>The Authority shall have all the powers necessary or expedient for the performance of its functions.</p> <p>The Authority shall have perpetual succession and a common seal and shall be capable of:</p> <p>Suing and being sued in its corporate name; and</p> <p>Holding and alienating moveable and immovable property.</p> <p>The Authority shall have the following functions:</p> <p>To ensure that the procurement procedures established under this Act are</p>

	OFFICE / BODY	ESTABLISHMENT AND FUNCTIONS UNDER THE PUBLIC PROCUREMENT AND DISPOSAL ACT, 2005
		<p>complied with; To monitor the public procurement system and report on the overall functioning and present to The Minister reports and recommendations for improvements as the Director-General considers advisable; To assist in the implementation and operation of the public procurement system and to: To prepare and distribute manuals and standard documents to be used in connection with procurement by public entities; To provide advice and assistance to procuring entities;</p> <p>To develop, promote and support the training and professional development of persons involved in procurement; and To issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements; and To ensure that procuring entities engage procurement professionals in their procurement units. To initiate public procurement policy and where appropriate, propose amendments to the Act or to the regulations; and To perform such other functions and duties as are provided for under this Act.</p>
2	Director-General of the Authority	<p>The Authority shall have a Director-General who shall be the chief executive officer of the Authority and who shall be responsible for its direction and management. The Director-General shall be appointed by the Advisory Board with the approval of Parliament. To be appointed as the Director-General, a person must: have a university degree in commerce business administration, economics, engineering or a related field of study from a recognized university; (b) have a professional qualification in supply management from a reputable organization; (c) have experience in management; and (d) be of outstanding honesty and integrity.</p> <p>Term of office of Director-General.</p> <p>The term of office of the Director-General shall be five years, and A person who has held office as Director-General may be reappointed for one further term of five years.</p> <p>Restrictions on activities of Director-General. During the period of his or her appointment, the Director-General shall not: Be employed in any other work or business; or Hold any other public office.</p> <p>The terms and conditions of service of the Director-General shall be determined by the Advisory Board in accordance with the State Corporations Act. Resignation of Director-General. The Director-General may resign by a written resignation addressed to the Advisory Board. A resignation is effective upon being received by the Advisory Board.</p> <p>Removal of Director-General. 15. The appointment of the Director-General may be terminated only in accordance with this section. The Advisory Board may terminate a person's appointment as the Director-General if the person: is incompetent; is unable to perform the functions of his office by reason of a mental or physical infirmity;</p>

	OFFICE / BODY	ESTABLISHMENT AND FUNCTIONS UNDER THE PUBLIC PROCUREMENT AND DISPOSAL ACT, 2005
		<p>is convicted of an offence under the Penal Code or this Act or an offence involving dishonesty; was involved in a corrupt transaction; contravenes section 12 of the Act; or (Is adjudged bankrupt.</p>
3	Staff of The Authority	<p>The Authority may, upon such terms and conditions of service as the Authority may determine, employ such staff or hire the services of such consultants, experts or independent investigators as may be necessary for the proper performance of its functions.</p> <p>Acting Director- The Advisory Board may designate a member of the staff of the Authority to act as the Director-General during the illness or absence of the Director-General or during a vacancy in the office.</p> <p>Financial arrangements. The financial year of the Authority shall be the period of twelve months ending on 30th June in each year. At least three months before the commencement of each financial year, the Director-General shall cause estimates of the revenue and expenditures of the Authority for that year to be prepared and submitted to the Advisory Board for approval. The estimates shall make provision for all the estimated expenditures of the Authority for the financial year and, in particular, shall provide for expenditures for: the payment of salaries, allowances and other charges in respect of the staff of the Authority; the payment of pensions, gratuities and other charges in respect of former staff of the Authority; the proper maintenance of buildings and grounds of the Authority; the maintenance, repair and replacement of the equipment and other property of the Authority; and the payment of allowances and expenses of the Advisory Board. The Authority shall make provision for the renewal of depreciating assets and the payment of pensions and other retirement benefits by the establishment of sinking funds and for contributions to such reserve and stabilization funds as may be required. The funds of the Authority shall consist of : (a) money appropriated by Parliament for the purpose of running the Authority; (b) loans or grants received by the Authority for its activities; (c) revenue or fees collected for services rendered by the Authority; and (d) capacity building levy of such amount of the contract price as may be prescribed.</p> <p>Audit. The Authority shall be audited in accordance with the Public Audit Act, 2003.</p> <p>Quarterly and annual reports. For each financial year, the Director-General shall cause four quarterly reports and one annual report to be prepared. The Director-General shall submit each report to the Advisory Board and to the Minister: (a) in the case of a quarterly report, within one month after the end of the quarter to which the report relates; or (b) in the case of an annual report, within four months after the end of the year to which the report relates. Each report shall contain, in respect of the period to which it relates: a description of the activities of the Authority; a report on the overall functioning of the public procurement system;</p>

	OFFICE / BODY	ESTABLISHMENT AND FUNCTIONS UNDER THE PUBLIC PROCUREMENT AND DISPOSAL ACT, 2005
		<p>a list of each procurement for which a procurement procedure was specially permitted under section 92 of the Act; a report on the extent of preferential bias to local participation pursuant to section 39.</p> <p>In addition to what is required under subsection (3), each annual report shall include the financial Statements of the Authority for the year to which the report relates. The Minister shall, within thirty days after receiving a report, transmit it to the National Assembly.</p>
4	Public Procurement Oversight Advisory Board	<p>The Public Procurement Oversight Advisory Board is established as an unincorporated body.</p> <p>The Public Procurement Oversight Advisory Board shall consist of:</p> <p>nine members appointed by the Minister and approved by Parliament from persons nominated by the prescribed organizations; and The Director-General.</p> <p>The First Schedule of the Act shall apply in respect of the members of the Advisory Board.</p> <p>The functions of the Advisory Board are: to advise the Authority generally on the exercise of its powers and the performance of its functions; to approve the estimates of the revenue and expenditures of the Authority; to recommend the appointment or termination of the Director-General in accordance with the Act; to perform such other functions and duties as are provided for under the Act.</p> <p>Procedures of Advisory Board. The business and affairs of the Advisory Board shall be conducted in accordance with the Second Schedule of the Act. Except as provided in the Second Schedule, the Advisory Board may regulate its own procedure. Five nominated members of the Advisory Board shall constitute a quorum for the transaction of any business of the Board. The Advisory Board may invite any person to attend any of its meetings and to participate in its deliberations, but such an invitee shall not have a vote in any decision of the Board.</p>
5	Public Procurement Administrative Review Board	<p>The Public Procurement Complaints, Review and Appeal Board established under the Exchequer and Audit (Public Procurement) Regulations, 2001 is continued under this Act as the Public Procurement Administrative Review Board.</p> <p>The composition and membership of the Review Board shall be in accordance with the regulations.</p> <p>The Authority shall provide administrative services to the Review Board.</p>
6	Internal Organization of Public Entities relating to Procurement	<p>For the purpose of ensuring that its decisions are made in a systematic and structured way, a public entity shall establish procedures to provide for the making of decisions, on behalf of the public entity, relating to procurement. The procedures required under subsection (1) shall be consistent with this Act and the regulations.</p> <p>All procurement shall be: (a) within the approved budget of the procuring entity and shall be planned by the procuring entity concerned through an annual procurement plan; (b) undertaken by a procuring entity as per the threshold matrix as set out in the regulations; (c) handled by different officers in respect of procurement initiation, processing and receipt of goods, works and services.</p> <p>A public entity shall establish a tender committee, procurement unit and such other bodies as</p>

	OFFICE / BODY	ESTABLISHMENT AND FUNCTIONS UNDER THE PUBLIC PROCUREMENT AND DISPOSAL ACT, 2005
		<p>Are required under the regulations for the purpose of making such decisions on behalf of the public entity as are specified in this Act and the regulations.</p> <p>A committee or body established under subsection (4) shall be established in accordance with</p> <p>The regulations and shall: (a) consist of not less than five members; (b) have as its secretary, the procurement professional in charge of the procurement unit.</p> <p>A procuring entity shall not commence any procurement procedure until it is satisfied that sufficient funds have been set aside in its budget to meet the obligations of the resulting contract.</p> <p>A procurement unit established under subsection (4) shall be staffed with procurement</p> <p>Professionals whose qualifications have been recognized by the Authority. For the purpose of this section, a "procurement professional" means a person who: (a) has professional qualifications in procurement and supply management from a recognized institution; (b) is engaged in a calling or occupation in which recourse to procurement is directly or indirectly involved and has experience in the practice of procurement; and (c) is a member of a recognized institute of purchasing and supply.</p> <p>The level of qualification and experience required of procurement professionals under subsection (8) shall be as prescribed.</p> <p>The Authority shall facilitate the establishment of an examination body for procurement professionals and shall ensure support for their professional association.</p> <p>Responsibility for complying with Act</p> <p>A public entity shall ensure that the Act, the regulations and any directions of the Authority are</p> <p>Complied with respect to each of its procurements.</p> <p>The accounting officer of a public entity shall be primarily responsible for ensuring that the public entity fulfils its obligations under subsection (1).</p> <p>Each employee of a public entity and each member of a board or committee of the public entity</p> <p>Shall ensure, within the areas of responsibility of the employee or member, that this Act, the regulations and any directions of the Authority are complied with.</p> <p>Contractors, suppliers and consultants shall comply with all the provisions of this Act and the regulations.</p> <p>The accounting officer may use the procurement unit and tender committee of another procuring entity which shall carry out the procurement in accordance with this Act and the regulations.</p> <p>The Authority shall have power to transfer the procuring responsibility of a procuring entity to another procuring entity or procuring agent in the event of delay or in such other instances as may be prescribed.</p> <p>Procuring agents</p> <p>Subject to subsection (2), a procuring entity may appoint a procurement agent, on competitive basis, to carry out such procurement proceedings on its behalf as may be prescribed.</p> <p>The Authority shall pre-qualify procuring agents to be engaged by a procuring entity pursuant to subsection (1).</p> <p>A procuring agent shall be registered with the Authority and where the procuring agent is undertaking procurement on behalf of a procurement entity, the procuring agent shall comply with the provisions of this Act and the regulations.</p>

SECTION 3 - PROPOSED ORGANIZATION STRUCTURE AND STAFFING FOR PPOA

INTRODUCTION

The Public Procurement and Disposal Act, 2005 establishes the Public Procurement Oversight Authority as a body corporate and provides that the Authority shall have all the powers necessary or expedient for the performance of its functions. The Authority shall have perpetual succession and a common seal and shall be capable of suing and being sued in its corporate name; and holding and alienating movable and immovable property. The Authority shall have the following functions:

- Ensure compliance with procurement procedures established under the Act
- Monitor the public procurement system and report on the overall functioning of it and present to the Minister for Finance such other reports and recommendations for improvements as the Director-General considers advisable
- Assist in the implementation and operation of the public procurement system and in doing so:
 - Prepare and distribute manuals and standard documents to be used in connection with procurement by public entities
 - Provide advice and assistance to procuring entities on procurement matters
 - Develop, promote and support the training and professional development of persons involved in procurement
 - Issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements
 - Ensure that procuring entities engage procurement professionals in their procurement units
- Initiate public procurement policy and propose amendments to the Act or to the regulations
- Perform such other functions and duties as are provided for under the Act

It is proposed that on the basis of the above statutory functions the organizational structure of the Public Procurement Oversight Authority be divided into four main functional divisions under the overall management of the Office of the Director General as listed below.

FUNCTIONAL DIVISIONS

It is proposed that four divisions, each headed by a Director be created below the Director General. The divisions will be responsible for the key functions of the Public Procurement Oversight Authority as indicated below:

Director General

The office of the Director General will be responsible for the overall responsibility of Public Procurement Oversight Authority as per the Act, namely:

1. Ensure compliance with procurement procedures established under the Act
2. Monitor the public procurement system and report on the overall functioning of it and present to the Minister for Finance such other reports and recommendations for improvements as the Director-General considers advisable
3. Initiate public procurement policy and propose amendments to the Act or to the regulations
4. Perform such other functions and duties as are provided for under the Act
5. Assist in the implementation and operation of the public procurement system and in doing so:
 - Prepare and distribute manuals and standard documents to be used in connection with procurement by public entities
 - Provide advice and assistance to procuring entities on procurement matters
 - Develop, promote and support the training and professional development of persons involved in procurement
 - Issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements
 - Ensure that procuring entities engage procurement professionals in their procurement units

Compliance, Legal, and Policy Division

The functions of this division will be:

1. Ensure full and correct application of the Act and its regulations by causing to be carried out periodic inspections of records and proceedings of procuring entities
2. Monitor the award and implementation of public contracts with a view of ensuring that such contracts are awarded impartially and on merit
3. Ensure the circumstance in which each contract is awarded or as the case may be, terminated, do not involve impropriety or irregularity
4. Ensure the implementation of each such contract conforms to the terms thereof
5. Institute procurement auditing during the tender preparatory process

6. Institute contract auditing in the course of the execution of an awarded tender and performance audit after the completion of the contract in respect of any procurement as may be required
7. Administer and enforce compliance with all the provisions of the Act, its regulations and guidelines
8. Develop and distribute manuals and standard documents
9. Issue written directions to public entities
10. Develop public procurement policy and propose amendments to the Act when necessary
11. Receive and deal with complaints on the performance of the public procurement not related to appeals against contract awards or not directed to the Review Board
12. Approve a specifically permitted procurement procedure provided for by Regulations on request by procuring entities
13. Ensure that the boards of surveys and disposal of stores and equipment are carried out by the procuring entities in accordance with the Act and the Regulations
14. Study, verify, and make recommendations on applications from procuring entities on debarment of candidates from participating in public procurement
15. Organize the public procurement consultative meetings of stakeholders as required by the Act
16. Support the Monitoring and Compliance Division in reviewing procurement complaints and advising on the appropriate action to be taken
17. Render legal advice on procurement related matters and on any matter of the Authority's functions.
18. Act as a Secretariat to the Advisory Board
19. Liaise with the Parent Ministry and the Attorney General's Chambers on legal matters of the Authority
20. Review authorized standard procurement documents, guidelines, procedural forms, and any other attendant documents and propose appropriate changes or amendments
21. Review the Act and its Regulations and propose amendments where possible
22. Keep a register which shall indicate a number of procurement complaints received by the Authority and procuring entities and decisions made on them

Research, Monitoring, and Evaluation Division

The functions of this division will be:

1. Establish base line indicators and monitor against compliance and performance indicators
2. Collect, analyze, and review data from public procurement entities based on set/agreed performance indicators to determine the overall performance
3. Obtain and assess the feedback from stakeholders and the general public on the performance of public procurement
4. Improve in efficiency , transparency, competition in procurement practice and value for money
5. Benchmark and comparatively analyze public procurement performance with international standards and best practices and recommending improvements
6. Monitor the overall function of the public procurement system including accountability and documentation of the procured items
7. Monitor and evaluate economic data and indices e.g. price indices, inflation, market trends related to public procurement
8. Analyze complaints, appeals and recommendations on measures to address emerging trends
9. Carry out research on the public procurement activities for the purpose of improving the public procurement system
10. Develop and implement automation of data collection through integrated IT systems for analysis, review, and storage
11. Ensure a system of supporting, checking and monitoring procurement activities of procuring entities, is developed and implemented at all levels of procurement in these entities
12. Advise Central Government, local governments and statutory bodies on matters within its jurisdiction and appropriate actions to be taken by PEs from the outcome of investigation
13. Review the performance of public procurement system in the country and advise on the desirable changes
14. Issue guidelines in respect of procurement contracts and performance audit
15. Undertake research and surveys nationally and internationally on procurement matters (Research Section)
16. Develop a system and agree on a list, which shall be reviewed annually of works, services and supplies in common use by more than one procuring entity which may be subject to common procurement

17. Advise on institutional set up of procuring entities in the country
18. Review the performance of public procurement system in the country and advice on the desirable changes and manage the documentation centre of the Authority

Capacity Building and Training Division

The functions of the division will be:

1. Set training standards, competence levels, certification requirements and professional development paths for procurement experts in consultation with relevant professional bodies and any other competent authorities
2. Issue procurement guidelines on capacity building
3. Develop and maintain policies and operational plan on capacity building, both for institutional and human resources development
4. Establish and maintain institutional linkages with training institutions, local potential providers of training both locally and internationally
5. Undertake research and survey nationally and internationally on procurement training activities
6. Develop a system and agree on a list, which shall be reviewed annually of works, services and supplies in common use by more than one procuring entity which may be subject to common procurement
7. Give approval for deviation for the use of standardized tender documents and procedures
8. Advise Central Government, local governments and statutory bodies on all procurement policies, principles and practices
9. Disseminate and provide advisory services on the use of standard tender documents to all stakeholders
10. Advise on institutional set up of procuring entities in the country
11. Coordinate training needs, develop, and implement procurement capacity building strategy
12. Maintain a list of approved service providers, suppliers, contractors eligible for preferential treatment for procurement under the Act
13. Ensure that the public procurement entities engage professional personnel
14. Develop policy and guidelines for promoting and supporting training and professional self development
15. Undertake Training Needs Assessment for public procuring entities
16. Maintain skills inventory for procurement personnel

17. Coordinate training programs in public procurement
18. Provide technical assistance in training and developing training of trainers and training institutions
19. Develop training curricula and training manuals for use by outsourced providers including training institutions
20. Develop training capacity in public institutions for different level of training in liaison with other key stakeholders
21. Train in governance and Ethics policy

Finance and Administration Division

The overall functions of the division will be:

1. Develop appropriate policies and regulations on human resources and administrative systems
2. Maintain an optimum staff complement by ensuring effective manpower planning, recruitment, training and development
3. Develop and carry out periodic review of the organization structure job description, compensation structure and scheme of service
4. Ensure a conducive working environment and maintain oversight of staff competence, motivation, integrity, accountability and productivity
5. Develop and implement a modern performance management system in line with the strategic objectives
6. Carry out day to day activities related to the accounts of PPOA
7. Establish and maintain internal control systems necessary to secure the assets and liabilities of the and ensure accuracy in recording of income and expenditure thereof
8. Process accounting information and prepare periodic reports in accordance with the financial regulations

The functions of each unit in the Finance and Administration Division will be:

	UNIT / SECTION	THE FUNCTIONS WILL BE:
1	Internal Audit	(1) Advise the Authority on the Audit Report and Queries (2) Advise the Authority on the Soundness, adequacy and application of accounting and financial regulations (3) Check the effectiveness of the budgetary control system (4) Undertake special audit investigations and make sound suggestions to the PPOA's Director General (5) Examine financial documents of the Authority and report on a quarterly basis to the Director General on the findings (6) Advise the Authority on the measures to reduce expenses and increase income (7) Advise the Authority from time to time on efficient management and control of the

	UNIT / SECTION	THE FUNCTIONS WILL BE:
		<p>Authorities' assets and</p> <p>(8) Review and audit the financial activities of the Authority.</p>
3	Procurement Management Unit	<p>(1) Manage all procurement activities of the Authority</p> <p>(2) Plan the procurement and disposal by tender activities of the Authority</p> <p>(3) Recommend procurement and disposal by tender procedures</p> <p>(4) Prepare tendering documents and advertisements of tender opportunities</p> <p>(5) Prepare contract documents in collaboration with the Legal Unit</p> <p>(6) Issue approved contract documents</p> <p>(7) Maintain and archive records of the procurement and disposal process of the Authority</p> <p>(8) Maintain a list or register of all contracts awarded</p> <p>(9) Co-ordinate the procurement and disposal activities of all the Divisions and Units of the Authority</p> <p>(10) Ensure proper maintenance of stock control and stock levels</p>
4	Finance and Accounts Section	<p>(1) Carry out day to day activities related to the accounts of PPOA</p> <p>(2) Ensure safe custody of cash and accounts documents of the Authority.</p> <p>(3) Establish and maintain internal control systems necessary to secure the assets and liabilities of the Authority and ensure accuracy in recording of income and expenditure thereof</p> <p>(4) Process accounting information and prepare periodic reports in accordance with the constitutive documents of the Authority and regulatory requirements</p> <p>(5) Prepare annual financial statements of the Authority in due time and present them for audit</p> <p>(6) Liaise with external auditors to ensure completion of audit on time in order to meet reporting requirements</p> <p>(7) Prepare relevant reports required for submission to the Advisory Board and the Committees of the Advisory Board</p> <p>(8) Ensure that all revenue of the Authority is accounted for and appropriately recorded</p>
5	Administration and Human Resources Section	<p>(1) Develop appropriate policies and regulations on human resources and administrative systems</p> <p>(2) Maintain an optimum staff complement by ensuring effective manpower planning, recruitment, training and development</p> <p>(3) Develop and carry out periodic review of the organization structure job description, compensation structure and scheme of service</p> <p>(4) Ensure a conducive working environment and maintain oversight of staff competence, motivation, integrity, accountability and productivity</p> <p>(5) Develop and implement a modern performance management system in line with the strategic objectives</p> <p>(6) Prepare relevant reports required for submission to the Advisory Board and the Committees of the Advisory Board</p>
6	ICT and Data Base Administration Section	<p>(1) Planning, maintain and develop a procurement database. This shall entail that the data remains consistent across the database data is clearly defined users access data concurrently and in a form that suits their needs there is provision for data security and recovery control and that all data is retrievable when required</p> <p>(2) Establish the needs of users</p> <p>(3) Plan data flows for a new or revised procurement database</p> <p>(4) Write database documentation, including data standards, procedures and definitions for the data dictionary</p> <p>(5) Control access permissions and privileges</p> <p>(6) Train users, meet their access requirements, and resolve their problems</p> <p>(7) Ensure that storage, archiving, backup, and recovery procedures are functioning correctly</p> <p>(8) Communicate regularly with technical, applications, and operational staff, to ensure the database integrity and security</p>
	Systems and Network Administration	<p>(1) Perform systems administration functions for the Authority's Servers, including administering system-level security procedures</p> <p>(2) Establish and maintain users accounts which shall include assigning file</p>

	UNIT / SECTION	THE FUNCTIONS WILL BE:
	Section	permissions and establish password and accounts policies (3) Install, upgrade, configure, test, maintain and support operating system software (4) Perform automated and manual backup and restore processes of the system (5) Perform network administration functions for the Authority LAN/WAN, including the maintenance of network functionality and the installation, upgrade, configuration, integration and troubleshooting of network software and network devices (6) Ensure the efficient running of the help desk and that calls are addressed in a timely manner (7) Monitor the network, servers and communications systems and troubleshoot problems in order to maintain the highest level of availability. (8) Fine-tune hardware and software to optimize network performance and function ability (9) Install, configure and test software packages (10) Provide user support, conduct user software and hardware training and works with Authority's staff to formulate technology solutions and ensure the effective safeguarding and sharing of data (11) Evaluate requests for hardware and software and assist in drafting specifications (request for proposals) for hardware or software (12) Research and recommend solutions to technology needs, compatible with the Authority's needs and infrastructure and resource constraints. (13) Any other duties as may be assigned by the Director of Information Technology.

THE GRADING STRUCTURE

It is desirable to have a lean and flat organization structure for cost effectiveness and responsiveness. Such structure will provide more job enrichment and employee involvement that would translate into greater job satisfaction.

It is therefore proposed that the authority should have an organization structure with 5 levels of professional staff (grade 1 to 5) and 2 levels of support staff (graded 6 & 7) as indicated below.

GRADE	JOB TITLE	GENERAL DESCRIPTION
DG	Director General	Wide and deep professional knowledge across the business. Broad vision and extensive experience. The level will determine the direction the organization will take.
2	Director	Greater mastery of technical scientific/specialized knowledge gained over a longer period of experience (e.g. over 10 years) at senior levels. The jobholder will be involved in developing and implementing policies with greater amount of independence. At this level planning and coordination of sub-units and with procurement entities is significant. Responsible for staff in the division therefore people management is crucial.
3	Manager	Professional level with technical scientific/specialized knowledge to full certification. Deals with theory, concepts and practice in the relevant discipline. Responsible for planning and coordination of work within own section. Influencing skills are crucial in getting results from subordinates. Experience in the relevant field over a period of 5 to 10 years.
4	Officer	Will handle more complex tasks. Greater level of techniques and application of knowledge gained through considerable training and experience (minimum 5yrs).

GRADE	JOB TITLE	GENERAL DESCRIPTION
5	Assistant	The level would deal with routine tasks that require understanding of techniques and procedures. The entry level for young professional with university degree with two years experience and some relevant training.
6	Senior Support Staff	Routine activities. Basic education, some formal training and experience.
7	Support Staff	Routine activities. Basic education, some formal training and experience.

Proposed Staff Positions in Different Divisions

GRADE	POSITIONS			
DG (1)	Director General			
2	Technical Director, (Compliance, Policy and Legal , Research, Monitoring and Evaluation, Capacity Building and Training			Director, Finance and Administration
3	Manager, Compliance & Enforcement Manager, Policy & Legal Services	Manager, Research, Monitoring & Evaluation	Manager, Capacity Building	Finance Manager HR & Admin Manager ICT Manager
4	Compliance & Enforcement Officer(s) Policy & Legal Officer(s)	Research Officer(s) Monitoring & Evaluation Officer(s)	Training Officer (s)	Procurement Officer HR & Admin Officer ICT Officer(s)
5	Assistants	Assistants	Assistants	Assistants
6	Senior Support Staff	Senior Support Staff	Senior Support Staff	Senior Support Staff
7	Support Staff	Support Staff	Support Staff	Support Staff

JOB DESCRIPTIONS

Detailed job descriptions for the various positions in the divisions are attached in Annex 1.

PROPOSED STAFF ESTABLISHMENT

OFFICE	JOB TITLE	GRADE	NUMBER IN POSITION	BRIEF JOB DESCRIPTIONS
DIRECTOR GENERAL'S OFFICE	Director General	DG	1	Accounting Officer and overall responsibility for PPOA
	Public Relations Officer	4	1	Media relations, public relations and corporate events,
	Admin Assistant	5	1	DG's meetings, speeches, follow-up on actions and correspondence. Office management, correspondence, records, diary, appointments
	Driver	6	1	Chauffeur, errands and vehicle maintenance
Sub total			4	
COMPLIANCE AND POLICY RESEARCH, MONITORING AND POLICY CAPACITY BUILDING AND TRAINING	Technical Director	2	1	Development and dissemination and enforcement of procurement policy. Development and dissemination and enforcement of procurement policy. Building capacity in procurement by ensuring adequate personnel, appropriate training and enhancing capacity of institutions and other providers to train.
Sub total			1	
COMPLIANCE AND POLICY				
	Compliance and Policy Manager	3	1	Development and dissemination and enforcement of procurement policy. Development of policy and procedures and advice to Procurement Entities including in debarment cases. Audit on procurement policy and procedures and enforcement.
	Compliance and Enforcement Officers	4	2	Audit and scrutiny of various procurement processes and documentation e.g. tenders, RFQs, pre-qualifications, tender analysis, awards etc to ensure compliance.
	Legal and Policy Officers	4	2	Research on law, policy and best practices and drafting of policy.
	Documentation Assistants	5	2	Document preparation, dissemination and tracking delivery.
Sub total			7	
RESEARCH, MONITORING AND POLICY				
	Research, Monitoring and Evaluation Manager	3	1	Development and dissemination and enforcement of procurement policy. Audit on procurement policy and procedures and enforcement.

	Research, Monitoring and Evaluation Officers	4	2	Development of policy and procedures and advice to Procurement Entities including in debarment cases.
	Data Officers	4	1	Audit and scrutiny of various procurement processes and documentation e.g. tenders, RFQs, pre-qualifications, tender analysis, awards etc to ensure compliance.
Sub total			4	

CAPACITY BUILDING AND TRAINING

	Capacity Building Manager	3	1	Building capacity in procurement by ensuring adequate personnel, appropriate training and enhancing capacity of institutions and other providers to train. Capacity planning, developing and implementing strategies for enhancements. Development of curricula, coordination of training, managing collaboration and liaison with training institutions and other training providers.
	Training Officers	4	2	Building capacity in procurement by ensuring adequate personnel, appropriate training and enhancing capacity of institutions and other providers to train. Capacity planning, developing and implementing strategies for enhancements.
	Curriculum Development Officer	4	2	Development of curricula, coordination of training, managing collaboration and liaison with training institutions and other training providers.
Sub total			6	

FINANCE AND ADMINISTRATION

	Director, Finance & Administration	2	1	Responsible for the support services including finance, human resources, IT and procurement.
	Finance Manager	3	1	Management of finances i.e. planning, expenditure and accounting.
	Accountants	4	2	Ensuring that accounting procedures and controls are followed.
	Accounts Assistant	5	1	Processing accounting transactions.
	Procurement Officer	4	1	Procurement for PPOA - planning, price surveys, tenders, RFQs etc
Sub total			6	

HUMAN RESOURCES AND ADMINISTRATION

	Human Resources and Administration Manager	3	1	Responsible human resources capacity building and related services e.g. recruitment, training, welfare, safety etc
	Human Resources	4	1	Provision of HR services

	and Administration Officer			
	Facilities and Security Officer	4	1	Supervision of outsourced security
	Registry & Records Assistant	5	1	Maintenance of records and registry.
	Transport Assistant	5	1	Coordination of transport, care and maintenance of vehicles
	Telephone Operator - receptionist	5	1	
Sub total			6	
ICT				
	ICT Manager	3	1	Responsible for the automation of information, data analysis and storage across the organization.
	Business Applications Officer	4	1	Implementation of process automation and business application
	Internet Applications Officer	4	1	Implementation and automation of e-processes, webmaster
	Help Desk and Infrastructure Officer	4	1	Support for IT users and infrastructure maintenance
Sub total			4	
REVIEW BOARD SECRETARIAT				
	Legal and Administrative Manager (Secretary to Review Board)	3	1	
	Legal Officer and Analyst	4	2	Drive pool vehicles
	Admin Assistant	5	1	
Sub total			4	
GENERAL				
	Drivers	7	4	Drive pool vehicles
Sub total			4	
GRAND TOTAL			46	

Notes:

1. Vehicles - the number will determine the number of drivers
2. Secretarial Services - directors, managers and officers to be computer literate. Admin Assistant to be used to coordinate office work
3. Messenger Services -network communication. Mail service to be outsourced
4. Security - hired security to be used
5. Cleaning Services - to be outsourced

Proposed Organization Structure and Staffing for the Authority (PPOA)

In proposing the organization structure for the PPOA, the study team has taken consideration of the mandate of the Authority, its proposed vision, mission, core values, strategies, objectives and policy priorities. The functional and optimal staffing levels for the Authority have been determined using the following factors:

- Workload of the Authority
- Availability of physical facilities, e.g. tools, equipment and technology
- Level of knowledge, skills and competencies required to perform a given task
- depending on complexity and nature of the assignment
- Procedures on flow of work e.g procurement system procedures
- Degree and level of supervision required in a particular job
- Adoption of modern Information management systems that would enhance the Public Procurement and disposal function

According to the Act, upon establishment of the Authority, each member of the staff of the Public Procurement Directorate, shall remain members of the Public Service but shall be seconded to the Authority for a period of one (1) year. (See Section on Transitional Provisions – Transfer of Staff for details.)

Rational in Developing the Organizational Chart

The PPOA organizational chart represents the structure of the organization in terms of rank. The chart usually shows the managers and sub-workers who make up an organization. The chart also shows relationships between staff in the organization which can be:

- Line - direct relationship between superior and subordinate
- Lateral - relationship between different departments on the same hierarchical level
- Staff - relationship between managers and officers and other staff. For example the officers will be able to offer advice to a line manager. However, they have no authority over the line manager actions
- Functional - relationships between specialist positions and other areas. The specialist will normally advice a line manager to implement the instructions offered on their respective expert field

The organizational chart is relatively simple and not large therefore dissection into smaller charts for each individual department within the organization is not necessary at this stage.

Horizontal Organization

Organizational structures ideally preferred are horizontal or flat organization which refers to a organizational structure with few or no levels of intervening management between staff and managers as opposed to a hierarchical organization. Members of hierarchical organizational structures chiefly communicate with their immediate superior and with their immediate subordinates. Structuring organizations in this way maybe useful partly because it can reduce the communication overhead by limiting information flow; this is also its major limitation.

The idea behind horizontal or flat organization is that well-trained procurement experts and workers will be more productive when they are more directly involved in the decision making process, rather than closely supervised by many layers of management. This structure is generally possible only in smaller organizations or individual units within larger organizations. When they reach a critical size, organizations can retain a streamlined structure but cannot keep a completely flat manager-to-staff relationship without impacting productivity. The flat organization model promotes employee involvement through a decentralized decision making process. By elevating the level of responsibility of baseline employees, and by eliminating layers of middle management, comments and feedback reach all personnel involved in decisions more quickly. Expected response to customer feedback can thus become more rapid. Since the interaction between workers is more frequent, this organizational structure generally depends upon a much more personal relationship between workers and managers.

Matrix Management

The other rational is Matrix Management which is a type of organizational management in which people with similar skills are pooled for work assignments. For example, all legal experts may be in one legal and policy department and report to a legal compliance manager, but these same legal experts may be assigned to different assignments or projects and report to a project manager while working on that project. Therefore, each legal expert may have to work under several managers to get his or her job done. Under Matrix, a project manager (often called a project administrator under this type of organization) with shared authority with functional managers is assigned to oversee the cross-functional aspects of the project. The functional managers maintain control over their resources and project areas. The project administrator's role is to enhance communication between functional managers and track overall project progress. This is sometimes a complex organizational structure to maintain.

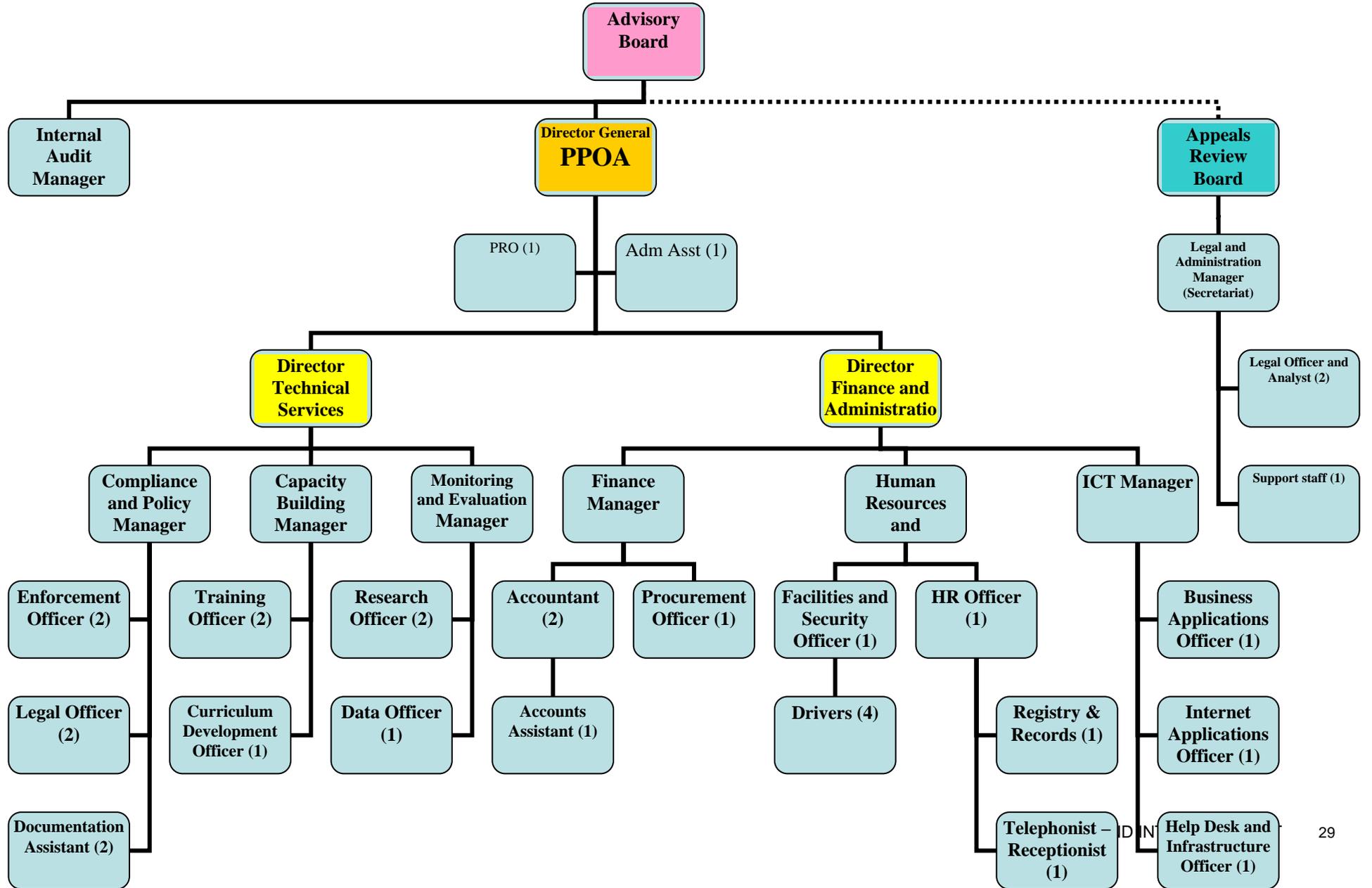
Advocates of matrix management suggest that there are two advantages to matrix management. First, it allows team members to share information more readily across task boundaries. Second, it allows for specialization that can increase depth of knowledge and allow professional development and career progression to be managed. It is therefore easier to accomplish work objectives in an environment when task loads are shifting rapidly between departments.

The disadvantage of matrix management is that employees can become confused due to conflicting loyalties. A properly managed cooperative environment, however, can neutralize these disadvantages. In order for the system to work, all parties must be willing to talk to each other to learn what their different objectives and goals are. Matrix management can put some difficulty on the project managers because they must work closely with other managers and workers in order to complete the project. The functional managers may have different

goals, objectives, and priorities than the project managers, and these would have to be addressed in order to get the job done.

The proposed organizational chart agreed with PPOA is drawn below:

Public Procurement Oversight Authority – Organization Chart



TRANSITIONAL PROVISIONS

Provisions provided by the 2005 Act which are crucial for PPD transition to PPOA are listed below:

NO.	SUBJECT	PROVISIONS IN THE 2005 ACT
1	Interim Director - General	<p>(1) The person who, immediately before this Act comes into operation, was the Director of the Public Procurement Directorate shall become the interim Director-General of the Authority upon the establishment of the Authority.</p> <p>(2) The interim Director-General shall cease to be the interim Director-General upon the appointment of a Director-General under section 10.</p> <p>(3) For greater certainty, the interim Director-General shall have and may exercise and perform all the powers and functions of the Director-General until the Director-General is appointed, including being a member of the Advisory Board.</p> <p>(4) For greater certainty, service as the interim Director-General shall not constitute service for a term for the purpose of section 11(2).</p>
2	Interim members of Advisory Board	<p>(1) Before members of the Advisory Board are nominated and appointed under section 22(1) (a), the Minister shall appoint nine interim members.</p> <p>(2) The Minister shall designate one of the interim members as the Chairman.</p> <p>(3) The interim members shall cease to hold office upon sufficient members of the Advisory Board being appointed, under section 22(1) (a), to constitute a quorum.</p> <p>(4) While the interim members hold office the Advisory Board shall not recommend the appointment of the Director-General under section 23(c).</p> <p>(5) For greater certainty, service as an interim member shall not constitute service for a term for the purpose of paragraph 2(2) of the First Schedule.</p>
3	Existing procurement Proceedings continued under old law	<p>(1) Procurement proceedings commenced before this Act comes into operation shall be continued in accordance with the law applicable before this Act comes into operation.</p> <p>(2) A procurement proceeding commences for the purpose of subparagraph (1) when the first advertisement relating to the procurement proceeding is published or, if there is no advertisement, when the first documents are given to persons who wish to participate in the procurement proceeding.</p>
4	Existing exemptions continued	If, before this Act comes into operation, the Minister made a decision under Regulation 3(2) of the Exchequer and Audit (Public Procurement) Regulations, 2001 with respect to the use of a different procedure for a procurement, that procurement shall be exempt from this Act.
5	Confidentiality in relation to past proceedings	Section 44 shall apply with respect to procurement proceedings completed before this Act comes into operation.
6	Records of past procurements	<p>(1) Section 45 shall apply with respect to: (a) a procurement that took place before this Act comes into operation; or (b) a procurement, the procurement proceeding for which was terminated before this Act comes into operation.</p> <p>(2) Section 45(2), as it applies under subparagraph (1), does not require the record of a procurement to include anything that was not required before this Act comes into operation.</p>
7	Publication of Existing contracts	Section 46 shall not apply with respect to a contract formed before this Act comes into operation.
8	Amendments to Existing contracts	Section 47 shall apply with respect to a contract formed before this Act comes into operation but not to an amendment to such a contract made before this Act comes into operation.

NO.	SUBJECT	PROVISIONS IN THE 2005 ACT
9	Interest on overdue amounts under existing contracts	Section 48 shall apply to contracts formed before this Act comes into operation and to amounts under such contracts that became overdue before this Act comes into operation
10	Inspections and audits relating to prior contracts	Section 49 shall apply to contracts formed before this Act comes into operation including contracts that are no longer in force when this Act comes into operation.
11	Administrative review, etc. for existing proceedings	Parts VII and VIII apply, with necessary modifications, with respect to procurement proceedings commenced before this Act comes into operation.
12	Continuation of existing administrative Review proceedings	Proceedings before the Public Procurement Review, Complaints and Appeal Board established under the Exchequer and Audit (Public Procurement) Regulations, 2001 shall be continued before the Review Board under Part VII and the provisions of that Part shall apply, with necessary modifications.
13	Continuation of existing investigations	An investigation of procurement proceedings by the Public Procurement Directorate shall be continued under Part VIII and the provisions of that Part shall apply, with necessary modifications.
14	Grounds for debarment include previous actions	The grounds for debarment of a person from participating in procurement proceedings under section 115 extend to anything done before this Act comes into operation that would constitute a ground under that section.
15	Transfer of staff	<p>(1) Upon the establishment of the Authority each member of the staff of the Public Procurement Directorate, including the Director, shall remain a member of the public service but shall be seconded to the Authority for a one year period.</p> <p>(2) If, within the first year after the Authority is established, a person seconded to the Authority under subparagraph (1) enters into a written contract of service with the Authority the person shall cease to be a member of the public service without right to severance pay but without prejudice to any right to other remuneration or benefits payable on termination or in respect of their public service.</p> <p>(3) A person seconded to the Authority under subparagraph (1) shall cease to be so seconded and shall be redeployed as a member of the public service if: (a) the one year period of secondment under subparagraph (1) expires without the person having entered into a written contract under subparagraph (2); or (b) the person opts, within the one year period of secondment under subparagraph (1), to end his secondment.</p> <p>(4) This paragraph does not apply with respect to staff whose duties are, in the opinion of the Director of the Public Procurement Directorate, primarily concerned with procurement operations rather than with the oversight of public procurement.</p>
16	Transfer of authorized expenditures for 2005/2006	Expenditures that were authorized for the 2005/2006 financial year to be used in relation to the Public Procurement Directorate and that, upon the commencement of this Act, have not been expended shall be deemed to be authorized for that financial year to be used in relation to the Authority.
17	Financing of Authority	The Minister shall facilitate an adequate budget for the Authority upon the commencement of this Act
18	Transfer of assets	The assets of the Directorate of Public Procurement existing before the commencement of this Act shall be transferred to the Authority upon commencement of this Act.

ADMINISTRATIVE REVIEW OF PROCUREMENT PROCEEDINGS AND COMPOSITION AND MEMBERSHIP OF THE REVIEW BOARD

A “request for review” means a request for administrative review filed with the Review Board under section 93, 106 or 117 of the Act. The detailed workings of the Review Board are summarized in the Regulations and listed below.

SUBJECT	REGULATIONS
Appointment and tenure of members	<p>The members of the Review Board shall be appointed for a term of three years and shall be eligible for reappointment for one further term of three years. Subject to paragraph (1), a member shall hold and vacate office in accordance with the member's terms of appointment.</p> <p>Composition and membership Pursuant to section 25 of the Act, the Review Board shall comprise of six members appointed by the Minister from among persons nominated by the following organizations:</p> <ul style="list-style-type: none"> • Kenya Association of Manufacturers • Law Society of Kenya • The Architectural Association of Kenya • The Institution of Engineers of Kenya • Institute of Certified Public Accountants of Kenya • Kenya Institute of Supplies Management • Institute of Certified Public Secretaries of Kenya • Chartered Institute of Arbitrators • Kenya National Chamber of Commerce and Industry • Kenya Institute of Management • Computer Society of Kenya • Pharmaceutical Society of Kenya • Federation of Kenya Employers • Central Organization of Trade Unions <p>three other members appointed by the Minister; and a Chairman appointed by the Minister from among the persons appointed under paragraph (a)</p> <p>Each organization referred to in sub regulation (1) (a) shall submit to the Minister the curriculum vitae of two members being nominated of whom one shall be a woman.</p> <p>The Director General shall appoint a Secretary to the Review Board from amongst the staff of the Authority.</p>
Quorum, panels and proceedings	<p>The quorum of the Review Board shall be three members including the Chairman. The Secretary may in consultation with the Chairman and the Review Board constitute a panel of three members to hear and determine a request for review and each panel shall elect its own chairman. In the absence of the Chairman, the Review Board may designate one member to act as Chairman for the purpose of that meeting. Decisions of the Review Board shall be taken by simple majority but in the case of a tie the proposal supported by the Chairman shall prevail.</p>
Resignation from office	<p>The Chairman or any other member of the Review Board may at any time, by notice to the Minister, resign from his office.</p>
Termination of appointment	<p>The Minister may terminate a person's appointment as a member of the Review Board only if the person is unable to perform the functions of his office by reason of mental or physical infirmity; is adjudged bankrupt; is convicted of an offence under the Penal Code, the Anti Corruption and Economic Crimes Act, 2003, or the Act or these Regulations or an offence involving dishonesty; or is absent from three consecutive meetings of the Review Board to which the member has been invited without reasonable excuse.</p>
Allowances	<p>The Authority shall pay the members of the Review Board such allowances as may be determined by the Advisory Board.</p>

PROCEDURES IN REVIEWS

Mode of filing requests	<ol style="list-style-type: none"> (1) A request for review under the Act shall be made in Form RB 1 set out in the Fourth Schedule to these Regulations. (2) The request referred to in paragraph (1) shall - state the reasons for the complaint, including any alleged breach of the Act or these Regulations; be accompanied by such statements as the applicant considers necessary in support of its request; be made within fourteen days of the occurrence of the breach complained of where the request is made before the making of an award; or (ii) the notification under sections 67 or 83 of Act; (d) be submitted in fifteen bound copies and a soft copy, pages of which shall be consecutively numbered; (e) be accompanied by the fees set out in Part II of the Fourth Schedule which shall not be refundable. (3) Every request for review shall be filed with the Secretary of the Review Board upon payment of the requisite fees. (4) The Secretary shall acknowledge filing of the request for review.
Notification of filing of request	<ol style="list-style-type: none"> (1) The Secretary shall immediately after the filing of the request under Regulation 73, serve a copy thereof on the procuring entity or Director General as the case may be. (2) The copy to the procuring entity under paragraph (1) shall also contain a notification of the pending review and the suspension of the procurement proceedings of such procuring entity. (3) Upon being served with a notification of a request, the procuring entity or the Director General shall within seven days or such lesser period as may be stated by the Secretary in a particular case, submit to the Secretary a written memorandum of response to the reasons for the request together with such documents as the Secretary may specify. (4) The Secretary shall, within fourteen days of the filing of the request, notify all other parties to the review of the filing and such parties may, at their own expense, obtain copies of the request for review.
Notice of Hearing	<ol style="list-style-type: none"> (1) The Secretary shall give reasonable notice of the date fixed for hearing to all parties to the review. (2) The notice referred to in paragraph (1) shall be in the format shown in Form RB 2 set out in the Fourth Schedule of the Regulations.
Representation by person of own choice	<p>Any party to a request filed under Regulation 73 shall, at the hearing thereof, be entitled to be represented by an advocate or any other person of his own choice.</p>
Preliminary objection	<ol style="list-style-type: none"> (1) A party notified under Regulation 74 may file a preliminary objection to the hearing of the request for review to the Secretary of the Review Board within five days from the date of notification. (2) The preliminary objection filed under paragraph (1) shall set out the grounds upon which it is based on and shall be served on the applicant at least one day before the hearing. (3) The applicant may file a reply to the preliminary objection before the time of the hearing of the request. (4) The Review Board shall hear the preliminary objection and make a determination whether to uphold or dismiss the same and shall record the reasons for the determination. (5) If the Review Board dismisses the preliminary objection, it shall soon thereafter proceed to hear the request for review as scheduled. (6) The fees chargeable for filing a preliminary objection shall be as set out in the Part II of the Fourth Schedule.
Invitation to the hearing.	<ol style="list-style-type: none"> (1) The Secretary shall, at least three days before the date set for the hearing, invite the members of the Review Board to attend the hearing. (2) The invitation under paragraph (1) shall set out the time, date, and place where the hearing shall take place. (3) The business of the Review Board shall be transacted between 8.00 a.m. and 5.00 p.m.

	on normal working days unless otherwise agreed to by the Secretary.
Disclosure of interest.	Where any member of the Review Board has a direct or indirect interest in any matter before the Review Board, he or she shall declare his or her interest in the matter and shall not participate in the hearing or decision-making process of the Review Board in relation to that particular matter.
Attendance at the hearing	If on the day set for the hearing of a review for which due notification has been given the applicant appears and the procuring entity fails to appear, the hearing of the request for review shall proceed in the absence of the procuring entity unless the Review Board deems it fit to adjourn the hearing; the procuring entity appears and the applicant does not appear, the request for review shall be dismissed unless the Board deems it fit to adjourn the hearing; if both parties fail to appear, the request for review shall be dismissed unless the Board deems it fit to adjourn the hearing.
Procedure at hearing	At the hearing of the request for review, unless decided otherwise by the Review Board, the applicant shall be given the first opportunity to present the case in support of the request and the procuring entity shall be given an opportunity to reply thereto.
Consolidation of requests	Where two or more requests for review are instituted arising from the same tender or procurement procedure the Review Board may consolidate the requests and hear them as if they were one request for review.
Withdrawal of requests for review	<p>(1) A request for review may be withdrawn at any time before or during the hearing by notice in writing to the Secretary signed by the applicant and upon such notice being received the request for review shall be deemed to have been withdrawn.</p> <p>(2) When a request for review is withdrawn, the Secretary shall forthwith inform the Review Board and all parties to the review of the withdrawal.</p>
Hearing of request.	<p>(1) Hearing of review proceedings shall be open to all parties to the review.</p> <p>(2) The Review Board may, at the hearing of the request exclude any person from the hearing whom it deems is unruly, interruptive or otherwise conducts in an unreasonable manner.</p>
Experts.	The Review Board may engage an expert to assist it in proceedings in which it feels it lacks the necessary expertise but the opinion of the expert shall not be binding on the Review Board.
Rules of evidence.	The Review Board shall not be bound to observe the rules of evidence in the hearing of a request under these Regulations.
Proof of documents	An order of the Review Board certified by both the Chairman and the Secretary to be a true copy thereof shall in any legal proceedings be prima facie evidence of the issuance of that order.
Communication to the Review Board.	All communications to the Review Board relating to matters pending before the Review Board shall be through the Secretary.

SECTION 4 - INSTITUTIONAL LINKAGES AND COMPLIANCE WITH RELEVANT LAWS

The PPOA functions are linked to its parent Ministry and other government institutions. Effective service delivery will depend on working closely with a number of institutions which include:

INSTITUTION	RELATED FUNCTION	NATURE OF LINKAGES	LEVEL OF COOPERATION
Ministry of Finance	Policy guidance on Public Financial Management and funding The Ministry through the Department of Directorate of Supply Chain Management will ensure that procurement policies developed by the Authority are implemented	Parent Ministry	Very high
KACC (Kenya anti Corruption Commission)	Leading Anti –corruption Agency If the Authority is satisfied that there has been a breach of the Act, the Director General will inform KACC to take necessary action.	Partnership	Very high
(DPM) Directorate of Personnel Management	Human Resource Policy Guidance Where the Authority need advice on Human Resource Management, it will call upon DPM for assistance	Advice & Collaboration	Very high
Inspectorate of State Corps State Corporation Advisory Committees State Corporation Appeals Tribunal	Supervision of the Authority Policy guidance o Management and Terms and Condition of service for members of the Authority Provides resolution of disputes emerging from the Authority and any other institution	Overseer & Regulatory	Very high
Review Board	Arbitration of Procurement Disputes	Coordination, Administration & Secretarial	Neutral & Professional
Attorney General	Government Legal Advisor	Collaboration & National Legal Issues	Very high
Kenya Institute of Supplies Management	Professional advice it will help the Authority to resolve professional ethical issues and controlling the professionals	Professional & Partnership	High
Parliament	Approval of appointment of Advisory Board member and the Director General; deliberating on issues touching on procurement raised by Public Accounts Committee and give guidance to the Authority on necessary course of action;	Legislative & Legal	Very high
	Involved in amendment of the Act & Regulations by the Finance Committee of the Parliament		
Other public procurement entities	The Authority has the Oversight function to ensure that procurement is carried out as per the Regulation	Clients & Regulatory	Very high
e-Government	To assist in development of e-Procurement	Information	Very high

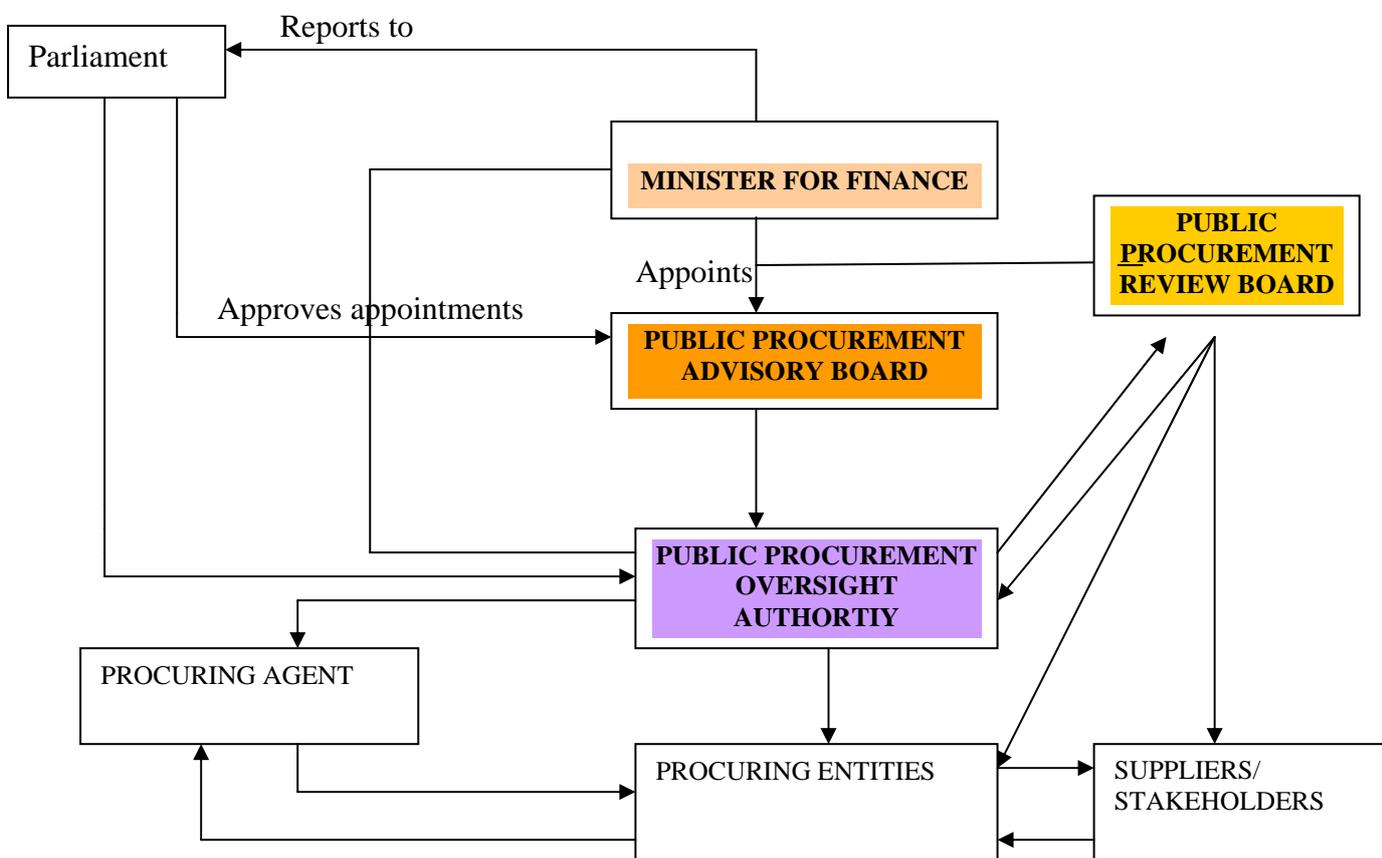
INSTITUTION	RELATED FUNCTION	NATURE OF LINKAGES	LEVEL OF COOPERATION
	System	Technology Advise & Partnership	
Kenya National Audit Office	Auditing the Authority and sharing procurement information from their Audit reports.	Partnership	Very high
National Security Entities	To agree with Authority on the category of restricted items to be included in the restricted procurement or disposal method	Partnership	Very high

COMPLIANCE WITH APPLICABLE LAWS

The Authority will adhere strictly to the constitution of Kenya and other applicable laws of Kenya to function smoothly and comply with the relevant Acts which are promulgated from time to time including the following:

- The Public Procurement and Disposal Act 2005
- The State Corporation Act
- The Exchequer and Audit Act
- The Pay Master General Act
- Government Financial Management Act 2004
- Audit Act
- Applicable Acts and Regulations

The Figure Below Provides an Overview of The Institutional Set-Up



SECTION 5 - GENERAL FINANCIAL RULES AND FINANCING OF AUTHORITY

As provided in the transitional provisions, expenditures that were authorized for the 2005/2006 financial year will be used in relation to the Public Procurement Directorate and that upon the commencement of the Act has not been expended, shall be deemed to be authorized for that financial year to be used in relation to the Authority. The Minister shall facilitate an adequate budget for the Authority upon the commencement of the Act. The assets of the Directorate of Public Procurement existing before the commencement of this Act shall be transferred to the Authority upon commencement of this Act.

RESOURCE MOBILIZATION

The Authority will require adequate funding for all its activities and should prepare budgets accordingly. The Authority's activities are grouped into recurrent and development.

The PPOA's Recurrent Expenditure will mainly include the following:

- Personal Emoluments
- Operations and Maintenance

The PPOA's Development Expenditure will include the following:

- Acquisition of office facilities
- Acquisition of Equipment, Plant, and Machinery

HUMAN RESOURCES

The Authority will seek to create a working environment that will attract and retain professionally qualified and experienced staff. Such staff should have the necessary capabilities that will enable the Authority to achieve its objectives. In this regard, the PPOA will need multidisciplinary and appropriately qualified staff. The process entails continually:

- Identifying the optimum staffing needs
- Identifying skills development needs
- Recruitment of staff for the recommended structures

The financing of the Authority's activities will be from the Government/Exchequer. For this purpose it will prepare and submit to the Parent Ministry, Ministry of Finance - Treasury detailed estimates of expenditure for which Government financing will be expected. However, in the long term the Authority will reduce the proportion of its financing from the Exchequer source as it develops its own source of funds. In addition the funds of the Authority shall consist of budgetary allocation, loans, grants fees and levies.

Sources of funds to the Authority apart from budgetary allocation mentioned above will be as explained below.

- Loans and grants: The growth of Government revenues has been lower than the demand for the same and consequently government departments and parastatals that depend on the government for direct funding have not been receiving the amounts

they require. In view of this, the Authority will seek grants, and when necessary, apply for loans to finance some of its development activities.

- Revenue or fees from services rendered: The Authority will raise funds through charging fees for some of the services that it may provide to entities and individuals in both the public and private sectors, including non-state entities.
- Procurement Capacity Building Levy: The Authority is expected to collect service levy as the principal source of funding for its activities. Percentage (%) levy charges on contract price to the Authority proposed is as follows:

CONTRACT PRICE	% LEVY
Below 2 million	0%
Between 2 – 10 million	0.5%
Between 10 – 50 million	0.25 %
Above 50 million	0.05%

1. Financial Accountability - Exchequer and Cash Management

(a) The Consolidated Fund (CF)

The CF is established under Section 99 of the Constitution of Kenya and as explained in the Exchequer and Audit Act is comprised of the Exchequer accounts into which all revenues and proceeds of all loans raised are paid and credited to form the CF and from which issues for the Public Services are made. The fund is represented by one Bank Account known as the Exchequer Account, which is maintained with Central Bank of Kenya. No funds can be withdrawn from the Exchequer Accounts (CF) except as authorized by the Constitution of Kenya, An Act of Parliament, The Appropriations Act or Vote on Account. Consolidated Fund Services form a permanent charge against the Consolidated Fund, estimates in respect of which are not debated by Parliament but may be reviewed from time to time when the need arises.

(b) Authority and Control

The authority for raising revenue or other funds and their appropriation for the purpose of the Government of Kenya is vested with the Parliament. The Treasury is responsible for the control and management of those finances and their appropriation by Parliament. Withdrawal of funds from the consolidated fund must be approved by the Controller and Auditor General.

(c) Government Financial Management and Control

The Central Bank of Kenya (Amendment) Act of 1996 placed a statutory limit on Government borrowing from the bank. Therefore, cash available to the Authority to disburse at any time will be limited to the approved budget. The Government has strict regulations in

order to ensure that the level of total expenditure is within the levels of revenues and sustainable borrowing. The Treasury monitors the flow of revenues and other receipts into the Exchequer as well as expenditure on budget supply service, Consolidated Fund Services and other finances. Where necessary the Treasury will arrange to borrow funds through various Government debt instruments and bank overdraft facilities within the set limits. It is therefore necessary for Treasury to obtain certain information from Accounting Officers, Receivers of Revenue and the banking system to effectively monitor the Government Financial Operations and ensure effective financial management.

2. As part of the Government Financial Management plan, the Authority is expected to submit to the Treasury reports and provisions on:

(i) Establishment of Bank Accounts

Treasury Circular No.3 of 2003 provides guidelines on opening and operation of Bank Accounts by a public entity. This circular requires that the Accountant General on behalf of the Permanent Secretary to the Treasury gives a written authority thereto for the Authority to open commercial bank account. The Authority will operate a small accounts unit to be headed by a qualified accountant for the proper bookkeeping and co-ordination of accounting operations including reporting. At the start, the accounting system can be set by assistance of the Principal Accounts Controller and or any competent Accountant of the Ministry of Finance. The Authority will from time to time review the actual optimal staff levels in the Accounts Unit.

(ii) Cash Requirement Projections

The Authority will be required to prepare and submit a cash requirement forecast for the ensuing financial year on how it intends to spend its allocation within the printed estimates. Treasury will make an initial cash advance to Authority based on their net provision for the new financial year to enable them start operations on the new bank accounts. Exchequer releases will be based on the Authority's cash requirement projections.

(iii) Pending Bills

Monthly Expenditure Returns which must be timely, accurate and comprehensive to ensure that all expenditure and Appropriation in Aid for the Authority are fully accounted.

(iv) Bank Reconciliation statements, Monthly statements of Revenues, Quarterly Imprest Returns and including information from Standard Expenditure item code up to Controller and Auditor General are also standard requirements.

(v) Audit

The Audit of the financial operations and management of the Authority during every financial year shall be guided by the Exchequer and Audit Act. Every year the Authority's Accounts shall be prepared and audited by the Controller and Auditor General not later than 31st October of every year including cases where the Controller and Auditor General allows the Authority to appoint an independent firm of professional auditors to carry out the annual audit. The audited accounts of the Authority shall be presented before Parliament each financial year.

(vi) Establishment of Audit Committee

Treasury Circular No. AG/3/080/6(61) of 2005 provides for the establishment of Audit Committee. The purpose of the committee is to enhance oversight Government accountability and transparency. The membership mandate, duties and responsibilities, meetings, access, reporting and information are well articulated in Treasury Circular No.16/2005 of 4th October, 2005. The PPOA will establish such a committee and ensure it is fully functional.

(vii) Finance Committee

The Finance Committee of the Authority shall comprise: Chairman, Four (4) members of the Authority appointed in writing by the Director-General, Director General and the Permanent Secretary to the Treasury. Except for the Permanent Secretary to the Treasury and the Director General, the membership may not be delegated.

(viii) Financial Mechanisms

Finances for the Authority will be managed as guided by financial statutes, which include the Exchequer and Audit Act- Cap 413 and the Constitution of Kenya (Sections 48, 99 to 105).

(ix) Budget

The Authority shall be de-linked from the Ministry of Finance in terms of budgeting and expenditure. Consequently, the Director General of the Authority will apply to the Treasury for a separate Vote-Head for the Authority. The annual estimates shall be approved by the Board, before being submitted to the Treasury for inclusion to the budget. The Board shall not alter the annual estimates without the consent of the Treasury. The Financial Year of the Authority shall be the period of twelve months ending on the thirtieth (30th) of June in each year. At least three months before the commencement of each Financial Year, the Authority shall prepare estimates of revenue and expenditure for that year. The annual estimates shall make provision for all the estimated expenditure of the Authority and in particular shall provide for:

- (a) The payment of salaries, allowances and other charges in respect of Board Members and Secretariat staff
- (b) The payment of pensions, gratuities and other charges in respect of the staff of the Authority
- (c) The proper maintenance of the buildings and grounds of the Authority
- (d) Maintenance, repair and replacement of the equipment and other properties of the Authority
- (e) Operation Expenses of the Authority.

The total financial requirements for the period 2005 to 2010 are as follows: in (million Kshs.)

EXPENDITURE	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL PLANNED PERIOD
Recurrent Estimates	70	80	85	85	85	405
Development Estimates						
TOTAL						

(x) Investment of funds

The Authority may invest any of its surplus funds in Government Securities as provided in the Exchequer and Audit Act (Cap 412). If the Authority wishes to undertake any investments of any other form, it will require the authority of the Investment Secretary at the Treasury.

(xi) Physical Facilities

The PPOA will require adequate office space and equipment. The bulk of financial resources will subsequently be required for capacity building in a number of areas and consultative meetings locally and abroad. The biggest single item of expenditure will be either construction of an office block or renting of facilities that will be the headquarters of the Authority and a training centre for the procurement cadre in the country and regionally. The building will be partly a source of income for the Authority and thereby help to reduce the proportion of direct Treasury funding for the PPOA. The costs will be determined with PPOA and inserted in the expenditure table above.

(xii) Financial and Procurement Manuals

The Authority shall develop appropriate financial manuals and procurement manuals to guide in the management of the Authority funds.

(xiii) Annual Procurement Plan

The Authority's annual procurement plan should have the following details (where applicable):

- (a) Contract package
- (b) Procurement method
- (c) Dates for completion of key procurement activities including:
 - Preparation of tender documents
 - Opening of tenders
 - Selection of consultants
 - Working drawings
 - Receiving proposals/tenders
 - Tender evaluation
 - Tender committee adjudication and contract award

- Signing of contract agreements
- Implementation process to completion
- Payment to supplier/contractor

These are activities that take place up to the award of contracts but before issuing of an order and depending upon the procurement, including:

- (a) Receiving by the procurement department, the requisition or procurement request describing the goods/works and services needed and citing the funds to be obligated in placing the order.
- (b) Identifying potential sources and making a preliminary evaluation of the capability of the potential sources.
- (c) Issuing invitations to tender or soliciting for expressions of interest in doing business.
- (d) Communicating with potential candidates, clarifying terms, establishing working relationships.
- (e) Evaluating the tenders or proposals, analyzing price and cost.
- (f) Conducting negotiations as appropriate (where allowed)
- (g) Awarding the contracts to the candidates found most responsive and capable.
- (h) Post-award contract administration functions are activities that may take place after the award of the contract, depending on the complexity of the procurement. They include:
 - Order preparation and placement
 - Modifying the order/contract to correct errors or accommodate unforeseen developments
 - Adjusting prices
 - Conducting inspections and assuring quality of contractors performance
 - Following up and expediting
 - Handing discrepancies or deficiencies in the goods, works and services provided
 - Dealing with default, termination of the contract for default
 - Handling claims, disputes and appeals
 - Administering payment provisions
 - Auditing the procurement process

The financial and accounting regulations generally used by corporate bodies in Kenya have been researched and used as basis for PPOA financial rules.

Development of PPOA Management Documents

The general scope of works for this assignment is:

- Design an institutional structure and an ICT framework for the PPOA that will enable it to efficiently perform its core functions. Carry out the tasks described below in order to achieve the objectives of the assignment.
- Considering the duties and responsibilities of the PPOA, prepare the final draft of an organizational structure (organogram) recommending; (i) a management structure commensurate with modern management techniques, (ii) job profiles and descriptions and any human resource competencies required based on experience with similar oversight institutions in the region and elsewhere and in accordance with provisions of the Public Procurement and Disposal Act, 2005.

Further develop the final drafts of the internal documentation that the PPOA will need in order to be a well managed organization. These will include:

- (i) Financial Rules and Regulations
- (ii) Human Resources Policy
- (iii) Staff Rules and Regulations (including code of conduct and ethics)
- (iv) Procurement Rules and Regulations (e.g. internal procurement responsibilities of the PPOA itself)
- (v) Terms of reference for three committees (audit, finance and human resources) of the PPOA Advisory Board
- (vi) Terms of reference of the PPOA management committees
- (vii) Employee Handbook
- (viii) Any other documents that may be agreed to with the PPD

Develop appropriate draft Terms and Conditions of Service for the staff of PPOA

Provide appropriate technical advice on the ICT requirements of PPOA based on the following key areas:

- (i) Software requirements necessary to achieve all management and communication objectives
- (ii) Hardware requirements that can support the recommended system and workload
- (iii) Level of connectivity necessary to facilitate the work of the Authority
- (iv) Network capacities (bandwidth requirement, optimum serve capacity, etc.), both intranet and internet requirements that can support the system
- (v) A procurement and implementation strategy to ensure installation of the proposed system

A thorough investigation was made to complete the required documents needed for the PPOA management. The relevant annexes have been prepared and are included in this Interim Progress Reports for final comments and discussions as working documents and should be finalized for inclusion in the final reports and adoption by PPOA.

PPOA Management Documents

PPOA Management Documents which were prepared under this assignment are presented separately as listed in table below:

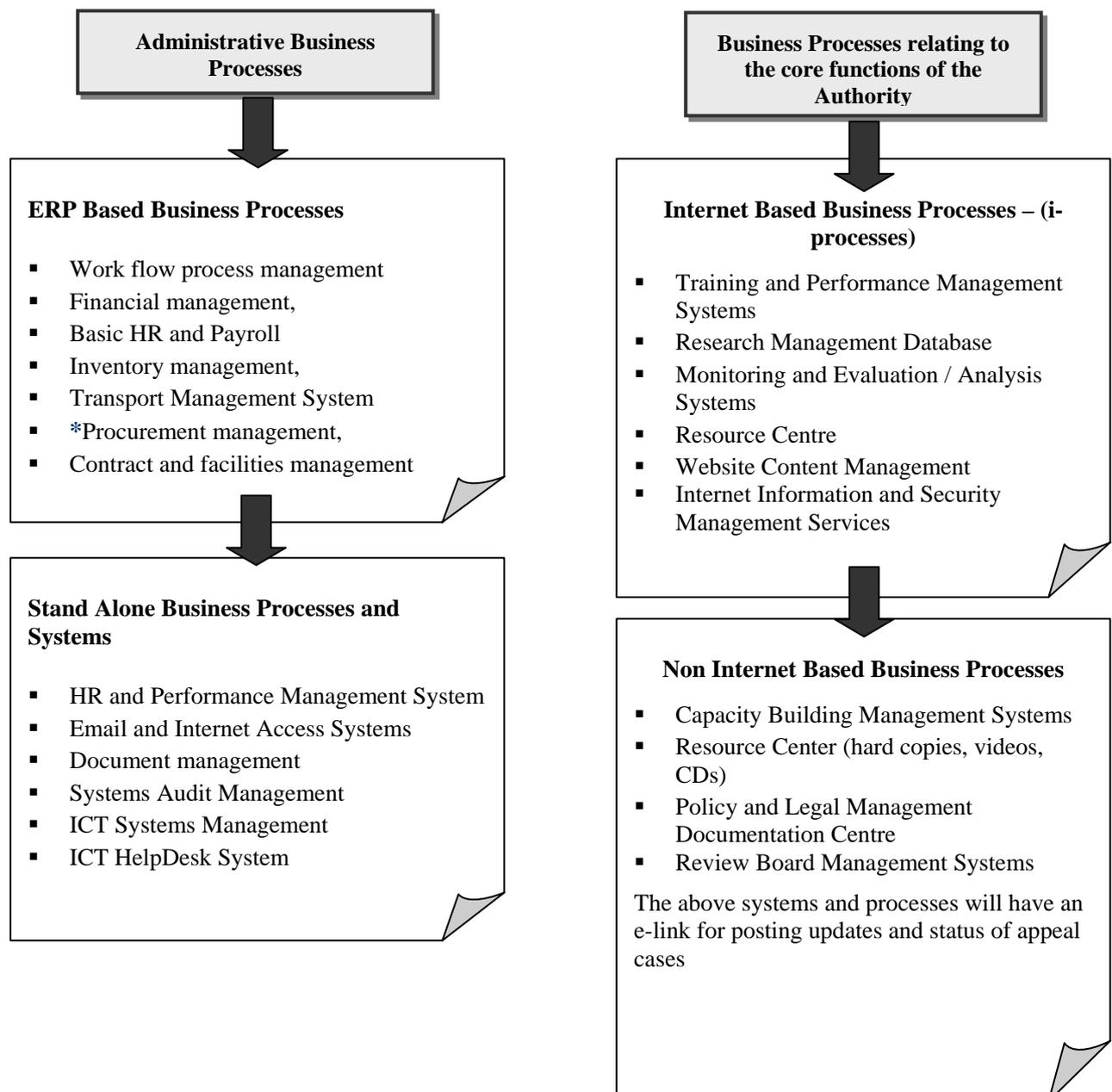
VOLUME	DOCUMENT	CONTAINS
1	Text Volume	Report Text Volume
2	Finance and Administration Manual	<ol style="list-style-type: none">1. Financial and Accounting Regulations and Procedures Manual2. Composition and Terms of Reference for Management Committees in the PPOA3. Organization Of PPOA Internal Procurement Management Arrangements
3	ICT Component	Business Processes, Manuals, Technical Specifications and Annexes
4	Human Resources Policy and Administration Manual	Human Resources Policy and Administration Manuals and Annexes

SECTION 6 - DEVELOPMENT OF BUSINESS PROCESS DIAGRAMS

INTRODUCTION TO BUSINESS PROCESSES

The business processes within PPOA can be broadly categorized into two areas. Those processes that relate to the administrative side of the business and those that relate to the mandated functions of the Authority.

The diagram below summarizes the business processes and systems that have currently been identified in these two areas. The diagram also includes the sub divisions of these processes from an ICT implementation view point



ADMINISTRATIVE BUSINESS PROCESSES

The first area is the one that deals with the administrative business processes. This area will be responsible for:

- Work flow process management
- Financial management
- Basic HR and Payroll
- Inventory management
- Transport Management System
- *Procurement management
- Contract and facilities management
- HR and Performance Management System
- Email and Internet Access Systems
- Document management
- Systems Audit Management
- ICT Systems Management
- ICT HelpDesk System

*The procurement management system will allow for the e-procurement – advertising, specifications, notifications, status management of various tenders, etc.

The e-procurement system will also manage e-recruitment – advertising, forms for filling in details and submitting scanned certificates and letters of application, as well as undertake the preliminary analysis of submitted applications and short listing.

The above business process will be governed by an integrated business application system also known as an Enterprise Resource Planning (ERP) System. The rationale for having an ERP to manage most of the administrative business processes is to ensure there is no duplication of activities; this in turn will reduce the incidences of errors and inaccuracies in transactions.

An ERP will also provide for online work flow processes that will ensure effective utilization of staff resources by automating and tracking all transactions including authorizations. The system documents will be customized to allow for printing of manual documents where manual signatures are required for audit purposes.

Some business processes do not require integration into the ERP. These will include processes like:

- The HR Performance Management System
- The Automated Audit Tools for Internal Audit
- The ICT Systems to manage the infrastructure, etc.

However, the non-integrated systems may require access to information from the ERP once in a while. This can be facilitated through various interfaces.

CORE MANDATE BUSINESS PROCESSES

The second area is responsible for the core functions of the PPOA and will have business processes that include:-

- Training and Performance Management Systems
- Research Management Database
- Monitoring and Evaluation / Analysis Systems
- Resource Centre
- Website Content Management
- Internet Information and Security Management Services
- Capacity Building Management Systems
- Resource Center (hard copies, videos, CDs)
- Policy and Legal Management Documentation Centre
- Review Board Management Systems

Business processes in the second area will mostly be managed through internet – applications (i-applications) but even those processes that are primarily PPOA bound will have internet links for purposes of posting:-

- Updates in registered training institutions for PPOA approved courses
- Training calendar updates
- Reports and results of relevant research
- Update on the status of Review Board Cases – logged, coming hearing session, ruling given, link to summarized ruling, etc
- Policy Documents and their updates, etc

ICT DEPARTMENTAL STRUCTURE – SUPPORTING BUSINESS PROCESSES

In view of the identified business processes, it is important that the structure of the ICT Department reflects the information requirements and addresses their concerns in an effective manner.

The recommended ICT Structure is reflected in the diagram below and divides the department into three sections:

- Business Applications Office
- Internet Applications Office
- Infrastructure and Help Desk Officer

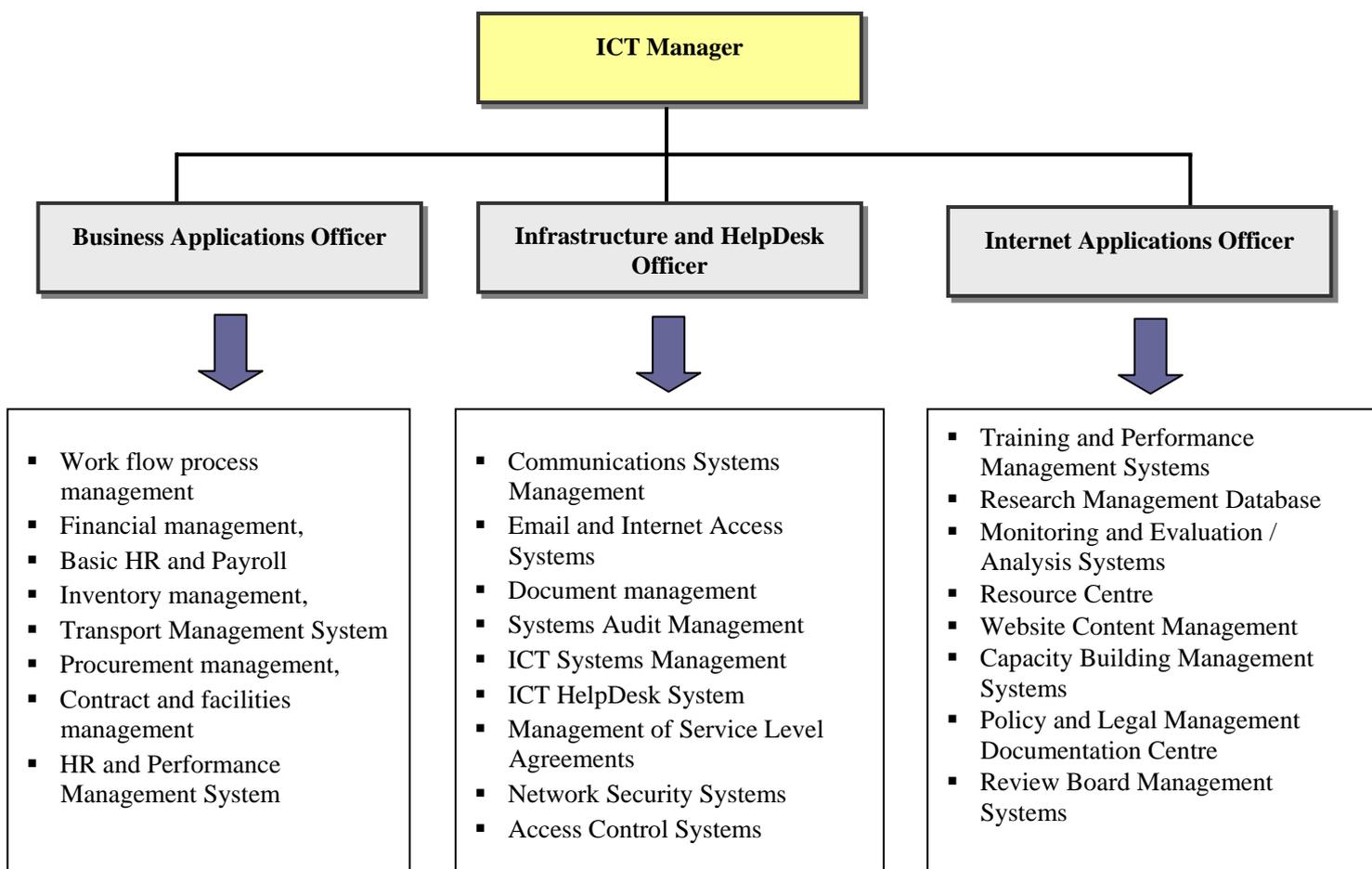
The Business Applications Office will handle all the applications that are under the office of the Director Finance and Administration. These will be the applications running under the ERP as well as providing support to other non-ERP systems e.g. HR and Performance Management System, Documentation Management System etc.

The Internet Applications Office will handle all the applications under the offices of the Director Compliance and Policy, Director Research M&E and Director Capacity Building and Training.

Most of the systems in this area will be internet based applications to allow for cost effective management of data retrieval and information presentation to PPOA’s constituent entities. The Internet Applications Officer will also be responsible for the non-i-based systems that run in these sections.

Finally, the Infrastructure and Help Desk Office will be responsible for managing ICT equipment (printers, fax machines, photocopiers, servers, computers etc), communication infrastructure (PABX, telephone equipment, LAN systems, Internet Access and Security). This office will also be responsible for handling and resolving using issues relating to e-mail, internet access, use of personal productivity tools like spreadsheets etc.

The diagram below summarizes the structure of the ICT Department, recommended with a view of supporting the broad business processes requirements of PPOA, namely administrative business processes and core mandate business processes.



SECTION 7 - ADMINISTRATIVE BUSINESS PROCESSES

The discussion on business processes within the administrative section of the Authority has been divided into sections that reflect the recommended functional areas. The table below summarizes the functional areas under each director and hence the processes to be mapped out in each area.

BUSINESS PROCESSES IN THE OFFICE OF THE DIRECTOR GENERAL

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
Corporate Affairs and PR Department	
1.	Update website content
2.	Maintain database of current and approved pictures
3.	Maintain library of videos
4.	Maintain library of speeches and other documents
5.	Maintain correspondence library and other documentation
Internal Audit Department	
1.	Develop audit program
2.	Conduct audit in line with program
3.	Save data collected and analysis results
4.	Maintain database of audit assignments and documentation

DIRECTOR, FINANCE AND ADMINISTRATION

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
Finance Department	
Finance and Accounting Processes	
1.	Budgeting process
2.	Managing the budget (commitment accounting)
3.	Revenue Management
4.	Payables Management
5.	Cash Management
6.	Recovering advances
7.	Reporting to stakeholders
8.	Asset Register Management
Procurement Processes	
1.	Procurement Planning Process
2.	Requisitioning Process
3.	Procurement Process
4.	Updating procurement status
5.	Maintain Supplier Database
6.	Supplier performance management
7.	Receipt of goods
8.	Storage of goods / Inventory Management
HR and Administration Department	

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
HR Processes	
1.	Recruitment Process
2.	Evaluation of applications
3.	Interview process
4.	Updating status of recruitment process
5.	Notification and acceptance of job offer
6.	Registration of employee into database
7.	Payroll process
8.	Leave and absence management
9.	Training management
10.	Performance appraisal process
11.	Managing Advances
Documentation Processes	
1.	Receipt of mail
2.	Opening new files
3.	Updating files
4.	Requisitioning of files
5.	Return of files
6.	Backup of files
7.	Digitization of files
8.	Archiving of files
Facilities Management Processes	
1.	Maintain database of suppliers
2.	Updating contract terms / SLA parameters
3.	Managing service against contract terms
4.	Managing communication with contractors
5.	Transport Processes
6.	Maintain vehicle database
7.	Maintain driver database
8.	Manage transport schedule
9.	Manage vehicle expenses
10.	Manage vehicle licenses, insurance, etc.
11.	Manage vehicle servicing
ICT Department	
Business Administration ICT Support Processes	
1.	Manage the helpdesk system for the ERP
2.	Manage user permissions
3.	Manage change requests
4.	Manage backup processes
5.	Manage software and other resource library
6.	Manage contract with ERP and other Software Vendors
HelpDesk and Infrastructure Management Processes	
1.	Manage the helpdesk system for general user software

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
2.	Manage antivirus updates
3.	Manage backup of user data from desktops
4.	Creation of user on the network
5.	Management of user permissions and passwords
6.	Manage software updates
7.	Manage network infrastructure
8.	Maintain database of ICT suppliers
9.	Updating contract terms / SLA parameters
10.	Managing service against contract terms
11.	Managing communication with contractors
12.	Managing periodic activities on the LAN
13.	Manage ICT resources like LCD projectors etc
14.	Manage security of infrastructure
Internet Applications ICT Support Processes	
1.	Maintain and update website architecture
2.	Maintain and update user permissions on i-applications
3.	Maintain and update web forms
4.	Maintain and update Relational Database Connected to i-content
5.	Backup i-applications - content and database

SECTION 8 - CORE MANDATE BUSINESS PROCESSES

DIRECTOR COMPLIANCE AND POLICY

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
Compliance and Enforcement Department	
1.	Maintain database of compliance parameters
2.	Maintain database of procurement entities
3.	Maintain database of status of entities against compliance parameters
4.	Design of compliance survey tools
5.	Analysis of compliance data observed
6.	Management of documentation generated
7.	Updating entity profiles with enforcement action and information
8.	Update information onto the PPOA website in the appropriate pages
9.	Register queries and respond to the same
Legal and Policy Processes	
1.	To be filled subsequent to interviews with relevant officers
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	

DIRECTOR RESEARCH MONITORING AND EVALUATION DEPT

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
Research, M&E Department	
1.	Receipt and registration of research requests
2.	Design of research assignments
3.	Design of research forms
4.	Testing of research forms
5.	Maintain database of research consultants
6.	Maintain database of field work casuals
7.	Maintain research assignment - team members, expenses, documents, minutes, etc
8.	Authorize payment vouchers for field work casuals
9.	Maintain calendar for research assignments
10.	Analysis of data
11.	Document management of research assignments
12.	Update information onto the PPOA website in the appropriate pages
13.	Register queries and respond to the same

DIRECTOR CAPACITY BUILDING AND TRAINING

NO.	PROCESSES IDENTIFIED IN EACH FUNCTION
Capacity Building Department	
1.	Receipt and registration of materials into the resource centre
2.	Storage of materials
3.	Manage the issuing and return of materials
4.	Maintain the e-resource centre - update, archive
5.	Update information onto the PPOA website in the appropriate pages
6.	Register queries and respond to the same
7.	Produce periodical newsletter in hard copy and e-copy
Curriculum Development and Training Office	
1.	Carry out Training Needs Analysis
2.	Update status of TNA including documentation
3.	Develop training program in line with the TNA
4.	Contract consultants to develop training curriculum and content
5.	Register and accredit institutions who will provide PPOA approved courses
6.	Assess the performance of accredited training institutions
7.	Publicize training sessions that are coming up
8.	Maintain database of officers in the various procurement entities and their training status
9.	Conduct course evaluation among participants

SECTION 9 - PROCUREMENT AND IMPLEMENTATION (P&I) STRATEGY

OFFICE HARDWARE

METHODOLOGY FOR DEVELOPING THE P&I STRATEGY

The P&I Strategy for the hardware required by PPOA has been developed as a result of interviewing employees in the various departments of the Authority. The list and technical criteria for the equipment will be updated in the weeks to come as a result of information that may become available from the benchmarking visits to other parastatals and regulatory bodies.

This document will seek to provide information to the Authority to ensure that they can effectively procure and maintain the ICT assets they require to streamline their business processes. This information will include:

- Technical specifications for the procurement of the ICT equipment
- Technical evaluation score sheets for each equipment identified
- Evaluation methodology to be employed – proposals, demonstrations and / or site visits
- Configuration parameters for the equipment
- Commissioning criteria for the equipment
- Issues to be considered when developing service level agreements with the suppliers

For some of the equipment, the specifications have been provided in two versions. The standard version will cater for most user departments and the second version will address the requirements of a particular department.

An example is the photocopier, which has two sets of specifications. The standard set of specifications are meant to address departmental requirements where as the second set of specifications are particular to the requirements of the Review Board, which handles a lot of photocopying and the need for sorting and stapling is high.

The equipment has been divided into three categories for easy organization as indicated in the table below.

CLIENT BASED EQUIPMENT	SERVER BASED EQUIPMENT	NETWORK BASED EQUIPMENT
Desktop Computers	Servers	Heavy Duty Network Printers
Desktop Smart UPSs	Server UPSs	Network Color Printer
Laptop Computers	Racks for mounting the Servers	Multifunction Photocopier
Personal Printers	Backup Devices and Media	Fax Machines
	Server Room Air Conditioner	LCD Projectors
		PABX

SUMMARY OF EQUIPMENT RECOMMENDED AND EVALUATION CRITERIA

The table below presents a summary of the equipment that has been identified for PPOA as well as the various versions that have been recommended. It also provides a snap shot of the evaluation criteria which may include demonstrations and site visits.

Demonstrations are recommended as part of the evaluation process when the equipment is not common in the market and there is need to confirm that the equipment been quoted performs according to the specifications.

Demonstrations can be done at the PPOA premises. This will involve the vendor bringing his equipment over and setting it up so that PPOA Staff can attend the demonstration and ask questions.

The second option is to have PPOA staff go to the vendor's show room and have a session where the functionality of the equipment is demonstrated, feature by feature.

Sometimes, the equipment is not available with the vendor, but a model exists with one of their clients. In this case, the demonstration session can be arranged by the vendor at the client site.

Site visits are recommended where it is necessary to assess the performance of the equipment under normal working conditions similar to those of PPOA. The site visits will also have evaluation criteria that will seek to assess the capacity of the vendor to service and maintain the equipment to the customer's satisfaction. This is usually important for equipment that has only one vendor, and equipment that has a life span of over 5 years.

NO.	EQUIPMENT RECOMMENDED	EQUIPMENT VERSIONS	PRE-BID CONFERENCE SURVEY REQUIRED	EVALUATION METHODOLOGY		
				Proposal	Demo	Site Visit
1	Desktop Computers	Standard Only				
2	Desktop UPS	Standard Only				
3	Laptop Computers	Standard Only				
4	Servers	Standard Only	Pre - Bid			
5	Server UPS	Standard Only	Pre - Bid			
6	Server Racks	Standard Only	Pre - Bid			
7	Backup Drives and Media	Standard Only	Pre - Bid			
8	Air Conditioner for Server Room	Standard Only	Pre - Bid			
9	Heavy Duty Network Printers	Standard Only				
10	Personal Printers	Standard Only				
11	Heavy Duty Colour Printer	Standard Only				
12	Multifunction Photocopiers	Standard Departmental Photocopiers				
		Review Board - greater volume, sorting and stapling capabilities				
13	Scanners	Standard Departmental Scanners				

NO.	EQUIPMENT RECOMMENDED	EQUIPMENT VERSIONS	PRE-BID CONFERENCE SURVEY REQUIRED	EVALUATION METHODOLOGY		
				Proposal	Demo	Site Visit
		Heavy Duty Autoloading Scanner for the Review Board				
14	Fax machines	Standard Fax machine for individual offices like				
		Heavy Duty Fax machine with intelligent document management and network accessibility for the registry and departments				
15	LCD Projectors	Standard LCD Projectors				
		Document Scanner LCD Projector for the Review Board				
16	PABX		Survey			

ROAD MAP TO THE P&I STRATEGY FOR ICT EQUIPMENT

This document contains several technical specifications for equipment and a road map has been provided to enable the reader to locate information effectively.

For each piece of ICT equipment that has been identified information on the same will be provided in sub headings as follows:

- General comments addressing the type of technology recommended
- Technical Specifications
- Technical Evaluation Score Sheet – Provided in Excel
- Other evaluation criteria that may refer to services – setup and maintenance
- Parameters necessary for effective service contract

The information has been presented in a way that will make it easier for the final user to simply print out the necessary pages and begin the procurement process.

Annex 3 gives the detailed list of all equipment specifications.

ANNEX 1—JOB DESCRIPTIONS

The job descriptions for the various positions in the divisions are appended below.

Job Title	Director, Compliance, Policy and Legal
Reporting To	Director General
PURPOSE STATEMENT	
Reporting to the Director General the jobholder will be responsible for compliance, public procurement policy and legal.	
PRINCIPAL ACCOUNTABILITIES	
<ol style="list-style-type: none"> 1. Ensure compliance with procedure established under the Act 2. Develop and distribute manuals and standard documents 3. Provide advice and assistance to procuring entities 4. Issue written directions to public entities 5. Review the operation of the Law and Regulations and propose amendments when necessary. 6. Receiving and dealing with complaints on the performance of the public procurement not related to appeals against contract awards or not directed to the Review Board 7. Approving a specifically permitted procurement procedure provided for by Regulations on request by procuring entities 8. Ensuring that the boards of surveys and disposal of stores and equipment are carried out by the procuring entities in accordance with the Act and the Regulations 9. Study, verify and make recommendations on applications from procuring entities on debarment of candidates from participating in public procurement 10. Organizing the public procurement consultative meetings of stakeholders as required by the Act 	
QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE	
The ideal candidate should have:	
<ol style="list-style-type: none"> 1. A first degree in Law and post graduate degree or qualification in Procurement, Business Administration, Finance, Economics 2. 10 years experience of which 5 should be in a senior policy development and enforcement level in a busy organization 3. Sound knowledge of public procurement Law, Regulations 4. Sound knowledge of procurement best practices and procedures derived under the procurement Law and Regulations. 5. Demonstrable ability in leading a team of multidiscipline team of experts 6. Sound interpersonal skills such as leadership, communication, decision making etc 7. IT skills in various computer packages 	

Job Title	Director, Research, Monitoring and Evaluation
Reporting To	Director General
PURPOSE STATEMENT	
Reporting to the Director General the jobholder will be responsible for research, monitoring and evaluation.	
PRINCIPAL ACCOUNTABILITIES	
<ol style="list-style-type: none"> 1. Establish base line indicators and monitor against compliance and performance indicators 2. Collection, analysis and review of data from public procurement entities based on set/agreed performance indicators to determine the overall performance 3. Obtaining and assessing the feedback from stakeholders and the general public on the performance of public procurement 4. Benchmarking and comparative analysis of public procurement performance with international standards and best practices and recommending improvements 5. Monitoring the overall function of the public procurement system including accountability and documentation of the procured items 6. Economic data and indices e.g. Price indices, inflation, market trends related to public procurement 7. Analysis of complaints and appeals and recommendations on measures to address emerging trends 8. Carrying out research on the public procurement activities for the purpose of improving the public procurement system 9. Develop and implement automation of data collection through integrated IT systems for analysis, review and storage 	
QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE	
The ideal candidate should have:	
<ol style="list-style-type: none"> 1. A first degree with majors in Economics or Statistics and post graduate degree or qualification Procurement, xxxxxxxxx 2. 10 years experience of which 5 should be in a senior monitoring and evaluation at a senior level in a busy governmental organization 3. Sound knowledge of public procurement Law, Regulations 4. Sound knowledge of procurement best practices and procedures derived under the procurement Law and Regulations 5. Demonstrable ability in leading a team of multidiscipline team of experts 6. Sound interpersonal skills such as leadership, communication, decision making etc 7. IT skills in various computer packages 	

Job Title	Director, Capacity Building, Training and Governance
Reporting To	Director General
PURPOSE STATEMENT	
Reporting to the Director General the jobholder will be responsible for capacity building, training and governance.	
PRINCIPAL ACCOUNTABILITIES	
<ol style="list-style-type: none"> 1. Training and capacity building 2. Develop, promote and support the training and professional development 3. Ensure that procuring entities engage procurement professionals 4. Training Needs Assessment for public procuring entities/ procurement staff 5. Maintaining skills inventory for procurement personnel 6. Coordination of training programs in public procurement 7. Providing of technical assistance in training and developing training of trainers and training institutions 8. Developing training curricula and provide support in professionalizing the procurement practice 9. Governance and Ethics policy 	
QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE	
The ideal candidate should have:	
<ol style="list-style-type: none"> 1. A first degree in Social Sciences or Education plus post graduate degree or qualification in manpower training & development, human resources, xxxxxx 2. 10 years experience of which 5 should be in senior manpower development at a senior level in a busy governmental organization and/or xxxxxxxx. 3. Demonstrable ability in leading a team of multidiscipline team of experts. 4. Sound interpersonal skills such as leadership, communication, decision making etc 5. IT skills in various computer packages 	

Job Title	Director, Finance and Administration
Reporting To	Director General
PURPOSE STATEMENT	
Reporting to the Director General the jobholder will be responsible for finance and administration.	
PRINCIPAL ACCOUNTABILITIES	
Finance	
<ol style="list-style-type: none"> 1. Develop financial policies, and procedures 2. Preparation of budgets and resourcing strategy 3. Maintenance of books of accounts and preparation accounts and reports 4. Maintaining inventory of all assets 	
ICT	
<ol style="list-style-type: none"> 1. Develop and implement IT automation strategy 	
Human Resources & Administration	
<ol style="list-style-type: none"> 1. Manage the organization's human resources; recruitment, training, & development, remuneration & benefits and employee relations 2. Provide human resource support services; payroll, office services, registry & library, transport etc 3. Ensure security and safety 	
Audit (Independent)	
<ol style="list-style-type: none"> 1. Ensure that audit is conducted as directed by the Board and all queries are appropriately addressed 	
QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE	
The ideal candidate should have:	
<ol style="list-style-type: none"> 1. A first degree; Bachelor of Commerce or Business Administration with majors in finance or accounting. CPAK qualification or equivalent. Additional training in HR or business management. 2. 10 years experience of which 5 should be in a senior finance level in a busy organization. 3. Demonstrable ability in dealing with human resources management. 4. Sound interpersonal skills such as leadership, communication, decision making etc 5. IT skills in various computer packages 	

Job Title	Manager, Compliance and Enforcement
Reporting To	Director, Compliance, Policy and Legal
PURPOSE STATEMENT	
Reporting to the Director, Compliance, Policy and Legal the jobholder will be responsible for ensuring compliance with procurement procedures by the procurement entities.	
PRINCIPAL ACCOUNTABILITIES	
<ol style="list-style-type: none"> 1. Ensure compliance with procedures established under the Act 2. Provide advice and assistance to procuring entities 3. Receiving and dealing with complaints on the performance of the public procurement not related to appeals against contract awards or not directed to the Review Board 4. Ensuring that the boards of surveys and disposal of stores and equipment are carried out by the procuring entities in accordance with the Act and the Regulations 	
QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE	
The ideal candidate should have:	
<ol style="list-style-type: none"> 1. A first degree in any field and post graduate degree or qualification in Procurement, Business Administration, Finance, Economics. 2. Minimum 7 years experience of which 3 should be in a senior managerial position with responsibility for policy formulation and implementation in a busy organization. 	

3. Sound knowledge of public procurement Law and Regulations
4. Sound knowledge of procurement best practices and procedures derived under the procurement Law and Regulations.
5. Demonstrable ability in managing and monitoring the performance of a team of personnel.
6. Sound interpersonal skills such as leadership, communication, decision making etc
7. IT skills in various computer packages.

Job Title	Manager, Policy & Legal Services
Reporting To	Director, Compliance, Policy and Legal
<p>PURPOSE STATEMENT Reporting to the Director, Compliance, Policy and Legal the jobholder will be responsible for developing procurement policies and procedures under the Act and regulations for dissemination to the procurement entities.</p>	
<p>PRINCIPAL ACCOUNTABILITIES</p> <ol style="list-style-type: none"> 1. Develop procurement policies and procedures under the Act & Regulations 2. Develop and distribute manuals and standard documents 3. Provide advice and assistance to procuring entities 4. Review the operation of the Law and Regulations and propose amendments when necessary. 5. Reviewing and advising on complaints against contract awards not related to appeals directed to the Review Board 6. Reviewing and advising on applications from procuring entities for debarment from participating in public procurement 7. Organizing the public procurement consultative meetings of stakeholders as required by the Act 	
<p>QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE</p> <p>The ideal candidate should have:</p> <ol style="list-style-type: none"> 1. A Law degree and post graduate qualification in procurement, business administration, arbitration 2. Minimum 7 years experience of which 3 should be in business/commercial environment with responsibility for policy formulation and advising on legal matters. 3. Sound knowledge of public procurement Law and Regulations 4. Sound knowledge of procurement best practices and procedures derived under the procurement Law and Regulations. 5. Sound interpersonal skills such as leadership, communication, decision making etc 6. IT skills in various computer packages. 	

Job Title	Manager, Research & Data Collection
Reporting To	Director, Research, Monitoring and Evaluation
<p>PURPOSE STATEMENT Reporting to the Director, Research, Monitoring and Evaluation the jobholder will be responsible for research, data collection and analysis.</p>	
<p>PRINCIPAL ACCOUNTABILITIES</p> <ol style="list-style-type: none"> 1. Collection, analysis and review of data from public procurement entities based on set/agreed performance indicators to determine the overall performance. 2. Using and or applying economic data and indices e.g. Price indices, inflation, market trends etc in various studies. 3. Carrying out research on the public procurement activities as need arises. 4. Develop and implement automation of data collection through integrated IT systems for analysis, review and storage. 	
<p>QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE</p> <p>The ideal candidate should have:</p> <ol style="list-style-type: none"> 1. A first Degree in Economics and/or Statistics and post graduate degree or qualification in research methodology, 	

2. Minimum 7 years experience of which 3 should be in a senior positions responsible for research, monitoring and evaluation.
3. Sound knowledge of public procurement Law and Regulations
4. Sound knowledge of procurement best practices and procedures under the public procurement Law and Regulations.
5. Sound interpersonal skills such as leadership, communication, decision making etc
6. IT skills in various computer packages.

Job Title	Manager, Monitoring & Evaluation
Reporting To	Director, Research, Monitoring and Evaluation

PURPOSE STATEMENT

Reporting to the Director, Research, Monitoring and Evaluation the jobholder will be responsible for monitoring and evaluation of the performance of public procurement.

PRINCIPAL ACCOUNTABILITIES

1. Establish base line indicators and monitor against compliance and performance indicators.
2. Obtaining and assessing the feedback from stakeholders and the general public on the performance of public procurement.
3. Benchmarking and comparative analysis of public procurement performance with international standards and best practices and recommending improvements.
4. Monitoring the overall function of the public procurement system including accountability and documentation of the procured items.
5. Compiling and publishing statutory reports and any other reports that may be required from time to time.

QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE

The ideal candidate should have:

1. A first Degree in Economics and/or Statistics and post graduate degree or qualification in research methodology,
2. Minimum 7 years experience of which 3 should be in a senior positions responsible for research, monitoring and evaluation.
3. Sound knowledge of public procurement Law and Regulations
4. Sound knowledge of procurement best practices and procedures under the public procurement Law and Regulations.
5. Sound interpersonal skills such as leadership, communication, decision making etc
6. IT skills in various computer packages.

Job Title	Manager, Information, Communication and Technology (ICT)
Reporting To	Director, Research, Monitoring and Evaluation

PURPOSE STATEMENT

Reporting to the Director, Research, Monitoring and Evaluation the jobholder will be responsible for the automation of information, data analysis and storage across the organization.

PRINCIPAL ACCOUNTABILITIES

1. Develop and implement automation of data collection through integrated IT systems.
2. Develop and implement the ICT policies.
3. Co-ordinate and manage the activities of the ICT across the organization including budgets, equipments, software, licenses etc.
4. Manage service level agreements and other ICT contracts with solution providers and vendors.
5. Plan, co-ordinate and oversee the necessary training for users within the organization.

6. Develop and manage internal management audit techniques and systems for ICT.

QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE

The ideal candidate should have:

1. A first degree or a Masters Degree in Information Technology.
2. Be a Microsoft Certified Systems Engineer.
3. Minimum 10 years of which 5 should be in a busy ICT environment with different Software and Hardware Platforms.
4. Demonstrable skills in successful project management, at least two years Internal Systems auditing experience and at least 5 years experience dealing with suppliers and solution providers.

Job Title	Manager, Manpower Planning & Policy
Reporting To	Director, Capacity Building , Training and Governance

PURPOSE STATEMENT

PRINCIPAL ACCOUNTABILITIES

1. Manpower needs assessment and planning for procurement function across the procurement entity.
2. Recruitment criteria, procedure and policy across the procurement entity.
3. Performance and career oversight for procurement officers.
4. Governance and Ethics policy

QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE

The ideal candidate should have:

1. A university degree in social sciences or education and post graduate degree/qualification in human resources.
2. Minimum 10 years experience of which 5 should be in manpower planning, career and performance management in a busy environment.
3. Skills in undertaking manpower need assessment, recruitment, career planning and performance management.
4. Sound knowledge of public procurement Law and Regulations.
5. Sound knowledge of procurement practices and procedures under the public procurement Law and Regulations.
6. IT skills in various computer packages

Job Title	Manager, Curricula Development and Training
Reporting To	Director, Capacity Building , Training and Governance
<p>PURPOSE STATEMENT</p> <p>Reporting to Director, Capacity Building, Training and Governance the jobholder is responsible for procurement training across the procurement entities.</p>	
<p>PRINCIPAL ACCOUNTABILITIES</p> <ol style="list-style-type: none"> 1. Training Needs Assessment for public procuring entities/ procurement staff. 2. Maintaining skills inventory for procurement personnel. 3. Developing training curricula for training to professionalize the procurement practice. 4. Coordination of training programs in public procurement. 5. Develop, promote and support training and professional development in liaison with training and professional institutions. 6. Providing of technical assistance in training and developing training of trainers. 7. Developing training capacity in public training institutions and other training facilities. 	
<p>QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE</p> <p>The ideal candidate should have:</p> <ol style="list-style-type: none"> 1. A university degree in social sciences or education and post graduate degree/qualification in human resources. 2. Minimum 10 years experience of which 5 should be in developing, carrying out and coordinating training in a busy environment. 3. Skills in undertaking training need assessment, curricula development and training of trainers (ToT). 4. Sound knowledge of public procurement Law and Regulations. 5. Sound knowledge of procurement practices and procedures under the public procurement Law and Regulations. 6. IT skills in various computer packages 	
Job Title	Manager, Finance
Reporting To	Director, Finance and Administration
<p>PURPOSE STATEMENT</p> <p>Reporting to Director, Finance and Administration the jobholder is responsible for managing the finances and accounts of the organization as required by the financial guidelines, instructions and policy.</p>	
<p>PRINCIPAL ACCOUNTABILITIES</p> <ol style="list-style-type: none"> 1. Financial budgets 2. Books of Accounts, Final accounts and Financial Returns. 3. Cash Receipts and Payments 4. Inventory and safety of assets 5. Periodic functional audits 	
<p>QUALIFICATION, KNOWLEDGE, SKILLS AND EXPERIENCE</p>	

ANNEX 2—COMPARISON WITH SIMILAR OVERSIGHT INSTITUTIONS IN THE REGION

	DESCRIPTION	UGANDA - PPDA	TANZANIA - PPRA	MALAWI - ODPP
1	Background & Establishment	The Public Procurement and Disposal of Public Assets Act 1 of 2003 was passed by Parliament in November 2002 and assented to by His Excellency the President in December 2002. The law was gazetted in January 2003 and brought into effect by the Minister of Finance Planning and Economic Development on 21 February 2003. The Act set up the Public Procurement and Disposal of Public Assets Authority as the principal regulatory body for public procurement and disposal.	The Public Procurement Regulatory Authority (PPRA) has been established in accordance with Section 5 of Public Procurement Act 2004. The Authority is required to report to the Minister responsible for Finance.	The Office of the Director of Public Procurement (ODPP) was established in April 2004 under Section 4 of the Procurement Act to champion the establishment of a strong procurement management in the public sector and respond to glaring problems identified in the diagnostic study. The Office of the Director of Public Procurement (ODPP) is one of the five autonomous State institutions for governance and it was established to monitor and oversee all public sector procurement activities.
2	Objectives	<ul style="list-style-type: none"> ▪ ensure the application of fair, competitive, transparent, non-discriminatory and value for money public procurement and disposal standards and practices; ▪ harmonize the procurement and disposal policies, systems and practices of the Central Government, Local Governments and statutory bodies; set standards for the public procurement and disposal systems in Uganda; ▪ monitor compliance of procuring and disposing entities; and build procurement and disposal capacity in Uganda. 	<ul style="list-style-type: none"> ▪ ensure the application of fair, competitive, transparent, non-discriminatory and value for money procurement standards and practices; ▪ harmonize the procurement policies, systems and practices of the Central Government, local governments and statutory bodies; ▪ set standards for the public procurement systems in the United Republic of Tanzania, ▪ monitor compliance of procuring entities; and in collaboration with relevant professional bodies build procurement capacity in the United Republic of Tanzania. 	<ul style="list-style-type: none"> ▪ To effectively and efficiently carry out its mandate of regulating, monitoring and ▪ overseeing procurement activities in the Public Sector, the Office of the Director of Public Procurement operates through three core departments.
3	Organizational and Management Structures	Legal and Compliance Department The Department, headed by a Director assisted by two Managers and two Officers, seeks to carry into effect the	The Legal Unit Supports the Monitoring and Compliance Division in reviewing procurement complaints and advising on the appropriate action to be	Regulatory, Advisory and Review Department The purpose of the Department is to regulate the procurement environment

	DESCRIPTION	UGANDA - PPDA	TANZANIA - PPRA	MALAWI - ODPP
		<p>policies in the PPDA Act. Procurement Audit, Inspection and Investigations Department This Department, headed by a Director assisted by two Managers and two Officers, conduct audits and inspections of PDEs and investigates complaints and applications for administrative review.</p> <p>Training and Capacity Building Department The Department, headed by a Director assisted by two Managers and two Officers, is responsible for the planning and operation of training courses and for other measures to build up procurement and disposal capacity.</p> <p>Finance and Administration Department The Finance and Administration Department, headed by a Director, handles all administrative and financial matters, including liaison with other Departments. In addition to the Director, the Department has two Managers – one in charge of Finance and Administration and the other in charge of Information Technology – and two Officers in support.</p> <p>Internal Audit Unit Internal Audit Unit is headed by a Manager who reports to the Board of Directors but is a member of the Management Team and reports also to the Executive Director. He/She is assisted by an Audit Officer. The unit is responsible for internal quality assurance within the PPDA.</p>	<p>taken; Rendering legal advice on procurement related matters and on any matter of the Authority's functions. Acting as a Secretariat to the Board;</p> <p>Division of Capacity Building and Advisory Services Sets training standards, competence levels, certification requirements and professional development paths for procurement experts in consultation with relevant professional bodies and any other competent authorities.</p> <p>Division of Monitoring and Compliance To ensure full and correct application of the PPA 2004 and its regulations by causing to be carried out periodic inspections of records and proceedings of procuring entities. To monitor the award and implementation of public contracts. To institute procurement auditing during the tender preparatory process.</p> <p>Division of Information Technology To develop, implement and manage procurement management information system in Tanzania. To manage and update the PPRA's website. To advise the Government on e-procurement.</p> <p>Finance and Administration Division Developing appropriate policies and regulations on human resources and administrative systems; Maintaining an optimum staff complement by ensuring effective manpower planning, recruitment, training and development.</p>	<p>within which Procurement entities operate to improve transparency, efficiency and value for money while providing a central advisory point of contact for Procuring Entities. The function of the Department is to regulate the procurement environment, to review complaints from Bidders and to provide an advisory service to Procuring Entities. The department is also responsible for making relevant changes on existing procurement legislation</p> <p>Monitoring and Evaluation Department</p> <p>1. Purpose of the Monitoring and Evaluation Department The purpose of the Monitoring and Evaluation Department is to monitor the procurement system and activities of Procuring Entities, Bidders and Suppliers to assess their performance so that ODPP can regulate the procurement environment within which they operate.</p> <p>Profession Development Department</p> <p>The purpose of the Department is to promote and manage the development of a professional procurement workforce and build capacity in the area identified to promote the establishment of the procurement profession</p>

ANNEX 3—DETAILED ICT EQUIPMENT SPECIFICATIONS

SECTION A – CLIENT BASED EQUIPMENT

A.1 Desktop Computers

General Comments

All desktop computers will be procured with 1 KVA Smart UPS. The UPS will protect the equipment from damage caused by power interruptions and surges. The SMART nature of the UPSs will also ensure that equipment is gracefully shutdown in the event of a power outage which will prevent loss and corruption of data that occurs during unscheduled system shut down.

All computers will be installed with PPOA Software upon delivery. This software will be installed and configured in line with PPOA requirements and the original licensed software will be provided by PPOA to the successful vendor. Software to be installed and configured will include:

- Windows Vista Business 32,
- Microsoft Office Professional 2007
- Enterprise / Corporate Edition of Antivirus
- Cloning software for the computer for easy restoration (e.g. Symantec Ghost)
- Configure Microsoft Outlook e-mail client
- Configure Remote control software for access from the server
- Configure to connect to the smart UPS Software provided

The Technical evaluation should confirm that the vendor has provided for the installation and configuration of the above software and the financial evaluation should indicate the cost of installing and configuring the software on all desktops

Technical Specifications – Desktop Computers

No.	System Component	Requirement	Maximum Technical Score
1	System processor	Intel Core Duo Processor	20
2	Processor speed	2.6 - 2.8 GHz	20
3	RAM	2 GB	20
4	Hard disk capacity	80 - 120 GB	20
5	Network Interface Card	10/100	10
6	Floppy Drive	3.5"	5
7	Optical Drive	DVD / CD RW Combo	10
8a	Input Devices	Keyboard	10
8b		3 Button scroll mouse	10
9	Connectivity	WiFi 802.11b/g	5
10	Monitor	17" Digital Flat Panel	10
11	Operating System	Windows Vista Business 32	10
12	Warranty	3 years parts, labor	10

No.	System Component	Requirement	Maximum Technical Score
13	Support Drivers and Manual	CDs for OS and drivers	5
14	Form factor	Tower	5
15	Ports	USB x 4 (2.0), 1 IEEE 1894, 1 microphone in, 1 audio out, 1 audio in, 1 serial, 2 x PS 2	10
16	Provision of installation and configuration	All software specified below	20
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- At least 5 other sites where equipment has been pre-installed and configured upon deployment
- Provision of at least 2 CVs of the engineers who will be responsible for setting up and configuring the computers
- Estimated time for the delivery and deployment of the computers in weeks
- The financial evaluation should also include the cost of deploying the desktops as specified under general comments.

Parameters Necessary for Effective Maintenance

Hardware maintenance for the desktops should seek to provide:

- Quarterly cleaning and servicing of equipment
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 76 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider

- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

A.2 1 KVA Smart UPSs for the Desktop Computers

General Comments

All desktop computers will be procured with 1 KVA Smart UPS. The UPS will protect the equipment from damage caused by power interruptions and surges

The SMART nature of the UPSs will also ensure that equipment is gracefully shutdown in the event of a power outage which will prevent loss and corruption of data that occurs during unscheduled system shut down

Technical Specifications – 1KVA Smart UPSs

No.	System Component	Requirement	Maximum Technical Score
1	Output power	1000 VA	20
2	Output voltage distortion	< 5% at full load	20
3	Output frequency	60Hz	10
4	Number of connection cords	2	20
5	Length of connection cords	1.5 - 2 meters	10
6	Battery type	Maintenance-free sealed Lead-Acid battery with suspended electrolyte : leak-proof	20
7	Typical backup time at full load	6-10 minutes	20
8	Interface ports	DB-9 RS-232,SmartSlot,USB	10
9	Control Panel	LED status display for On Line, On Battery, Replace Battery and Overload Indicators	20
10	Audible Alarms	When on battery	20
11	Warranty	2 years replace and service	20
12	Software CDs and Manual	Delivered	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Parameters Necessary for Effective Maintenance

Hardware maintenance for the UPSs should seek to provide:

- Quarterly cleaning and servicing of equipment
- Recharging and replacement of batteries as necessary
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 24 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)

- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

A.3 Laptop Computers

General Comments

All computers will be installed with PPOA Software upon delivery. This software will be installed and configured in line with PPOA requirements and the original licensed software will be provided by PPOA to the successful vendor. Software to be installed and configured will include:

- Windows Vista Business 32,
- Microsoft Office Professional 2007
- Enterprise / Corporate Edition of Antivirus
- Cloning software for the computer for easy restoration (e.g. Symantec Ghost)
- Configure Microsoft Outlook e-mail client
- Configure Remote control software for access from the server
- Configure to connect to the smart UPS Software provided

The Technical evaluation should confirm that the vendor has provided for the installation and configuration of the above software and the financial evaluation should indicate the cost of installing and configuring the software on all laptops

Technical Specifications - Laptops

No.	System Component	Requirement	Maximum Technical Score
1	System processor	Centrino Core Duo Processor	20
2	Processor speed	2.6 - 2.8 GHz	20
3	RAM	2 GB	20
4	Hard disk capacity	80-120 GB	20
5	Network Interface Card	10/100 - RJ 45 - on board	10
6	Internal Modem	56 Kbps - RJ 11 - on board	10
7	Optical Drive	DVD + CD RW Combo	10
8a	Input Devices	External 3 Button scroll mouse	5
8b		External numeric pad (USB)	5
9a	Connectivity	Blue tooth adapter	10
9b		WiFi 802.11b/g	10
10	Monitor	15" or 17" Digital Flat Panel	5
11	Operating System	Windows Vista Business 32	10
12	Warranty	3 years parts, labor	10
13	Support Drivers and Manual	CDs for OS and drivers	10
14	Ports	USB x 4 (2.0), 1 IEEE 1894, 1 microphone in, 1 audio out, 1 audio in, 1 serial, 2 x PS 2	5
15	Bag	Carrier bag	10
16	Battery time	1.5 - 2 hours	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- At least 5 other sites where equipment has been pre-installed and configured upon deployment
- Provision of at least 2 CVs of the engineers who will be responsible for setting up and configuring the computers
- Estimated time for the delivery and deployment of the computers in weeks
- The financial evaluation should also include the cost of deploying the laptops as specified under general comments

Parameters Necessary for Effective Maintenance

Hardware maintenance for the laptops should seek to provide:

- Quarterly cleaning and servicing of equipment
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 36 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

A.4 Personal Printer

General Comments

All personal black and white printers will have duplex capability to enable PPOA to save on the costs of paper by printing on both sides

Technical Specifications

No.	System Component	Requirement	Maximum Technical Score
1	Print Technology	laser	10
2	Print speed	20-25 pages per minute	10
3	Monthly print volume	5,000 pages	10
4	Print Quality Black	1200 x 1200 dpi	20
5	Duplex printing	automatic	20
6	No. of trays	2 trays - bypass, bulk	10
7	Connectivity	Parallel, 1 USB	20
8	Memory	64 MB	20
9	Ink	Black and White	10
10	Media Sizes	Letter, letter rotated, legal, executive, statement, 8.5 x 13 in, 11 x 17 in, 12 x 18 in, envelopes (No.10, Monarch, DL)	10
11	Media Types	Paper (color, letterhead, light, plain, preprinted, prepunched, recycled, rough, toughpaper), bond, cardstock, envelope, labels, transparency, vellum	20
12	Print Languages	HP PCL 6, HP PCL 5e, HP Postscript 3 emulation	10
13	Compatible Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
14	Software included	Print drivers and installation software on CD-ROM	10
15	Warranty	1 years	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Parameters Necessary for Effective Maintenance

Hardware maintenance for the personal printers should seek to provide:

- Quarterly cleaning and servicing of equipment

- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 24 hours. The window for replacement is short, because personal printers will be in offices of senior officers like the Director General and other Directors. Consequently, downtime will have a severe impact on their effectiveness since the nature of their communication may not allow them to print on public printers
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

SECTION B – SERVER BASED EQUIPMENT

B.1 Servers

B.2 UPSs for Servers

B.3 Backup Devices and Media

B.4 Rack for Servers

B.5 Air Conditioner for the Server Room

SECTION C – NETWORK BASED EQUIPMENT

C.1 Black and White Network Printer

General Comments

All black and white printers will have network ports to allow for easy access across the network.

The network port will allow printers to be configured for redundancy. This means that when one network printer is not available, the users in the affected section can be re-routed to the nearest printer by re-assigning their default settings to point to the designated back up printer.

All network printers will also have automatic duplexing features to save on paper.

Technical Specifications – Network Printer

No.	System Component	Requirement	Maximum Technical Score
1	Print Technology	laser	10
2	Print speed	30-35 pages per minute	10
3	Monthly print volume	30,000 pages	10
4	Print Quality Black	1200 x 1200 dpi	20
5	Duplex printing	automatic	20
6	No. of trays	3 trays - bypass, envelope, bulk	10
7	Connectivity	1 IEEE-1284 parallel, 1 USB, 1 EIO, 1 JDI 10/100	20
8	Memory	512MB	20
9	Ink	Black and White	10
10	Media Sizes	Letter, letter rotated, legal, executive, statement, 8.5 x 13 in, 11 x 17 in, 12 x 18 in, envelopes (No.10, Monarch, DL)	10
11	Media Types	Paper (color, letterhead, light, plain, preprinted, prepunched, recycled, rough, toughpaper), bond, cardstock, envelope, labels, transparency, vellum	20
12	Print Languages	HP PCL 6, HP PCL 5e, HP Postscript 3 emulation	10
13	Compatible Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
14	Software included	Print drivers and installation software on CD-ROM	10
15	Warranty	3 years	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- At least 5 other sites where similar equipment has been sold and installed
- Estimated time for the delivery of the printers in weeks.

Parameters Necessary for Effective Maintenance

Hardware maintenance for the printers should seek to provide:

- Periodic cleaning and servicing of equipment. This may be done every other time the toner is replaced
- Provision of replacement equipment of similar specifications in the event that the printer cannot be fixed in 72 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.2 Colour Printer

Technical Specifications – Colour Printer

No.	System Component	Requirement	Maximum Technical Score
1	Print Technology	Colour laser / direct to page printing	20
2	Print speed	10-15 pages per minute	10
3	Monthly print volume	60,000 pages	10
4	Print Quality	9600 x 690 dpi	20
5	Duplex printing	automatic	10
6	No. of trays	2 trays - bypass, bulk	10
7	Connectivity	1 IEEE-1284 parallel, 1 USB, 1 EIO, 1 JDI 10/100	20
8	Memory	128 MB	10
9	Ink	Colour	10
10	Media Sizes	Letter, letter rotated, legal, executive, statement, 8.5 x 13 in, 11 x 17 in, 12 x 18 in, envelopes (No.10, Monarch, DL)	10
11	Media Types	Paper (color, letterhead, light, plain, preprinted, prepunched, recycled, rough, toughpaper), bond, cardstock, envelope, labels, transparency, vellum	10
12	Print Languages	HP PCL 6, HP PCL 5e, HP Postscript 3 emulation	10
13	Compatible Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
14	Software included	Print drivers and installation software on CD-ROM	10
15	Cartridges	All colour and black cartridges for the new printer\	20
16	Warranty	3 years	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Parameters Necessary for Effective Maintenance

Hardware maintenance for the colour printers should seek to provide:

- Periodic cleaning and servicing of equipment. This may be done every other time the toner is replaced
- Provision of replacement equipment of similar specifications in the event that the printer cannot be fixed in 72 hours

- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.3 Photocopier

General Comments

All Photocopiers will have network connectivity and be multifunctional to including printing capabilities. These features will provide redundancy to network printers and ensure that no department is without printing services for a significant amount of time.

Technical Specifications – Departmental Photocopier

No.	System Component	Requirement	Maximum Technical Score
1	Print speed	60-70 pages per minute	10
2	Monthly print volume	100,000 pages	10
3	Resolution	600 dpi, printing: 240 x 600 dpi, 256 graduations	10
4	Magnification	Zoom: 25 -400%	
5	Duplex printing / photocopying	automatic	20
6	No. of trays	3 trays - bypass, tray 1, tray 2 (A3)	10
7	Maximum paper size	A3	10
8	Connectivity + network printing	1 IEEE-1284 parallel, 1 USB, 1 EIO, 1 JDI 10/100	10
9	Memory	256 MB	10
10	Diagnostics	LCD Panel with status and diagnostic indicators	20
11	Compatible Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
12	Software included	Print drivers and installation software on CD-ROM	10
13	Document management features	Scan once print many option	10
		Energy saving features	10
		Departmentalized access codes	10
		Simple self diagnostics – toner level, paper jam etc	10
		User-Replaceable Toner Cartridge	5
		Priority printing	5
		Confidential printing	5
		Proof printing	5
		reduction and enlargement (specify percentages)	5
		margin shift	5
		edge erase feature	5
		automatic image rotate to fit the paper source	5
		copy several originals in sequence onto single sheet	5
		watermark (specify options available)	5

No.	System Component	Requirement	Maximum Technical Score
14	Manufacturer's warranty	2 years	10
		TOTAL SCORE	200

Technical Specifications – Review Board Photocopier

No.	System Component	Requirement	Maximum Technical Score
1	Print speed	60-70 pages per minute	10
2	Monthly print volume	300,000 pages	10
3	Resolution	600 dpi, printing: 240 x 600 dpi, 256 graduations	10
4	Magnification	Zoom: 25 -400%	
5	Duplex printing / photocopying	automatic	10
6	No. of trays	3 trays - bypass, tray 1, tray 2 (A3)	10
7	Maximum paper size	A3	10
8	Connectivity + network printing	1 IEEE-1284 parallel, 1 USB, 1 EIO, 1 JDI 10/100	10
9	Memory	512 MB	10
10	Diagnostics	LCD Panel with status and diagnostic indicators	20
11	Compatible Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
12	Software included	Print drivers and installation software on CD-ROM	10
13	Document management features	Scan once print many option	5
		Energy saving features	5
		Departmentalized access codes	5
		Simple self diagnostics – toner level, paper jam etc	5
		User-Replaceable Toner Cartridge	5
		Priority printing	5
		Confidential printing	5
		Proof printing	5
		reduction and enlargement (specify percentages)	5
		margin shift	5
		edge erase feature	5
		automatic image rotate to fit the paper source	5
		copy several originals in sequence onto single sheet	5
		watermark (specify options available)	5
14	Document organization	sorting bin	10
15	document finishing	collating and stapling	10

No.	System Component	Requirement	Maximum Technical Score
16	Scanning	TWAIN Compliant	10
17	Manufacturer's warranty	2 years	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- Proof that the vendor is certified to sell and service the proposed equipment
- At least 5 other sites where similar equipment has been installed and serviced
- Provision of at least 2 CVs of the engineers who will be responsible for maintaining the equipment
- Estimated delivery time
- The financial evaluation should include the cost of annual maintenance. This is usually quoted in the form of Kshs per copy and may include the cost of providing toner. PPOA needs to make a decision on how they would like to manage the maintenance of the same so as to achieve cost effectiveness but also ensure minimized down time

For instance, if provision of toner is included in the annual maintenance contract, PPOA should insist that there is one spare toner for each photocopier at any given time. This will ensure that the photocopier is functional, even when payment issues are being progressed.

Parameters Necessary for Effective Maintenance

Hardware maintenance for the photocopiers should seek to provide:

- Periodic cleaning and servicing of equipment. This may be more frequent than quarterly
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 72 hours
- For the Review Board Photocopier, the replacement window should be shorter, since the departmental photocopier will not be able to cope with the volume handled by the Board
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.4 Scanners

General Comments

These are necessary for the electronic capture, storage and transmission of hard copy documents, and are a must in all departmental offices.

The P&I Strategy recommend two types of scanners. One that is geared towards individual offices like the Director General's office and has standard features and limited auto loading capabilities, and a second type that is more suited to a busy working environment that handles a lot of documentation e.g. the registry, administration and other departments.

Technical Specifications – Personal Scanner

No.	System Component	Requirement	Maximum Technical Score
1	form factor	Desktop	10
2	Scanning technology	Ccd image sensor	10
3	Resolution	2000 - 4000 dpi	10
4	Scanning mode	simplex and duplex	10
5	Scanning speed	simplex 90 ppm and duplex 180ppm	10
6	Document size	up to A3	10
7	Interface	Hi-Speed USB (compatible with USB 2.0 specifications)	10
8	Power cord	Included	10
9	Software CDs and Manuals	Included + TWAIN Drivers	10
10	Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
11	Automatic document feeder	500 sheets	20
12	RAM	128 MB	10
13	Warranty	1 year	10
		TOTAL SCORE	100

Technical Specifications – Heavy Duty Scanner

No.	System Component	Requirement	Maximum Technical Score
1	form factor	Desktop	10
2	Scanning technology	Ccd image sensor	10
3	Resolution	1000 - 2000 dpi	10
4	Scanning mode	simplex and duplex	10
5	Scanning speed	simplex 90 ppm and duplex 180ppm	10
6	Document size	Up to A3	10
7	Interface	Hi-Speed USB (compatible with USB 2.0 specifications)	10
8	Power cord	Included	10
9	Software CDs and Manuals	Included + TWAIN Drivers	10

No.	System Component	Requirement	Maximum Technical Score
10	Operating Systems	Windows XP Professional; Windows Server 2003; Windows Vista(TM) Ready; Mac OS X v 10.4 or higher	10
11	Automatic document feeder	500 sheets	20
12	RAM	128 MB	10
13	Warranty	1 year	10
		TOTAL SCORE	100

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria – Heavy Duty Scanner

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- Proof that the vendor is certified to sell and service the proposed equipment
- At least 5 other sites where similar equipment has been installed and serviced
- Provision of at least 2 CVs of the engineers who will be responsible for maintaining the equipment
- Estimated delivery time
- The financial evaluation should include the cost of annual maintenance

Parameters Necessary for Effective Maintenance

Hardware maintenance for the scanners should seek to provide:

- Periodic cleaning and servicing of equipment
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 72 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider

- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.5 Fax Machine

General Comments

These are presented in two sets of specifications. One is for use in individual offices and the other fax is for use in busy departments and hence will have more requirements in terms of LAN and i-faxing features.

Technical Specifications – standard fax machine

No.	System Component	Requirement	Maximum Technical Score
1	Multifunction	Fax + copier	20
2	Printing technology	Laser printing on plain paper	20
3	Scanning	simplex and duplex scanning of documents	10
4	Memory	4-6 MB	10
5	Document feeder	Automatic 10 pages	10
6	Resolution	400dpi	10
7	Connectivity	10Base-T/100Base-TX Ethernet port and USB	10
8	Communication	fax, LAN, internet	10
	Work flow management		
9	Network file sharing and storage	The "Save As" function enables documents to be saved in PDF format.	20
10	PC-Fax	Enables users to send a fax directly from their PC. AN from the user's desktop.	20
11	Diagnostics	Simple and managed through LCD display	10
12	Scan to email (internet fax)	Converts documents into PDF and transmits them as email attachments via the LAN. Allows users to send an e-mail as a fax to multiple recipients	20
13	Email functionality	Allows the storage of 50-100 email addresses on the machine	10
14	Automatic Archiving	Faxes archived by the sender or date/time for easy retrieval at a later date using e-mail client software.	10
15	Warranty	3 years	10
		TOTAL SCORE	200

Technical Specifications – departmental fax machine

No.	System Component	Requirement	Maximum Technical Score
1	Multifunction	Fax + copier	20
2	Printing technology	Laser printing on plain paper	20
3	Scanning	simplex and duplex scanning of documents	10
4	Network functionality	Automatic network setup with DHCP	10
5	Memory	10 -20 MB	10
6	Document feeder	Automatic - 40 - 60 pages	10
7	Resolution	400dpi	10
8	Connectivity	10Base-T/100Base-TX Ethernet port	10
9	Communication	fax, LAN, internet	10
	Work flow management		
10	Inbound routing	Send incoming faxes to designated internal email addresses - automatically	10
11	Dual Port Operation	Allow users to send a document over the LAN while receiving a fax via a conventional telephone line.	10
12	Integrated Document Distribution	Enable users to distribute a document electronically-directly to the recipients.	10
13	Message Disposition Notification (MDN)	Confirms that the recipient has opened the sender's email. The transaction journal printout will indicate an "OK".	10
14	Network file sharing and storage	The "Save As" function enables documents to be saved in PDF format.	10
15	PC-Fax	Enables users to send a fax directly from their PC. The fax machine is accessible over the LAN from the user's desktop.	10
16	Diagnostics	Simple and managed through LCD display	5
17	Scan to email (internet fax)	Converts documents into PDF and transmits them as email attachments via the LAN. Allows users to send an e-mail as a fax to multiple recipients	5
18	Email functionality	Allows the storage of 1000 email addresses on the machine	5
19	Automatic Archiving	Faxes archived by the sender or date/time for easy retrieval at a later date using e-mail client software.	5
20	Warranty	3 years	10
		TOTAL SCORE	200

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria – Departmental Fax

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- Proof that the vendor is certified to sell and service the proposed equipment
- At least 5 other sites where similar equipment has been installed and serviced
- Provision of at least 2 CVs of the engineers who will be responsible for maintaining the equipment
- Estimated delivery time
- The financial evaluation should include the cost of annual maintenance.

Parameters Necessary for Effective Maintenance

Hardware maintenance for the fax machines should seek to provide:

- Periodic cleaning and servicing of equipment
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 36 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.6 LCD Projector

General Comments

The LCD projectors are provided in two sets of specifications. The first is the standard LCD and the second one is a document LCD Scanner.

The Document LCD Scanner is intended to help ease the work of the Review Board, by allowing petitioners and respondents to make their documents publicly available during proceedings by placing them on the Document scanner and the relevant page being projected onto the screen.

This instantaneous project of documents will mean that they do not need to be scanned before hand for them to be projected. This will greatly reduce the work of preparing for meetings, save on time as well as the cost of photocopying certain documents.

Technical Specifications – Standard LCD Projector

No.	System Component	Requirement	Maximum Technical Score
1	Lumens	2500 - 4000 ANSI lumens	10
2	Zoom	1x3 zoom lens	10
3	Resolution	Native XGA (1024x768); 1600 x 1200	10
4	Contrast Ration	900 : 1	10
5	Adjustment	Digital keystroke adjustment	10
6	Form Factor	Portable	10
7	Built in devices	Speakers	5
8	Bulb type / Lamp life	UHP 165 Watt / 2000 hours	10
9	Video Input	RGB, S-Video, composite video	5
10	Input Device	Remote control	5
11	Power	AC 110/240 V (50/60 Hz)	5
12	Accessories	Carrying case	10
		TOTAL	100

Technical Specifications – Review Board Document Projector

No.	System Component	Requirement	Maximum Technical Score
1	Lumens	2000 - 2400 ANSI lumens	10
2	Zoom	1x3 zoom lens	10
3	Aspect Ration / Resolution	Native XGA (1024x768); 1600 x 1200	10
4	Functionality	With camera	10
5	Contrast Ration	400 : 1	5
6	Adjustment	Digital keystroke adjustment	5
7	Form Factor	Portable	10
8	Built in devices	Speakers	5

No.	System Component	Requirement	Maximum Technical Score
9	Bulb type	UHP 165 Watt- 2000 hours	10
10	Video Input	RGB, S-Video, composite video	5
11	Input Device	Remote control	5
12	Power	AC 110/240 V (50/60 Hz)	5
13	Accessories	Carrying case	10
		TOTAL	100

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template

Other Evaluation Criteria – LCD Projectors

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- Proof that the vendor is certified to sell and service the proposed equipment
- At least 5 other sites where similar equipment has been installed and serviced
- Provision of at least 2 CVs of the engineers who will be responsible for maintaining the equipment
- Estimated delivery time
- The financial evaluation should include the cost of annual maintenance.

Parameters Necessary for Effective Maintenance

Hardware maintenance for the LCD Projectors should seek to provide:

- Periodic cleaning and servicing of equipment
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 36 hours
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 24 hours for the Review Board Projector
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

C.7 PABX

General Comments

The PABX is necessary to facilitate communication with the outside world in a manner that is in keeping with the proposed image of the Authority.

The proposed PABX will have an ISDN card to allow PPOA to take advantage of digital channels of communication which result in several advantages such as reduced workload on the telephone operator since callers can dial directly to each extension. It is recommended that PPOA apply for an ISDN line in order to utilize this facility.

Other facilities include the use of GSM lines to ensure that mobile calls can be automatically routed to the GSM units and hence reduce the costs of mobile communication.

Costs will be further managed through the use of call management software that will monitor calls against budget and supply users with reports for the same.

Technical Specifications – PABX System

No.	System Component	Requirement	Maximum Technical Score
1	Hardware Requirements	100 Extensions	10
2		8 Incoming Lines from Telkom	10
3		Expansion Slot for direct lines	10
4		Expansion slot for extensions	10
5		ISDN Compatible with ISDN Card	10
6		GSM Card to accommodate 6 GSM Units	10
7		6 GSM units (State model of proposed GSM equipment)	10
8		VOIP Card	10
9		Voice mail system and all peripherals	10
10		Battery Backup for 5 hours	10
11		Maintenance free battery backup units	10
12		1 operator consoles	10
13		4 FAX line management functionality	10
14		Call Management Software (State name of software)	10
15		Extension ports that accommodate standard touch tone single line telephones	10
16		All other peripheral equipment necessary to have the above features running properly	10
17		Voice cabling and all related civil works	10
18		IP Telephony capability	10
19	Intelligent Call management features	External callers should be able to access user extensions after hours e.g. at lunch time, in the evening, on public holidays.	10
20		External callers should be able to access user extensions without necessarily going through the operator e.g. in the evenings or at lunch time	10

No.	System Component	Requirement	Maximum Technical Score
21		Ability to record a morning message and an evening message on the PABX for callers to listen to when waiting to be connected	10
22		Automatically connect an incoming fax to the appropriate fax extension and hence receive calls without an operator. 4 fax lines will be in use	10
23		Call Forwarding – busy / no answer / follow me / to outside	10
24		Ability to over-ride call restriction for emergency numbers – up to 4 emergency numbers	10
25		Conference call facility for up to 3 people.	10
26		Extension group capability to support group call pick up and paging	10
27		Ring pattern selection to identify external calls and internal calls	10
28		Ability to assign and verify PINs for purposes of telephone cost control	10
29		Programmable to restrict unauthorized outgoing long distance calls.	10
30		Programmable to disallow certain extensions from making outgoing calls / trunk calls / international calls	10
31		Programmable to disconnect outgoing calls when a pre-determined duration expires	10
32		Live call screening	10
33		Two way transfer	10
34	Receptionist's Phone	Display capability to indicate time, caller's name, etc	10
35		Speakerphone capability	10
36		Call forwarding	10
37		Do not disturb	10
38		Conference call capability	10
39		Intercom capability	10
40		Ability to program numbers	10
41		Flash / Recall	10
42		Auto answer	10
43		Headphones for hands free use	10
44		Programmable keys for ease of dialing	10
45		Incoming Call Lamp Lighting up	10
46		Transfer function	10
47		Auto dial function for use with speed dial	10
48		Access to voice mail	10
49		Any other functions	10
50	Executive Telephone Set Requirements	Display capability	10
51		Speakerphone capability	10
52		Call forwarding	10
53		Conference call capability	10
54		Intercom capability	10
55		Flash / Recall	10
56		Programmable keys for ease of dialing	10
57		Incoming Call Lamp Lighting up	10
58		Transfer function	10

No.	System Component	Requirement	Maximum Technical Score
59		Auto dial function for use with speed dial	10
60		Access to voice mail	10
61	Standard Telephone Set Requirements	Call Forwarding	10
62		Transfer function	10
63		Access to voice mail	10
64	Other Criteria - for competency	List of 5 organizations where projects of similar scope have been undertaken and the contacts at each organization. Clearly state the number of extensions, and key features	10
65		CVs of at least three (3) technical team members and copies of their relevant certifications, and brief professional profile	10
66		Process of testing and commissioning the equipment	10
67		Process of documenting the site	10
68		Provision of equipment brochure	10
69		Project Plan Schedule with clear deliverables and timelines	10
70		Provision of Annual maintenance Contract	10
		TOTAL TECHNICAL SCORE	700

Technical Evaluation Score Sheet

Refer to [PPOA Hardware Specifications.xls](#) for the detailed technical evaluation template. This template also includes the evaluation criteria for the site visit.

Other Evaluation Criteria - PABX

To facilitate speed of delivery and effectiveness of configuration the following should be provided and evaluated as part of technical:

- Copy of Certificate of Registration from CCK
- Copy of CCK “Type Approval” for the equipment Proposed
- Proof that the vendor is certified to sell and service the proposed equipment
- At least 5 other sites where similar equipment has been installed and serviced
- Provision of at least 2 CVs of the engineers who will be responsible for maintaining the equipment
- Estimated delivery time
- The financial evaluation should include the cost of:
 - Total Cost of voice cabling, trunking, and other civil works
 - Total Cost of voice mail components
 - Total Cost of telephone management components
 - Total cost of ISDN card and components
 - Total Cost of GSM components
 - Total Cost of telephone operator head sets
 - Total Cost of standard head sets
 - Total Cost of training telephone operators and 2 Administrators
 - Total Cost of providing annual maintenance for the equipment
 - Any other costs required to operationalize the equipment e.g. batteries etc

Parameters Necessary for Effective Maintenance

Hardware maintenance for the PABX should seek to provide:

- Periodic cleaning and servicing of equipment
- 24 hour service availability from the solution provider
- Provision of replacement equipment of similar specifications in the event that a machine cannot be fixed in 36 hours
- Escalation matrix to indicate how calls from PPOA will be handled by the solution provider and response times for the various category of calls (critical, urgent, etc)
- Monthly reports that provide information on incident tracking and management and the resultant cost implications (were problems resolved under warranty or otherwise)
- Periodic meetings to discuss the performance of the solution provider
- Cost recovery measures in the event that the solution provider does not provide service as per the contract and resulting in financial loss to the client
- All other standard terms of conditions should also apply

ANNEX 4 – UPDATED WORK PLAN: 6 WEEKS – 9 MAY 2007

The proposed work plan was discussed in detail with the PPOA working group during the inception week. The six-week consultancy is described below, and will be refined with USAID and government partners as required during the progress of the works.

Day/Week	Activities/Tasks	Deliverables/Benchmarks
Week One 16-21 April	<ol style="list-style-type: none"> Chemonics home office arranges travel for Mr. Ruprai and finalizes subcontract with e-sokoni; Mr. Ruprai begins review of PPOA legislation and internal documentation upon contract signature while awaiting flight to Kenya; Mr. Ruprai arrives in Kenya and holds initial meeting with USAID and full consultancy team; Full team holds initial meetings with the Public Procurement Directorate, the Directorate of Personnel Management, and other relevant offices; Full team conducts an analysis of institutional structures, human resource needs, and ICT frameworks for comparable institutions worldwide and in the region; ICT Specialist, Ms. Regina Mutoko, meets with relevant personnel to evaluate steps already undertaken to establish an ICT management system. 	<ol style="list-style-type: none"> Inception report detailing weekly work plan for remainder of consultancy, as well as summary of research results during week one; Initial meetings held with USAID, PPOA, & Reference Committee (Working Group) held. Meetings arranged with comparable institutions in Kenya with the assistance of PPOA. Draft documents developed by DPM/PPD Team collected on 19 April 2007 from PPOA Initial review of available documents commenced.
Week Two 23-28 April	<ol style="list-style-type: none"> Full team conducts a comprehensive analysis of PPOA's anticipated functions and responsibilities in consultation with GoK partners, coming to consensus on an organization chart for the PPOA; Ms. Mutoko completes IT needs assessment and begins drafting ICT framework, including ICT procurement needs and specifications (hardware and software); Ms. Mutoko develops business process diagrams to show the benefits of incorporating recommended technologies to reduce task completion time while increasing collaboration and productivity; Mr. Ruprai begins refining financial rules and regulations, including internal procurement rules and regulations, and terms of reference for the PPOA advisory board and management committees; Mr. Wanyoike begins drafting job profiles and required competencies, as well as refining staff rules and regulations to be incorporated into the human resources policy manual and employee handbook, as required, in partnership with the DPM. 	<ol style="list-style-type: none"> ICT needs assessment and business process diagrams complete; Proposed organization chart complete, including description of management structure and draft job profiles. Detailed analysis and comprehensive review of available management documents commenced.
Week Three 30 April - 5 May	<ol style="list-style-type: none"> Mr. Wanyoike, in close collaboration with Mr. Ruprai, refines documents initiated during week two based on continuing consultations with government partners; Ms. Mutoko, with assistance from Chemonics home office ICT and procurement specialists and Mr. Ruprai, finalizes ICT specifications and procurement and installation & implementation plans; Team meets with Reference Committee to present documentation refinements. 	<p>Complete by 9 May 2007 Draft Progress Report No. 1 completed 9 May 2007</p> <ol style="list-style-type: none"> First interim report, summarizing tasks completed and other findings, with the following annexes: <ul style="list-style-type: none"> Draft financial rules and regulations, including internal procurement rules;

Day/Week	Activities/Tasks	Deliverables/Benchmarks
Week Four 7-12 May	<ol style="list-style-type: none"> 1. Full team fills in gaps and makes other needed adjustments to draft documentation completed in week three, and conducts further validating documentation with government partners, including comparison of plans and documentation with international standards and approaches; 2. Team meets with reference committee to present changes to previous drafts and collect feedback; 3. Team develops a human resources development and training plan to introduce PPOA staff functions, required competencies, and ethics, as defined during the consultancy, to ensure sustainability. 	<ul style="list-style-type: none"> ▪ Draft staff rules and regulations, including refinement to employee handbook and HR manual; ▪ Draft terms of reference for PPOA management committees and Advisory Board committees; <ol style="list-style-type: none"> 2. Draft Report on ICT specifications, based on further refinement of needs assessment, including: <ul style="list-style-type: none"> ▪ Software, hardware, and connectivity requirements; ▪ Network capacity requirements; ▪ ICT procurement plan and implementation strategy, based on careful review of locally available products to ensure rapid deployment and local technical support; ▪ Staff training plan and plan to keep technologies up-to-date and ensure sustainability 3. Full team meets with reference committee to present progress and seek feedback. (Scheduled for 11 May 2007) <p>Complete by 15 May 2007 Finalize report 18 May 2007</p> <ol style="list-style-type: none"> 1. Second interim report with refinements to all annexes (see week three); 2. Human resources development plan complete
Week Five 14-19 May	<ol style="list-style-type: none"> 1. The team will engage in continuing consultations with government partners, including PPOA's executive committee and Ministry representatives, as appropriate, to resolve any final issues; 2. The team will put all documentation in "camera-ready" format and arrange for reproductions as needed by USAID and the PPOA. 	<p>Draft final report including all final documentation for organizational structure and ICT framework. Complete by 22 May 2007</p>
Week Six 21-26 May	<ul style="list-style-type: none"> • The team will refine, finalize complete all requirements as appropriate, to resolve any final and outstanding issues; • The team will finalize all documentation in "camera-ready" format and arrange for reproductions as needed by USAID and the PPOA. 	<p>Final report including all final documentation for organizational structure and ICT framework. Finalize report 26 May 2007</p>

The following are the expected reporting obligations deliverables of the consultancy, which incorporate the expected outputs described in Scope of Works, delivered in the following reporting times to the USAID and PPOA.

Deliverables	Completion Week As From Signing of Contract	Updated 2 May 2007	Updated 9 May 2007
Inception report that includes a detailed work program showing the activities to be performed on a weekly basis for the duration of the consultancy Meeting with the Reference Committee	Week 1	Completed 23 April 2007	Completed 23 April 2007
1st Interim report, including all outputs of initiatives outlined Section 3 SOW Meeting with the Reference Committee	Week 3	Complete by 9 May 2007	Complete by 9 May 2007
2nd Interim report, including the updated 1st Interim Report Meeting with the Reference Committee	Week 4	Complete by 15 May 2007	Complete by 15-18 May 2007
Draft Final Report Meeting with the Reference Committee	Week 5	Complete by 19 May 2007	Complete by 22 May 2007
Final Report	Week 6	Complete by 26 May 2007	Complete by 26 May 2007

ANNEX 5 – WORK PLAN BAR CHART: 6 WEEKS

Description of Major Tasks and Activities	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
1. Team mobilization						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
2. Conduct Initial meetings with USAID, PPOA, DPM, Reference Committee and other relevant offices						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
3. Conducts analysis of institutional structures for comparable institutions worldwide and in the region;						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
4. Conducts analysis of human resource needs for comparable institutions worldwide and in the region;						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
5. Conducts analysis of ICT Frameworks for comparable institutions worldwide and in the region;						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
6. Conduct meetings with relevant personnel to evaluate steps already undertaken to establish an ICT management system.						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
7. Inception report detailing weekly work plan for remainder of consultancy, as well as summary of research results during week one						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
8. Meeting with the Reference Committee						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
9. Comprehensive analysis of PPOA's anticipated functions and responsibilities in consultation with GoK partners, coming to consensus on an organization chart for the PPOA;						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
10. Completes IT needs assessment						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
11. Begins drafting ICT framework, including ICT procurement needs and specifications (hardware and software);						
Manmohan Ruprai						
Mike Wanyoike						
Regina Mutoko						
12. Develops business process diagrams to show the benefits of incorporating recommended technologies to reduce task completion time while increasing collaboration and productivity;						
Manmohan Ruprai						
Mike Wanyoike						

Description of Major Tasks and Activities	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Regina Mutoko						
13. Refines financial rules and regulations, including internal procurement rules and regulations, and terms of reference for the PPOA advisory board and management committees;						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
14. Begins drafting job profiles and required competencies, as well as refining staff rules and regulations to be incorporated into the human resources policy manual and employee handbook, as required, in partnership with the DPM						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
15. ICT needs assessment and business process diagrams complete						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
16. Proposes organization chart complete, including description of management structure and draft job profiles						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
17. Refines documents initiated during week two based on continuing consultations with government partners;						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
18. Finalizes ICT specifications and procurement and installation & implementation plans						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
19. Meets with Reference Committee to present documentation refinements						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
20. Drafts first interim report, summarizing tasks completed and other findings, with the following annexes						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
21. Drafts report on ICT specifications, based on further refinement of needs assessment						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
22. Conducts Meetings with reference committee to present progress and seek feedback						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
23. Fills in gaps and makes other needed adjustments to draft documentation completed in week three, and conducts further validating documentation with government partners, including comparison of plans and documentation with international standards and approaches						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
24. Conducts meetings with reference committee to present changes to previous drafts and collect feedback						

Description of Major Tasks and Activities	Week 1	Week 2	Week 3	Week 4	Week 5	Week 6
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
25. Develops a human resources development and training plan to introduce PPOA staff functions, required competencies, and ethics, as defined during the consultancy, to ensure sustainability.						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
26. Drafts second interim report with refinements to all annexes						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
27. Completes human resources development plan						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
28. Engages in continuing consultations with government partners, including PPOA's executive committee and Ministry representatives, as appropriate, to resolve any final issues						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
29. Puts all documentation in "camera-ready" format and arrange for reproductions as needed by USAID and the PPOA						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
30. Drafts Final report including all final documentation for organizational structure and ICT framework.						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
31. Refines, finalizes, and completes all requirements as appropriate, to resolve any final and outstanding issues;						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
32. Finalize all documentation in "camera-ready" format and arrange for reproductions as needed by USAID and the PPOA						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						
33. Completes final report including all final documentation for organizational structure and ICT framework.						
Manmohan Ruprai Mike Wanyoike Regina Mutoko						

ANNEX 6 - SCOPE OF WORK

The general scope of works for the six week assignment

- In consultations with the PPD/PPOA, the Consultant is expected to design an institutional structure and an ICT framework for the PPOA that will enable it to efficiently perform its core functions. Specifically, the Consultant will be required to carry out, but not limited to, the tasks described below in order to achieve the objectives of the assignment:
- Considering the duties and responsibilities of the PPOA, prepare the final draft of an organizational structure (organogram) recommending; (i) a management structure commensurate with modern management techniques, (ii) job profiles and descriptions and any human resource competencies required based on experience with similar oversight institutions in the region and elsewhere and in accordance with provisions of the Public Procurement and Disposal Act, 2005.

Outputs and results

The outputs resulting from the activities under this assignment are listed below. Further develop the final drafts of the internal documentation that the PPOA will need in order to be a well managed organization. These will include:

- Financial Rules and Regulations
- Human Resources Policy
- Staff Rules and Regulations (including code of conduct and ethics)
- Procurement Rules and Regulations (e.g. internal procurement responsibilities of the PPOA)
- Terms of reference for three committees (audit, finance and human resources) of the PPOA Advisory Board
- Terms of reference of the PPOA management committees
- Employee Handbook
- Any other documents that may be agreed to with the PPD

Develop appropriate draft Terms and Conditions of Service for the staff of PPOA

Provide appropriate technical advice on the ICT requirements of PPOA based on the following key areas:

- Software requirements necessary to achieve all management and communication objectives
- Hardware requirements that can support the recommended system and workload
- Level of connectivity necessary to facilitate the work of the Authority
- Network capacities (bandwidth requirement, optimum serve capacity, etc.), both intranet and internet requirements that can support the system
- A procurement and implementation strategy to ensure installation of the proposed system

The expected results are to have a designed functional procurement management system for PPOA to manage public procurement in accordance with the current legislation. The realization of results will require timely approvals, appointments and actions by all partners.

Indicators of achievement

The indicators to be used to measure progress are reports and draft documents prepared under the assignment are accepted and approved by USAID and PPOA and later adopted by PPOA for management, establishment and preparation of its detailed charter, job functions and responsibilities.

ANNEX 7 - PERSONS AND ORGANIZATIONS CONTACTED

	Name	Organization	Title/Remarks
1	Lisa Whitley	USAID-Kenya	Program Economist - Program Development and Analysis
2	Al Smith	USAID-Kenya	Deputy Country Director
3	Robert Hunja	PPOA	Director General -Interim
4	E.M. Kinanjui	PPOA	Dep. Director General -Interim
5	Michael Obuya	PPOA	IT
6	Jane Macharia	PPOA	HR
7	James Kihara	DPM	Office of the President
8	A.R. Njue	PPOA	Capacity Building
9	C.R Amoth	Proc. Review Board	Secretary to the RB
10	Staff Meeting	CCK	Communications Commission of Kenya
11	Staff Meeting	CMA	Capital Markets Authority
12	Staff Meeting	RBA	Retirements Benefits Authority
13	John Ouma	KN A	Supplies and Procurement Manager
14			
15			
16			
17			



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2ND INTERIM REPORT

CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT SYSTEMS FOR THE GOVERNMENT OF KENYA PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

Volume 2

Financial and Administrative Manual

- 1. FINANCIAL AND ACCOUNTING REGULATIONS AND PROCEDURES MANUAL**
- 2. COMPOSITION AND TERMS OF REFERENCE FOR MANAGEMENT COMMITTEES IN THE PPOA**
- 3. ORGANIZATION OF PPOA INTERNAL PROCUREMENT MANAGEMENT ARRANGEMENTS**

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

MAY 2007

This publication was produced for review by the United States Agency for International Development. It was prepared by Chemonics International.

FINANCIAL AND ACCOUNTING REGULATIONS AND PROCEDURES MANUAL

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

The Public Procurement and Disposal Act 2005 (Act) establishes the Public Procurement Oversight Authority (PPOA) as a body corporate. It also establishes the following bodies:-

- The Public Procurement Oversight Advisory Board
- The Public Procurement Administrative Review Board

In accordance with the Act, the Advisory Board shall have nine members nominated by the named professional bodies and the Director General as the Secretary to the Board.

Core Functions

These are as delineated in the Act Section 9.

Funds of the Authority (PPOA)

The following are the main sources of funds for the Authority:-

- Money appropriated by Parliament for the purpose of running the Authority
- Loans or grants received by the Authority for its activities
- Revenue or fees collected for services rendered by the Authority; and
- Capacity building levy.

1. RESPONSIBILITIES OF THE DIRECTOR-GENERAL

The Director General as the Chief Executive is responsible for sound financial management of the Authority. As the Authority is established under a statute, most of the funds will be provided by the Exchequer and shall be applied and accounted for in accordance with the provisions for the following:

- The Exchequer and Audit Act
- The Government Financial Management Act, 2004
- The Public Audit Act 2003
- The Public Procurement and Disposal Act 2005
- The Public Procurement and Disposal Regulations 2006
- These Regulations and Procedures
- Any other directives that may be issued from time to time.

2. PREPARATION OF ESTIMATES

The Director-General shall, at least three (3) months before the commencement of each financial year, prepare estimates of the revenue and expenditures of the Authority for that year to be and submit to the Advisory Board for approval. The Estimates shall make provisions for all estimated expenditures of the Authority for the financial year, in particular, shall provide for expenditure for:-

- The payment of salaries, allowances and other charges
- The proper maintenance of building and grounds of the Authority
- The maintenance, repair and replacement of the equipment and other property of the Authority
- The payment of allowances and expenses of the Advisory Board
- The payment of allowances and expenses of the Administrative Review Board (check!)
- The payment of hiring and renting of premises for the Authority (check!)
- The payment of pensions, gratuities and other charges in respect of former staff of the Authority

In addition the Director General will be responsible for the following:-

- Signing contract Documents on behalf of the Authority
- Proper conduct of financial transaction
- Preparation of realistic budgets that confirm to grants
- Ensuring that funds received by the Authority are strictly applied to purposes for which intended
- Ensuring that all payments are in compliance with specific statutory authorities and other regulations
- Ensuring policies are carried out efficiently and wastage of public funds totally prevented.
- Ensuring that in all transactions the Authority gets value for money.
- Ensuring adequate arrangements for custody and safety of Authority's assets and that proper systems are followed in acquisition and disposal of the assets
- Ensuring that proper financial and accounting records and filing systems are maintained and safely kept
- Ensuring that procurement plans are approved and reviewed as necessary
- Ensuring that all contracts are complied with
- Ensuring that all the necessary committees are appointed and functioning for example:
 - Finance and Budget Committee
 - Tender Committee
 - Audit Committee
 - Procurement Committee(s)

3. APPROVAL OF EXPENDITURE--CEILINGS

All procurement expenditures shall be affected as provided in the procurement matrix in the Public Procurement and Disposal Regulations-2006, Schedule I. All other expenditures will be as per directives issued from time to time by the Director-General.

4 ANNUAL BUDGET

This is the primary source of reference for all expenditure of the Authority. It is the only acceptable method to allocate available resources to implement the Authority's policies and programs. The budgetary process will perform the following essential function:-

4.1 Control

As a control tool, the budget shall establish key points to assist the management in ensuring operations of the Authority's are with legal and policy limits

4.2 Management

As management decision making process the budget will set eventually assist in achieving the Authority's set targets with the help of other inputs which include manpower and equipment.

4.3 Planning

The budget will assist the Authority to plan revenue, expenditures and both future and present development requirements.

4.4 Procurement Plans

There shall be harmony in the preparation of the annual budget and the procurement plans. These must be closely linked for proper control.

5.0 FINANCIAL COMMITTEE

Within the Finance and Administration Division of the Authority, the following committees shall be established:-

- Finance and Budget Committee
- Tender Committee
- Audit Committee
- Procurement Committee(s)

5.1 Finance and Budget Committee

This committee will be responsible for consolidation compilation, amendment and improvements of all submissions and preparation of work plans and budget consisting of the sum total of all

division, unit and section proposals. All Divisions, Units and Sections shall make their submissions to this committee not later than 31st March of each year. The Finance and Budget committee shall collate the submission to both the short-term and long-term plans and the revenue and financing sources of the Authority. The results of all the compiled requests shall be the estimates which should be approved by the Oversight Board and will form the budget which shall be binding and shall be issued for implementation as approved.

5.2 Tender Committee

The membership and functions of the Tender Committee shall be as given in the Public Procurement and Disposal Regulations, 2006.

5.3 Audit Committee

This will be established as per guidelines in the General circular. Any officer so appointed shall be required to become conversant with the essential requirements in vote control procedures outlined below.

5.4. Procurement Committees

Any officer so appointed shall be required to become conversant with the essential requirements in vote control procedures outlined here below: The committee shall be established as per the Public Procurement Regulations, 2006

5.5 Vote Control

There shall be supplementary amendments as necessary and must be conveyed in writing. These major revisions of a current budget shall be considered in January each year. The funds allocated are to be utilized for the purposes for which they are budgeted and no payments are to be made beyond the budgeted figures. The authority to incur expenditures shall be limited to a few officers and who shall be appointed in writing by the Director-General

5.6 Capital Development Plans

Capital development and other long term plans shall be designed in such a manner that they shall have annual budgets. No supplementary components or new plans shall be accepted outside of the approved budget.

6.0 FINANCIAL ACCOUNTING

It is imperative that the financial management system in the Authority be strong enough to provide timely, reliable and useful information for accountability and decision making. The objective in financial accounting will be to describe the main features of the accounting system of the Authority which shall be based on double entry system of book keeping and accounts. The

Authority's accounting structure and controls must be seen as an integral component in the overall management system, a component to ensure provision of a single common database for financial information. The Authority shall use automated accounting systems to prepare all accounting and related information.

This guideline will therefore establish how the operations, transactions will be recorded to achieve uniformity and comparability of accounting data over time. The required controls will be affected in the following area.

6.2 Voucher Processing

The processing of payment vouchers will be done in accordance with standard processing routine laid down. These routines are meant to document and enforce strict control over the flow of vouchers to avoid processing (payment of) forged or invalid vouchers. All payment vouchers shall be documented in registers and signed for by the specifically identified officers at the various sections/stages.

6.3 Flow of Vouchers

All payment vouchers shall be prepared in the Accounts Division. All demands for payment of goods and services which have been supplied or rendered to the Authority in accordance with valid Contracts shall be channeled to the Division together with the accompanying or supporting documents. These documents will have been confirmed by the receiving Departmental Heads or AIE holder.

6.3.1 Voucher Preparation

At the beginning of each year the Director – Finance and Administration shall open a vote book to which the above information shall be posted. In the vote book additional information will be focused on:

- Vote allocation will determine the amount of funds available for spending.
- Uncommitted balance
- Total payments to date commitments or liabilities

6.3.2. Voucher Examination

The prepared payment vouchers shall be received in this section where they will be scrutinized to ascertain the following:

- All procurement procedures have been complied with the authority governing the payment
- Existence of Budget allocation on the item and whether there are sufficient balances
- That the payments are duly supported by appropriate certificates, certified Invoices, LPOs, LSOs, imprest warrants or proof of receipt of goods or services
- All payment procedures have been complied with

- When the examination is completed, the examination official will sign the appropriate certificate and release the payments to the vote book section

6.3.3. Vote Book Section

The payment voucher shall be entered in the vote book and appropriate certificate signed. The vote book official shall at all times ensure that the budgeted allocations are not exceeded and also indicate on the payment vouchers the balance remaining after each payment.

6.3.4. A.I.E. Holder

From the vote book section the completed payment vouchers shall be forwarded to the AIE holder who will sign the certificate to indicate that the expenditure detailed above has been incurred for the authorized purpose and should be charged to the items as appropriate.

6.3.5. Accountant In-Charge

After the AIE holder has signed the payment voucher the Head of the Accounts Department or his/her delegated officer will scrutinize the payment voucher to ascertain: that:

- The rates charged are according to the regulations and contracts
- They are fair and reasonable
- The authority on which the expenditure was incurred.

6.3.6. Imprest

If all the above conditions are satisfied the payment voucher will be authorized for payment and forwarded to the cash office where the payment will be done.

- Cash advances to the officers who will be required to make payments which cannot conveniently be made through the cash office shall be controlled through issuance of office imprest. These will normally be safari imprests and shall only be utilized for the purpose for which they shall be specified.
- The imprests shall be of temporary nature to be provided to officers to meet traveling, accommodation and other incidental expenses. These imprests shall be surrendered after the return of the officers from the field to station and in any case not later than 48 hours. Failure to surrender the imprest on the due date shall call for disciplinary action against the defaulter.

6.3.7. Issuance

In order to control expenditure, no officer shall be granted a second imprest until the first one has been accounted for. The processing of imprest warrants shall follow the normal procedures as the other payments. No warrants will be processed unless there are:

- Adequate funds to meet the intended expenditure.
- The safari notice has been approved by the Departmental Head.
- The accountant in charge has confirmed that the officer does not have outstanding imprest.
- All the particular details relating to the officer have been
- Filled and confirmed by the Division Head.
- The purpose for safari is valid and strictly official.

6.3.8 Surrender

Imprest shall be supported by the following documents when surrendered:

1. Work-tickets where transport has been provided.
2. Air-tickets where transport has been provided.
3. Air-tickets where the officer has been authorized to use air transport.
4. No hotel bills or receipts to be accepted in support of any claim as the officers' rates will be predetermined according to the Authority's approved per diem rates.
5. All documents attached to the surrender voucher to be countersigned by the Division Head.

All outstanding imprest returns shall be prepared and forwarded to the Head of the Accounts Department by the 5th of every month for remedial action.

6.3.9 Other Imprest

Imprest for office use shall be issued in form of standing imprest to be accounted for by the officer to whom it is issued. At all times the standing imprest shall be equal to the fixed level, any difference being accounted for in the form of receipts, payments vouchers and the cash balances. These shall be subject to periodic inspection.

7. BANKING

7.1 Operation of Bank Accounts

- The system will be used in the maintenance and control of bank accounts and the withdrawal and banking procedures to be followed by the Authority.
- Opening of Bank Accounts shall be approved by the Director-General in consultation with Treasury. All receipts or monies to the Authority shall be banked promptly and shall be supported by stamped pay-in-slips for the day.
- The Payment Vouchers and other supporting documents shall be made available to the signatories for verification prior to signing the cheques or payment orders. The bank signatories shall initial and date all the supporting documents/vouchers upon signing of the cheques/payment order as proof that the vouchers have been paid.

- Payments for goods and services shall be effected by means of cheques.
- Signing and countersigning blank cheques is strictly prohibited.
- All requests for new manual cheque books shall be approved in writing by the authorized bank signatories at the request of the Director (Finance and Administration). All manual cheque books and payment order books shall be stored securely by the Director (Finance and Administration) to guard against misuse. Loss of any cheque book/payment order books shall be immediately brought to the attention of the Director and subsequently reported to the bank for cancellation. The matter should also be reported to the Police as soon as is practicable.

7.1.1 Mode of Payment

Most of the payments except for a few personal payments shall be made by crossed cheques. Cash payments will be limited to Kenya Shillings 20,000.00 (Twenty Thousand Only). All payments to merchants shall be by crossed cheques.

7.1.2 Cheque Signatories

It will be mandatory for every payment and cheques to have two signatories one of which shall be from the Head of the Accounts Department. To avoid delays in cheque signing, at least four cheque signatories shall be appointed by the Director-General.

7.1.3 Bank Reconciliation

1. A Bank Reconciliation Statement for each bank account shall be prepared by the Accountant at the end of each month and given to the Director (Finance and Administration) for review. The reconciliation shall be signed and dated by both the Officer who prepares and the Supervisor as evidence of such checks.
2. All known direct bank debits and credits shall be entered in the cashbook. All unknown direct bank debits and credits shall be noted and brought to the attention of the Director General, who would formally write to the bank for follow up.
3. All dishonored cheques shall be reported to the Director General and immediate action taken to ensure that the drawer rectifies the irregularities. Appropriate reversing entries shall be posted in the books with the approval of the Director (Finance and Administration).
4. Unpresented cheques, which are six months old, shall be brought to the attention of the Director General who shall issue a stop payment order to the bank. Appropriate reverse entries shall be passed in the accounts. The payee shall be issued with a new cheque, should the old one be confirmed lost in transit or misplaced.
5. Unpresented cheques shall be aged by month. Where such cheques are outstanding for more than two months the Director (Finance and Administration) shall seek explanation from the payee.
6. On a monthly basis, reconciliation shall be done between the collection /payments and the main account. Outstanding payments shall be brought to the attention of the Director for action.

7. After the Director (Finance and Administration) has reviewed the bank reconciliation and all adjusting entries, the Director-General shall counter-sign them as an indication of her/his approval.

8.0 PAYROLL ADMINISTRATION

The procedures in this section deal with the financial aspects of the payroll. The Authority shall use automated payroll administration systems to prepare all payroll and related information.

8.1 Preparation and approval of the payroll

1. The payroll for the Authority shall be within the approved budget. All benefits and allowances paid with the salary shall be in conformity with the local tax laws and other government regulations.
2. Staff salaries shall be paid one month in arrears i.e. at the end of every month. The Director (Finance & Administration) assisted by the Human Resource Manager shall be responsible for the preparation of the payroll. He shall check:
 - Accuracy and completeness of the payroll.
 - Existence of persons shown therein
 - Accuracy of changes communicated by the Director
 - Recoveries or dues to third parties are complete
 - Computation of the statutory dues, including income taxes
 - That the payroll reconcile to the accounting records.
3. The Manager Human Resource shall complete the preparation of the payroll by the 20th of every month to avoid delay in salary payment. The Director, Finance and Administration shall sign the payroll as evidence of checking before submitting it to the Director General for review and approval. On approval by the Director General, the Accountant shall raise a Payment Voucher, write the bank Payment Order and return the documents back to the Director (Finance & Administrative) for checking. All salaries shall be paid through the bank unless under special circumstances when the payment can be done in cash. Prior approval of the Director-General will be required in this case.
4. The bank Payment Order and the transfer letter are sent to the Banks for payment by the 24th of the month. The Director, Finance & Administration shall ensure that there are sufficient funds in the bank account before the cheques are deposited in the bank. Each employee shall be issued with a monthly 'Pay Slip' showing basic salary and all other allowances due and deductions and the net pay. Remittance of the statutory deductions shall be made at the salary payment.
5. The Accountant shall maintain a memorandum record (register) of staff advances showing the date of advance, monthly recoveries and the outstanding balances. This record will be

reviewed and initialed by the Finance and Administration Division on a monthly basis and reconciled to the general ledger account for advances.

6. Staff leaving the Authority shall be removed from the payroll immediately. The Director General shall communicate this to the Director, Finance and Administration, who shall ensure that all amounts due from the staff, including outstanding advances, are recovered before final dues are paid.

8.2 Posting of the Payroll

1. The paid documents shall be forwarded to the Accountant for posting and filing. Posting shall be done using the Payment voucher (PV) and the Journal Voucher (OV), which must be approved by the Director, Finance & Administration before entering data into the computer system. The payroll shall be posted from the payroll summary generally following standard journal entries:

DR	Payroll expense ac (gross salary)	XXXX.XX
CR	TPR payable	XXXX.XX
CR	CSR payable	XXXX.XX
CR	Staff advances ac (with amount recovered through payroll)	XXXX.XX
CR	Bank (with the net pay per bank Payment Order)	XXXX.XX
CR	Cash (if any amount is paid through petty cash)	XXXX.XX
	To record the payroll for the month of per the attached payroll list	

2. All purchases of fixed assets shall be subject to the procurement procedures listed under "Public Procurement and Disposal Regulations and Procedures for the Authority. The Finance and Administration Division shall maintain a Fixed Assets Register, which will show the following:

- Item description
- Serial or model number
- Manufacturer/seller
- Date of acquisition
- Physical Location
- Condition of item
- Cost in Kenya Shillings
- Internal reference number
- Annual depreciation rate
- Depreciation charge for the year
- Accumulated depreciation and
- Net book value

3. All fixed assets shall be clearly marked and tagged with a label showing the identification and serial numbers, where applicable. The identification and serial numbers shall also be shown in the Fixed Assets Register as the reference numbers.

10. DISPOSAL OF ASSETS

1. The disposal shall be executed through a Board of Survey appointed by the Director-General as per the Public Procurement and Disposal Act 2005. PPOA shall devise and adopt a sound policy to ensure that a recognized evaluation system is used for all the assets before disposal. The assets of the Authority shall be disposed of on the following conditions:
 - Evidence of impairment
 - Obsolescence
 - Depreciation
 - Management deems it prudent to dispose
2. Annual and periodic physical verifications shall be done and results compared to the fixed assets register. The Accountant shall be responsible for updating the assets register, if there are any changes.

10.1 Insurance of fixed assets

The Authority shall take appropriate insurance policies to cover its assets. The Director-General shall be responsible for affecting all insurance policies with a reputable insurance company.

11. ACCOUNTING DOCUMENTS

11.1 Format of Accounting Documents

The accounting documents shall be pre-printed and serially numbered. The following accounting documents shall be maintained in required formats by the Authority:

- Receipt Books
- Local Service Order (LSO)
- Local Purchase Order (LPO)
- Cheque Books
- Bank Payment Order Books
- Petty Cash Payment Vouchers (PCV)
- Cheque Payment Vouchers (PV)
- Journal Vouchers (OV)

11.2 Accounting Documents Register

A separate register referred to as " Accounting Documents Register " shall be maintained for each of the specified accounting documents. All documents received and those issued out shall

be recorded in the register. Each issue shall be signed for by the drawer/recipient. At no time shall a person hold more than one active accountable document of the same nature. The Director, Finance and Administration shall maintain these registers.

11.3 Custody for Accounting Documents

The documents shall be kept in the custody of the Director, Finance and Administration and access to these documents shall be restricted to the key holder or persons approved upon his authority. The Director, Finance and Administration shall make examination of these books on a regular basis to ensure the documents are correctly recorded in the required formats and properly stored.

11.4 Completed Accounting Documents

The users shall account for all completed Accounting documents. The Accounting Documents Register shall show when such books were completed. Completed books shall be kept for a period of seven (7) years before they are destroyed to maintain an audit trail in the event of an audit or a special investigation. They shall be destroyed only on the approval by the Director-General.

11.5 Loss of Accounting Documents

Loss of accounting documents or part thereof shall be immediately reported to the Director-General. The circumstances surrounding the loss shall be investigated. The Director' General shall make a decision as to whether to report the matter to the Police, publish the loss in the press or any other action in the circumstances, in the best interest of the Authority.

12. CODING

Transactions shall be identified and classified by allocating account codes detailed in the Authority's 'Chart of Accounts' before posting into the General Ledger. The financial statements (Balance Sheet and Income & Expenditure Account and the Cash Flow Statement) shall be derived from the General Ledger. Transactions shall be captured into the ledger on a timely basis so as to maintain balances, which accurately reflect the financial position of the Authority at any given time. The Authority shall use automated coding and accounting systems to prepare all accounting and related information.

13. ACCOUNTING RECORDS

The Commission shall maintain the following accounting records in the required automated formats or as required:

- General ledger
- Cash Books
- Petty Cash Book
- Contract Register

- Fixed Assets Register
- Invoice Register
- Payroll
- Accountable Documents Register

13.1 General Ledger

The Authority shall maintain a computerized General Ledger with the accounts as shown in the chart of accounts. Sub-accounts shall be opened under the respective series as appropriate. The Accountant shall be responsible for maintaining the master chart of accounts and must be consulted before any changes are done on the chart of accounts.

13.2 Posting of Transactions and Review Procedures

1. The accountant shall capture all accounting data from original vouchers/primary records. Posting of transactions to the general ledger shall be done through the following accounting documents.
 - Receipt Voucher (RV) - To record all receipts in cash or cheque
 - Payment Voucher (PV) - To record all payments by cheques or payment orders
 - Petty Cash Voucher (PCV) - To record all cash payments
 - Journal Voucher (JV) - To record transactions other than those specified above
2. All the above documents constitute accounting documents, which must be serially numbered and approved by the Director, Finance and Administration before posting. The reference number shall in all cases be quoted when posting into the general ledger accounts.
3. Any adjustments, editing or correction of errors after posting has been done shall be done through journal Voucher entries prepared by the Accountant and approved by the Director, Finance & Administration. The adjusting JV must refer clearly to the original JV entry.
4. A 'POSTED' stamp shall be affixed on all posted documents, which shall indicate the date of posting and initials of staff who posted them.
5. The Accountant shall print a transactions listing and check it against the original vouchers/primary records before updating the general ledger i.e. before activating the 'valid' command. The Director (Finance and Administration) shall approve and sign the listing as evidence of reviewing the postings for correctness and completeness.

14. REPORTING PROCEDURES

1. The reporting procedures are meant to improve the level of Management Information system (MIS) by ensuring that the resulting information is relevant, reliable and timely.
2. The general ledger is the primary source of the Authority's financial information. To achieve any meaningful reporting levels, the general ledger should be updated regularly, preferably

on a daily basis with all the financial transactions that have occurred. Further, it is imperative that the date inputted in the computer system should be subjected to prior and post review procedures to minimize errors and omissions.

3. It shall be the responsibility of the Director (Finance & Administration) to ensure that routine, monthly and year-end financial reports are prepared and presented to the Director-General within the stipulated deadlines.

14.1 Monthly Procedures

The monthly procedures shall be completed within six (6) working days after the end of the month

14.2 Reconciliations

1. Preparation of reconciliations for all the bank accounts Preparation of the petty cash reconciliation and review of the petty cash book
2. Reconciliation/analysis of other general ledger accounts, including all the suspense accounts
3. Reconciliation of the general ledger contract accounts to the individual contract cards

14.3 Reports

1. Preparation of the monthly financial statements (Income & Expenditure ac and the Balance Sheet)
2. Preparation of the budget execution report (Actual expenditure/income versus budgeted expenditure/income)
3. Any other report or management information that the Director General may request.

Quarterly and year-end Procedures

Quarterly procedures - to be completed within 20 working days after the end of the quarter/year - end procedures - to be completed within 30 working days after the end of the year

1. Preparation of the quarterly/annual financial statements (Income & Expenditure a/c, Balance Sheet and the cash flow statement)
2. Preparation of the budget execution report (Actual expenditure/income versus budgeted expenditure/income)
3. Any other report or management information that the Director General may request.

14.4 Annual Financial Report and Accounts

The Authority shall prepare an annual financial report for each year. The annual report shall be completed for submission to Advisory Board and the Minister of Finance by 31 October. It is the responsibility of the Director-General in conjunction with all Directors to ensure the report is prepared by this date. The Annual Report shall be published in the gazette and in such other

manner as the Authority may determine. The Authority shall deliberate and adopt the report before it is published.

14.5 Management Reports

The Accounts Division/Department shall produce to management monthly report of the financial status of the operations of the Authority. This is in addition to other reports that may be required

15. ACCOUNTABILITY

1. Every officer involved in the processing of payment shall be held personally responsible for his part in the process and each officer has therefore to ascertain the validity of documents before him and their contents. Verbal instructions or confirmation will not be accepted where documentary evidence is required.
2. Officer in-charge of accounts shall write detailed accounting principles and procedures which shall serve as a basis of the Authority's accounting process. These principles and procedures (or their revised version) shall be issued two months prior to the beginning of any financial year and shall be the basis of accounting for that year.
3. When a member of staff or any party is dissatisfied with a decision by any officer or officers or committee he shall seek redress from the Director General whose decision shall be final.
4. Whenever an issue of policy interpretation arises, the Director-General may convene an ad hoc policy Committee to deliberate on the issue and make recommendations as to the best course of action that may be taken by the Director General. The Committee may seek the opinion of experts from within or without the Authority but the ultimate decision shall lie with the Director-General.

16. AUDIT

The Annual Accounts of the Commission shall be prepared, audited and reported upon in accordance with the Public Audit Act – 2003. Issues raised in the audit report shall be responded to and dispensed with immediately.

17. PERIODIC REVIEW

A mandatory review shall be carried out after one year of operation. Thereafter, at least once every two years, a review should be carried out unless the Director-General instructs to have an earlier review. The review will be dictated by the exigencies of the changing circumstances in the internal and external environment of the Authority.

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COMPOSITION AND TERMS OF REFERENCE FOR MANAGEMENT COMMITTEES IN THE PPOA

- 1. Senior Management Committee**
- 2. Procurement Committee**
- 3. Finance & Procurement Committee**
- 4. Human Resource Management Committee**
- 5. Central Planning Committee**
- 6. Audit Committee**
- 7. Tender Committee**
- 8. Administrative Review of Procurement Proceedings and
Composition and Membership of The Review Board**
- 9. TOR for the Advisory Board**

COMPOSITION AND TERMS OF REFERENCE FOR MANAGEMENT COMMITTEES IN THE PPDA 2005

Preamble

The Public Procurement and Disposal Act, 2005 (Act) provides the Director General with the powers necessary to properly manage the Authority in order to achieve required outcomes. The required outcomes include: delivery on core mandates effective resource management, effective delivery of services and ensuring compliance with the Act, and keeping the Advisory Board and the Procurement Units informed as required by the Act.

For the Authority to be effective efficient in fulfilling its broad mandates, it is necessary to set up a Management structure through committees which will ensure that the Authority operates collaborating and cohesively and plans for the holistic and coordinated functioning at all levels.

The following terms of reference and composition are proposed for the various operational Committees and Boards as indicated hereunder:

1. Senior Management Committee
2. Procurement Committee
3. Finance & Procurement Committee
4. Human Resource Management Committee
5. Central Planning Committee
6. Audit Committee
7. Tender Committee
8. Administrative Review Board
9. Advisory Board

These Committees are intended to enhance efficiency and accountability but without introducing unnecessary bureaucracy in the management of the Authority.

1. SENIOR MANAGEMENT COMMITTEE

Purpose

The Senior Management Committee is a standing Committee of the Authority. It is the Supreme Policy and Administrative organ of the Authority. The main purpose of the Committee is to provide strategic leadership and direction for the Authority.

Membership and Organization

Chairman

Director-General

Members

1. Director, Policy, Planning and Advisory Services
2. Director, Finance and Administration
3. Director, Legal Services and Secretary to the Board
4. Director, Monitoring and Evaluation
5. Director, Capacity Building
6. Public Relations Officer

Secretary – Public Relations Officer

1.1 Terms of Reference

- Formulate, and implement the Authority’s Management and Administrative Policies
- Ensure appropriate and timely Quarterly and Annual Reports for their Divisions are prepared and presented to the Committee or the Advisory Board.
- Monitor the implementation of the corporate strategy through operational and budget mechanisms and to review and modify the strategy as necessary in the light of feedback from operational plans.
- Oversee that the Authority’s resources are utilized with appropriate measure and economy to set a living example to all procurement entities.

Meetings

The Senior Management Committee shall meet at least two (2) times in a month. However, as may be deemed necessary.

A minimum of three (3) members, including the Chairman, present shall form a quorum.

The Committee may request any member of the staff of the Authority to attend meeting(s) to assist with its discussions on any particular matter.

Access

The Senior Management Committee members or their representatives shall have unrestricted and confidential access to the chair of the committee at all times.

Reporting

Reports or minutes shall be made available to the oversight board, clearly indicating its deliberations, conclusions and recommended plan of action.

A Register shall be maintained by the Secretary on all the resolutions deliberated upon by the Committee for follow-up and evaluations of action taken.

Information Requirements

The Senior Management Committee, through the Secretary, shall be provided by the action officers with:

1. A progress report from the action officers summarizing
2. Work performed compared with work planned
3. Key issues emerging from work done
4. Status of stakeholders response

2. PROCUREMENT COMMITTEE

Purpose

Procurement Committee is a standing committee of the Authority and reports to the Director General. The Committee will be required to deliver on all procurement aspects of the Authority and make recommendations to the Director General for approval in line with the Public Procurement and Disposal Act, 2005.

Membership and Organization

The Chairman – Director, Finance and Administration
Secretary – Assistant Manager, Procurement

Any other member of staff that the Committee may deem appropriate to appoint for a specific task

Terms of Reference

- To review and recommend for approval of the Director General financial policies formulated by Management.
- To review and recommend for approval of the Director General estimates of the income and expenditure of the PPDA for the next ensuing financial year.
- To review and deliberate on monthly Income and Expenditure reports
- To review quarterly, annual and other statutory financial Estimates/Statements and recommend for their forwarding to the Treasury.
- To consider and recommend special funding proposals including borrowings and grants and related project reports.

Procurement Committee

Terms of Reference

The Terms of Reference as contained in the regulation manual will include:

- Maintaining a standing lists of bidders or lists of prequalified bidders required by the procuring entity and liaises with the Authority's register of suppliers and procuring agents.
- Prepare public and distribute invitations to tender, pre-qualifications documents and invitations for expressions of interest.
- Receive, open and safeguard applications to pre-qualify and expressions of interest.
- Evaluate applications to pre-qualify and assess expression of interest.

Meetings

- The procurement committee shall meet at least once a month. However, the chairman may convene additional meetings as may be deemed necessary.
- A minimum of three (3) members, including the Chairman shall form a quorum.

Access

The members of Committee shall have unrestricted and confidential access to: the Chair of the Committee at all times.

Reporting

Reports/Minutes shall be made available to the Director-General following a meeting, clearly indicating deliberations, conclusions and recommended plan of action.

The Secretary shall record Minutes of all procurement Committee meetings which shall include a register of attendance, the date of the meeting, list of all submissions conducted.

Information Requirements

The Committee, through the Secretary, shall be provided for each meeting with

- Progress report from the head of departments summarizing
- Key issues emerging from on-going procurements
- Charges to procurement implementation plans
- Any limitation in resources that may affect implementation

3. FINANCE AND BUDGET COMMITTEE

Purpose

The Finance and Budget Committee is a Standing Committee of the Authority and reports to the Director General. The Committee will be required to deliberate on all financial and budgetary issues of the PPOA.

Organization

Chairman: Director, Policy, Planning and Advisory Services

Members: All Directors

Secretary: finance Manager

Terms of Reference

- Promulgate policies and programs for revenue collection for PPOA
- Recommend to the Director-General methods of revenue collection for self sustenance of the PPOA
- Recommend operational budgets for all Divisions of PPOA to the Director-General for approval
- To consider, recommend or advise on proposals for write offs/write back of significant losses and/or accounting differences
- To assist the Director-General in overseeing the implementation of the Authority financial, accounting and regulations and procedures.

Meetings

- The Finance and Budget Committee shall meet at least two (2) times in a month. However, the Chairman may convene additional meetings as may be deemed necessary.
- A minimum of three (3) members, including the Chairman of the Committee present shall form a quorum
- The Finance and Budget Committee may request/co-opt any member of staff of PPOA to attend meeting(s) to assist it with its discussions on any particular matter.

Access

The members of the Finance and Budget Committee or their appointed representatives shall have unrestricted and confidential access to the Chair of the Committee at all times.

Reporting

Reports or Minutes shall be made available to the Director-General, clearly indicating its deliberations, conclusions and recommended plan of action. A register shall be maintained by the Secretary on all findings/recommendations deliberated upon by the Committee for follow up and evaluation of action taken.

Information Requirements

The Finance and Budget Committee, though the Secretary, shall be provided for each meeting with: A progress report from all departments summarizing:

- Work performed compared with work planned
- Key issues emerging from work done

- Status of stakeholders response to findings and recommendations
- Changes to the annual work plane
- Any limitation in resources that may affect the implementation of the work plan.

The above list suggests minimum requirements for the inputs, which should be provided to the committee. In some cases more information may have to be provided as requested by the Finance and Budget Committee.

4. HUMAN RESOURCE MANAGEMENT COMMITTEE

Purpose

The Human Resource Management Committee is a standing Committee of the Authority and reports to the Director-General. The Committee's broad mandate is to advise on recruitment, placement, Training, promotion, welfare and staff disciplinary matters.

Organization

Chairman

Deputy Director, Finance and Administration

Members: All Deputy Directors

Secretary: Assistant Manager, Human Resources

Terms of Reference

- Initiating, developing, carrying out and monitoring measures designed to ensure high standards of equity and fairness in recruitment, promotion and discipline
- To assist in the development and review of recruitment, training, promotion and disciplinary practices, procedures and policies
- To assist in the enforcement of the Authority's staff rules and regulations and the Code of conduct and Ethics and make appropriate recommendations for review.
- To advise the Authority on all matters of staff training and development policies and to recommend to the Director-General any action necessary to ensure the effective and efficient delivery of training and development services
- As needs are identified, support and foster staff training and development in consultation with the Director-General opportunities available
- Seeks, allocate and distribute staff training and development funds according to approved guidelines.
- Review and approve staff requests for funding for self selected training and development opportunities.

5. CENTRAL PLANNING COMMITTEE

Purpose

The Central Planning Committee is a standing Committee and reports to the respective Director-General. The purpose of the Committee is to oversee the coordination and implementation of programs and activities in the Authority.

Membership and Organization

Chairman – Director, Policy, Planning and Advisory Services

Members: All Directors

Secretary: Assistant Manager, Policy Planning and Advisory Services

Terms of Reference

- To commence programs or activities in the respective Directorate
- To maintain liaison and exchange of information in the Authority
- Research and data analysis and collation for decision making
- Technical guidance on planning issues
- Monitoring of work programs and ensuring adherence to strategic plan

6. AUDIT COMMITTEE

Purpose

- Assisting the Director-General in enhancing internal controls in order to improve efficiency, transparency and accountability;
- Reviewing audit issues raised by both internal and external auditors
- Resolving unsettled and implemented public accounts and public investments committees' (PAC/PIC) recommendation; and
- Enhancing communication between management internal and external audit and fostering effective internal audit function.

Membership

Chairman Director, Legal services and Secretary to the Administrative Review Board

Secretary; Internal Auditor

Members

Members will be appointed by the Chief Executive in consultation with the Board and shall contain was executive board members including a representative of the Permanent Secretary/Treasury

Technical team

Head of Finance, Accounting, Procurement and internal Audit shall form part of the technical team to guide the committee but shall not have voting powers. Other technical representatives may be co-opted as and when required.

Meetings

The Audit Committee shall meet at least four times a year. However, the Chairman may convene additional meetings as may be deemed necessary

Quorum

A minimum of three (3) members, including, the Chairman of the Audit Committee present shall form a quorum.

Request to attend meetings to members

The audit committee may request any member of the staff of the Authority to attend meeting(s) to assist it with its discussions on any particular matter.

Access

The internal and external auditors or their representatives shall have unrestricted and confidential access to the chair of the Audit Committee at all times.

Reporting

Reports/Minutes shall be made available to the Director-General following an Audit Committee meeting, clearly indicating its findings, conclusions, and recommended plan of action. A register shall be maintained by the secretariat on all external and internal audit findings or recommendations deliberated upon by the committee for follow up and evaluation of action taken.

Information requirements

The Audit committee through the Secretariat, shall be provided for each meeting with:

- Progress report from the head of internal audit unit summarizing:
 - work performed compared with work planned
 - key issues emerging from internal audit work done

- status of management response to audit findings and recommendations
 - change to the annual work plan
 - any limitation in resources that may effect the implementation of internal audit work plan.
- The audit committee shall review and discuss all external audit reports and queries received and make appropriate recommendations for necessary action. The external audit representative may attend meetings of the audit committee during which reviews and discussions take place.

The above list suggests minimum requirements for the inputs, which should be provided to the audit committee. In some cases more, information may have to be provided as requested by the audit committee.

7. TENDER COMMITTEE

Purpose

To adjudicate on procurement tenders or quotations where the value exceeds the threshold prescribed in the First Schedule the procurement threshold matching in the Public Procurement and Disposal Act 2005.

Membership

Chairman

Members - All Directors

Secretary: Assistant manager, procurement

Terms of Reference

- To review, verify and ascertain that all procurement and disposal has been taken undertaken in accordance with the Act, the Regulation and the terms get out in the bidding documents
- To approve contract variations and modifications of previously awarded contracts
- To ensure that prices paid are competitive
- To review the selection of procurement method
- The review the quantity reports on quotation that have been awarded
- To consider and approve disposal procedures and recommendations, etc.

Meeting

- The Tender committee shall meet at least ones a month. However, the Chairman may convene additional meetings as may be deemed necessary.
- A minimum of five (5) members, including the Chairman, present shall form a quorum

- The Tender Committee may request/co-opt independent adviser or members of the procurement unit to explain submissions or provide technical advice, when required and in addition to the representative of various departments, at least two (2) observers to sit in its meetings in order to enhance accountability. At least one (1) observer shall come from a duly recognized private sector organization or discipline relevant to the procurement under consideration. The absence of the observers will not nullify the procurement proceedings.

Access

The committee members or their appointed representatives shall have unrestricted and confidential access to the chair at all times.

Reporting

Report or minutes shall be made available to the Director-General following a Committee meeting, clearly indicating its deliberations, conclusions and recommended plan of action. The Secretary of the Tender Committee shall record minutes of all tender committee meetings, which shall include a register of attendance, the date of the meeting, a list of all submissions considered, the decisions made on the submissions, a note on the basis for any evaluation made, any conflicts of interest declared by members and any dissenting opinions among tender committee.

Information requirements

The Tender Committee, through the Secretariat, shall be provided for each meeting with

- A progress report from the Departmental heads on previous approvals
- Key issues emerging from the implementation of past procurement approval
- Any limitations in resources that may affect the implementation of procurement progress.

The above list suggests minimum requirements for the inputs, which should be provided to the Tender Committee. In some cases more information may have to be provided as requested by the Committee.

8. ADMINISTRATIVE REVIEW OF PROCUREMENT PROCEEDINGS AND COMPOSITION AND MEMBERSHIP OF THE REVIEW BOARD

A “request for review” means a request for administrative review filed with the Review Board under section 93, 106 or 117 of the Act. The detailed workings of the Review Board are summarized in the Regulations and listed below:

SUBJECT	REGULATIONS
Appointment and tenure of members	<p>The members of the Review Board shall be appointed for a term of three years and shall be eligible for reappointment for one further term of three years Subject to paragraph (1), a member shall hold and vacate office in accordance with the member’s terms of appointment.</p> <p>Composition and membership. Pursuant to section 25 of the Act, the Review Board shall comprise of six members appointed by the Minister from among persons nominated by the following organizations;</p> <p>Kenya Association of Manufacturers; Law Society of Kenya; The Architectural Association of Kenya; The Institution of Engineers of Kenya; Institute of Certified Public Accountants of Kenya; Kenya Institute of Supplies Management; Institute of Certified Public Secretaries of Kenya; Chartered Institute of Arbitrators; Kenya National Chamber of Commerce and Industry; Kenya Institute of Management; Computer Society of Kenya; Pharmaceutical Society of Kenya; Federation of Kenya Employers; Central Organization of Trade Unions</p> <p>Three other members appointed by the Minister; and a Chairman appointed by the Minister from among the persons appointed under paragraph (a);</p> <p>Each organization referred to in sub regulation (1) (a) shall submit to the Minister the curriculum vitae of two members being nominated of whom one shall be a woman.</p> <p>The Director General shall appoint a Secretary to the Review Board from amongst the staff of the Authority.</p>
Quorum, panels and proceedings	<p>The quorum of the Review Board shall be three members including the Chairman. The Secretary may in consultation with the Chairman and the Review Board constitute a panel of three members to hear and determine a request for review and each panel shall elect its own chairman. In the absence of the Chairman, the Review Board may designate one member to act as Chairman for the purpose of that meeting. Decisions of the Review Board shall be taken by simple majority but in the case of a tie the proposal supported by the Chairman shall prevail.</p>
Resignation from office	<p>The Chairman or any other member of the Review Board may at any time, by notice to the Minister, resign from his office.</p>
Termination of appointment	<p>The Minister may terminate a person’s appointment as a member of the Review Board only if the person is unable to perform the functions of his office by reason of mental or physical infirmity; is adjudged bankrupt; is convicted of an offence under the Penal Code, the Anti Corruption and Economic Crimes Act, 2003, or the Act or these Regulations or an offence involving dishonesty; or is absent from three consecutive meetings of the Review Board to which the member has been invited without reasonable excuse.</p>

Allowances	The Authority shall pay the members of the Review Board such allowances as may be determined by the Advisory Board.
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PROCEDURES IN REVIEWS

Mode of filing requests	<ol style="list-style-type: none"> (1) A request for review under the Act shall be made in Form RB 1 set out in the Fourth Schedule to these Regulations. (2) The request referred to in paragraph (1) shall - state the reasons for the complaint, including any alleged breach of the Act or these Regulations; be accompanied by such statements as the applicant considers necessary in support of its request; be made within fourteen days of the occurrence of the breach complained of where the request is made before the making of an award; or (ii) the notification under sections 67 or 83 of Act; (d) be submitted in fifteen bound copies and a soft copy, pages of which shall be consecutively numbered; (e) be accompanied by the fees set out in Part II of the Fourth Schedule which shall not be refundable. (3) Every request for review shall be filed with the Secretary of the Review Board upon payment of the requisite fees. (4) The Secretary shall acknowledge filing of the request for review.
Notification of filing of request	<ol style="list-style-type: none"> (1) The Secretary shall immediately after the filing of the request under Regulation 73, serve a copy thereof on the procuring entity or Director General as the case may be. (2) The copy to the procuring entity under paragraph (1) shall also contain a notification of the pending review and the suspension of the procurement proceedings of such procuring entity. (3) Upon being served with a notification of a request, the procuring entity or the Director General shall within seven days or such lesser period as may be stated by the Secretary in a particular case, submit to the Secretary a written memorandum of response to the reasons for the request together with such documents as the Secretary may specify. (4) The Secretary shall, within fourteen days of the filing of the request, notify all other parties to the review of the filing and such parties may, at their own expense, obtain copies of the request for review.
Notice of Hearing	<ol style="list-style-type: none"> (1) The Secretary shall give reasonable notice of the date fixed for hearing to all parties to the review. (2) The notice referred to in paragraph (1) shall be in the format shown in Form RB 2 set out in the Fourth Schedule of the Regulations.
Representation by person of own choice	Any party to a request filed under Regulation 73 shall, at the hearing thereof, be entitled to be represented by an advocate or any other person of his own choice.
Preliminary objection	<ol style="list-style-type: none"> (1) A party notified under Regulation 74 may file a preliminary objection to the hearing of the request for review to the Secretary of the Review Board within five days from the date of notification. (2) The preliminary objection filed under paragraph (1) shall set out the grounds upon which it is based on and shall be served on the applicant at least one day before the hearing. (3) The applicant may file a reply to the preliminary objection before the time of the hearing of the request. (4) The Review Board shall hear the preliminary objection and make a determination whether to uphold or dismiss the same and shall record the reasons for the determination. (5) If the Review Board dismisses the preliminary objection, it shall soon thereafter proceed to hear the request for review as scheduled.

	(6) The fees chargeable for filing a preliminary objection shall be as set out in the Part II of the Fourth Schedule.
Invitation to the hearing.	(1) The Secretary shall, at least three days before the date set for the hearing, invite the members of the Review Board to attend the hearing. (2) The invitation under paragraph (1) shall set out the time, date, and place where the hearing shall take place. (3) The business of the Review Board shall be transacted between 8.00 a.m. and 5.00 p.m. on normal working days unless otherwise agreed to by the Secretary.
Disclosure of interest.	Where any member of the Review Board has a direct or indirect interest in any matter before the Review Board, he or she shall declare his or her interest in the matter and shall not participate in the hearing or decision-making process of the Review Board in relation to that particular matter.
Attendance at the hearing	If on the day set for the hearing of a review for which due notification has been given the applicant appears and the procuring entity fails to appear, the hearing of the request for review shall proceed in the absence of the procuring entity unless the Review Board deems it fit to adjourn the hearing; the procuring entity appears and the applicant does not appear, the request for review shall be dismissed unless the Board deems it fit to adjourn the hearing; if both parties fail to appear, the request for review shall be dismissed unless the Board deems it fit to adjourn the hearing.
Procedure at hearing	At the hearing of the request for review, unless decided otherwise by the Review Board, the applicant shall be given the first opportunity to present the case in support of the request and the procuring entity shall be given an opportunity to reply thereto.
Consolidation of requests	Where two or more requests for review are instituted arising from the same tender or procurement procedure the Review Board may consolidate the requests and hear them as if they were one request for review.
Withdrawal of requests for review	(1) A request for review may be withdrawn at any time before or during the hearing by notice in writing to the Secretary signed by the applicant and upon such notice being received the request for review shall be deemed to have been withdrawn. (2) When a request for review is withdrawn, the Secretary shall forthwith inform the Review Board and all parties to the review of the withdrawal.
Hearing of request.	(1) Hearing of review proceedings shall be open to all parties to the review. (2) The Review Board may, at the hearing of the request exclude any person from the hearing whom it deems is unruly, interruptive or otherwise conducts in an unreasonable manner.
Experts.	The Review Board may engage an expert to assist it in proceedings in which it feels it lacks the necessary expertise but the opinion of the expert shall not be binding on the Review Board.
Rules of evidence.	The Review Board shall not be bound to observe the rules of evidence in the hearing of a request under these Regulations.
Proof of documents	An order of the Review Board certified by both the Chairman and the Secretary to be a true copy thereof shall in any legal proceedings be prima facie evidence of the issuance of that order.
Communication to the Review Board.	All communications to the Review Board relating to matters pending before the Review Board shall be through the Secretary.

9. TOR FOR THE ADVISORY BOARD

Subject	Regulation
Establishment of Advisory Board	The Public Procurement Oversight Advisory Board is hereby established as an unincorporated body.
Composition of Advisory Board.	<p>(1) The Public Procurement Oversight Advisory Board shall consist of:</p> <p>(a) nine members appointed by the Minister and approved by Parliament from persons nominated by the prescribed organizations; and (b) the Director-General.</p> <p>(2) The First Schedule of the Act shall apply in respect of the members of the Advisory Board.</p>
Functions of Advisory Board.	<p>The functions of the Advisory Board are — (a) to advise the Authority generally on the exercise of its powers and the performance of its functions; (b) to approve the estimates of the revenue and expenditures of the Authority; (c) to recommend the appointment or termination of the Director-General in accordance with this Act;</p> <p>(d) to perform such other functions and duties as are provided for under this Act.</p>
Procedures of Advisory Board	<p>(1) The business and affairs of the Advisory Board shall be conducted in accordance with the Second Schedule.</p> <p>(2) Except as provided in the Second Schedule, the Advisory Board may regulate its own procedure.</p> <p>(3) Five nominated members of the Advisory Board shall constitute a quorum for the transaction of any business of the Board.</p> <p>(4) The Advisory Board may invite any person to attend any of its meetings and to participate in its deliberations, but such an invitee shall not have a vote in any decision of the Board.</p>
Membership of the Advisory Board	<p>(1) For the purposes of section 22(1)(a) of the Act, the Minister shall appoint nine members of the Public Procurement Oversight Advisory Board from persons nominated by the following organizations-</p> <p>Institute of Certified Public Accountants of Kenya;</p> <p>(a) Institution of Engineers of Kenya;</p> <p>(b) Kenya National Chamber of Commerce and Industry;</p> <p>(c) Kenya Federation of Master Builders;</p> <p>(d) Kenya Institute of Management;</p> <p>(e) Kenya Association of Manufacturers;</p> <p>(f) Law Society of Kenya;</p> <p>(g) Institute of Certified Public Secretaries of Kenya;</p> <p>(h) Marketing Society of Kenya;</p> <p>(i) Architectural Association of Kenya ;</p> <p>(j) Computer Society of Kenya;</p> <p>(k) Institute of Surveyors of Kenya;</p> <p>(l) Federation of Kenya Employers;</p> <p>(m) Central Organization of Trade Unions</p> <p>(2) Each organization referred to in sub regulation (1) shall submit to the Minister the curriculum vitae of two members being nominated of whom one shall be a woman.</p>

PROVISIONS RELATING TO MEMBERS OF THE ADVISORY BOARD

Subject	Regulation
Appointment of nominated members	1. The nomination and appointment of the members of the Advisory Board under section 22(1) (a) of the Act and shall be in accordance with the prescribed procedures and requirements.
Term of members	(1) The term of office of each nominated member of the Advisory Board shall be three years. (2) A person may not serve more than two terms as a nominated member of the Advisory Board.
Resignation	(1) A nominated member of the Advisory Board may resign by a written resignation addressed to the Minister. (2) A resignation is effective upon being received by the Minister or by a person authorized by the Minister to receive it.
Termination of appointment	4. The Minister, on the recommendation of the Advisory Board, may terminate a person's appointment as a member of the Advisory Board only if the person — (a) is unable to perform the functions of his office by reason of a mental or physical infirmity; (b) is adjudged bankrupt; (c) is convicted of an offence under the Penal Code or this Act or an offence involving dishonesty; or (d) is absent from three consecutive meetings of the Advisory Board without reasonable excuse.
Disclosure of personal interest	(1) A member of the Advisory Board who has a direct or indirect personal interest in a matter being considered or to be considered by the Advisory Board shall, as soon as reasonably practicable after the relevant facts concerning the matter have come to his knowledge, disclose the nature of his interest to the Advisory Board. (2) A disclosure of interest in a matter shall be recorded in the minutes of the meeting of the Advisory Board and the member shall not be present while that matter is being dealt with by the Advisory Board and shall not take part in any deliberations or vote relating to the matter.
Allowances	The Authority shall pay the members of the Advisory Board such allowances and expenses as are determined by the Minister for Finance.

PROVISIONS RELATING TO THE CONDUCT OF BUSINESS AND AFFAIRS OF THE ADVISORY BOARD

Subject	Regulation
Meetings	(1) The Advisory Board shall have at least four meetings in every financial year and not more than four months shall elapse between one meeting and the next meeting. (2) Meetings shall be convened by the Chairman, or in his absence by the Vice-chairman. (3) Unless three quarters of the members otherwise agree, at least fourteen days' notice of a meeting shall be given to every member. (4) A meeting shall be presided over by the Chairman, or in his absence by the Vice-chairman or in both their absences, by a person elected by the Advisory Board at the meeting for that purpose.
Voting	A decision of the Advisory Board shall be by a majority of the members present and voting and, in the case of an equality of votes, the person presiding at the meeting shall have a second or casting vote.

Chairman and Vice-chairman	(1) The Advisory Board shall elect one of its nominated members to be the Chairman of the Advisory Board and another of its nominated members to be its Vice-chairman. (2) Subject to an earlier resignation or termination, the Chairman and Vice-chairman shall each hold office until his current term as a member of the Advisory Board expires.
Secretary	The Director-General shall be the secretary of the Advisory Board.
Minutes	Minutes of all meetings shall be kept and entered in books kept for that purpose.

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**ORGANIZATION OF PPOA INTERNAL PROCUREMENT
MANAGEMENT ARRANGEMENTS**

May 2007

PPOA INTERNAL PROCUREMENT MANAGEMENT ARRANGEMENTS

The PPOA relating to internal procurement arrangements shall follow strictly the Public Procurement and Disposal Act, 2005 and the Public Procurement and Disposal Regulations, 2006. The organization and internal management arrangements for internal procurement of the Authority are provided in this manual.

Institutional Framework

The Public Procurement and Disposal Act, 2005 establishes the Public Procurement Oversight Authority as a body corporate and provides that the Authority shall have all the powers necessary or expedient for the performance of its functions. The Authority shall have perpetual succession and a common seal and shall be capable of suing and being sued in its corporate name; and holding and alienating movable and immovable property.

The PPOA is a permanent institution of the Government, funded under the revenue budget. The PPOA will have no procurement or contracting functions at any level except for its own needs. The unit may provide technical or professional advice on generic procurement issues referred to it, but shall not get involved or provide opinion in any specific procurement evaluation or contract award, thus preserving its pristine role as a policy, technical assistance, training and oversight unit.

The Authority shall have the following functions:

- (1) To ensure that the procurement procedures established under the Act are complied with
- (2) Monitor the public procurement system and report on the overall functioning of it and present to the Minister for Finance such other reports and recommendations for improvements as the Director-General considers advisable
- (3) To initiate public procurement policy and propose amendments to the Act or to the regulations
- (4) Assist in the implementation and operation of the public procurement system and in doing so:
 - Prepare and distribute manuals and standard documents to be used in connection with procurement by public entities;
 - Provide advice and assistance to procuring entities on procurement matters;
 - Develop, promote and support the training and professional development of persons involved in procurement;
 - Issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements; and
 - Ensure that procuring entities engage procurement professionals in their procurement units.
- (5) To perform such other functions and duties as are provided for under the Act

The establishment of the Public Procurement Oversight Authority will enhance the capacity for transparent and competitive procurement practices so that that public may be able to realize value for money. The role of the Authority to build an optimum organizational, management structure and other necessary institutional documents that are commensurate with modern management practices and that are in line with internationally accepted standards is crucial to the realization of the national ideal of an efficient, fair and transparent procurement system in the country. The vision and mission of Authority provides the direction and motivation for enhanced performance and continuous self-improvement and operations.

VISION

“To be a world class Public Procurement Oversight Authority”

MISSION

“To innovatively design and facilitate an effective supply chain system that provides value for money, by ensuring competition, fairness, transparency and accountability while contributing to national socio-economic development”.

MOTTO

“Spearheading best procurement practices for a better nation”.

THE AUTHORITY’S CORE VALUES

The Authority's operations and service delivery to the public are based on a value system whose core elements will be:

- Integrity
- Ethics & Professionalism
- Impartiality

These key elements are further underpinned by the following attributes:

- Promptness, Efficiency & Effectiveness
- Creativity & Innovativeness
- Discipline
- Commitment & Team Work
- Customer Focus
- Social Responsibility
- Transparency and Accountability

The organization and internal management arrangements for PPOA procurement are provided below:

Subject	Provisions for PPOA
Threshold matrix and segregation of responsibilities	<ol style="list-style-type: none"> (1) For the purpose of ensuring that its decisions are made in a systematic and structured way, PPOA shall establish procedures to provide for the making of decisions, relating to procurement. (2) The procedures required under subsection (1) shall be consistent with the Act and the regulations. (3) All procurement shall be: (a) within the approved budget of the PPOA and shall be planned by the PPOA concerned through an annual procurement plan; (b) undertaken by a PPOA as per the threshold matrix as set out in the regulations; (c) handled by different officers in respect of procurement initiation, processing and receipt of goods, works and services. (4) A public entity shall establish a tender committee, procurement unit and such other bodies as are required under the regulations for the purpose of making such decisions on behalf of the public entity as are specified in this Act and the regulations. (5) A committee or body established under subsection (4) shall be established in accordance with the regulations and shall (a) consist of not less than five members; (b) have as its secretary, the procurement professional in charge of the procurement unit. (6) PPOA shall not commence any procurement procedure until it is satisfied that sufficient funds have been set aside in its budget to meet the obligations of the resulting contract. (7) A procurement unit established under subsection (4) shall be staffed with procurement professionals whose qualifications have been recognized by the Authority. (8) For the purpose of this section, a "procurement professional" means a person who (a) has professional qualifications in procurement and supply management from a recognized institution; (b) is engaged in a calling or occupation in which recourse to procurement is directly or indirectly involved and has experience in the practice of procurement; and (c) is a member of a recognized institute of purchasing and supply. (9) The level of qualification and experience required of procurement professionals under subsection (8) shall be as prescribed. (10) The Authority shall facilitate the establishment of an examination body for procurement professionals and shall ensure support for their professional association.
Responsibility for complying with Act, etc.	<ol style="list-style-type: none"> (1) A public PPOA shall ensure that this Act, the regulations and any directions of the Authority are complied with respect to each of its procurements. (2) The accounting officer of a public entity shall be primarily responsible for ensuring that the public entity fulfils its procurement obligations. (3) Each employee of a public entity and each member of a board or committee of the public entity shall ensure, within the areas of responsibility of the employee or member, that this Act, the regulations and any directions of the Authority are complied with. (4) Contractors, suppliers and consultants shall comply with all the provisions of this Act and the regulations. (5) The accounting officer may use the procurement unit and tender committee of another procuring entity which shall carry out the procurement in accordance with this Act and the regulations. (6) The Authority shall have power to transfer the procuring responsibility of a procuring entity to another procuring entity or procuring agent in the event of delay or in such other instances as may be prescribed.
Procuring agents.	<ol style="list-style-type: none"> (1) Subject to subsection (2), public entity may appoint a procurement agent, on competitive basis, to carry out such procurement proceedings on its behalf as may be prescribed. (2) The Authority shall pre-qualify procuring agents to be engaged by public entity pursuant to subsection (1). (3) A procuring agent shall be registered with the Authority and where the procuring agent is undertaking procurement on behalf of a procurement entity, the procuring agent shall comply with the provisions of this Act and the regulations.
Roles of Accounting Officer	<p>In addition to the responsibilities stipulated under section 27(2) of the Act, the accounting officer shall be responsible for:</p> <ol style="list-style-type: none"> (1) ensuring that the public entity establishes a tender committee and a procurement committee in accordance with the Act and these Regulations; (2) ensuring that the public entity establishes a procurement unit;

Subject	Provisions for PPOA
	<ul style="list-style-type: none"> (3) signing contracts for the procurement and disposal activities on behalf of the public entity for contracts entered into in accordance with the Act and these Regulations; (4) ensuring that the procurement plans are prepared. (5) ensuring that the public entity properly documents procurement proceedings and manage records in accordance with these Regulations;
Procurement unit	<ul style="list-style-type: none"> (1) public entity shall establish a procurement unit in accordance with the Regulation 2006. (2) The level of qualification and experience required of procurement professionals under section 26(9) of the Act shall be stipulated by the Authority. (3) The functions of the procurement unit shall be to: <ul style="list-style-type: none"> (a) maintain and update annually standing lists of registered tenderers required by the public entity and liaise with the Authority in respect of the Authority's register of suppliers and procuring agents; (b) prepare, publish and distribute procurement and disposal opportunities including invitations to tender, pre-qualification documents and invitations for expressions of interest; (c) coordinate the receiving and opening of tender documents; (d) maintain and safeguard procurement and disposal documents and records in accordance with these Regulations. (e) submit shortlists and lists of pre-qualified tenderers to the tender committee or procurement committee for approval; (f) issue procurement and disposal documents to candidates in accordance with the Act and these Regulations; (g) propose the membership of evaluation committee to the accounting officer for approval; (h) coordinate the evaluation of tenders, quotations and proposals; (i) recommend a negotiating team for appointment by the accounting officer where negotiations are allowed by the Act and these Regulations and participate in negotiations; (j) prepare and publish notices of award and notices of tender acceptance; (k) prepare contract documents, in line with the award decision; (l) prepare and issue rejection and debriefing letters; (m) prepare contract variations and modifications to documents; (n) maintain and archiving documents and records of the procurement and disposal activities for the required period; (o) provide information, as required, for any petition or investigation to debar a tenderer or contractor or any investigation under review procedures; (p) implement the decisions of the procurement, tender and disposal committees including coordinating all activities of these committees; (q) act as a secretariat to the tender, procurement and disposal committees; (r) liaise with the Authority and other bodies on matters related to procurement and disposal; (s) prepare and submit to the Authority reports required under the Act, these Regulations and guidelines of the Authority; (t) monitor contract management by user departments to ensure implementation of contracts in accordance with the terms and conditions of the contracts; (u) report any significant departures from the terms and conditions of the contract to the DG of the public entity; (v) recommend for delegation of a procurement or disposal function to another procuring entity by the head of the procuring entity whenever a need arises; (w) prepare consolidated procurement and disposal plans; (x) advise the public entity on aggregation of procurement to promote economies of scale; (y) co-ordinate internal monitoring and evaluation of the supply chain function; (z) carry out periodic market surveys to inform the placing of orders or adjudication by the relevant award committee; (aa) conduct periodic and annual stock taking; (bb) certify the invoices and payment vouchers to suppliers; (cc) approve extension of the tender validity period; (dd) verify that the available stock levels warrant initiating a procurement process; (ee) carry out any other functions and duties as are provided under the Act and these Regulations and any other functions that might be stipulated by the Authority.
Tender committee	The public entity shall establish a tender committee in the manner set out in the Second Schedule to the Regulations, 2006. The functions of the tender committee shall be to:

Subject	Provisions for PPOA
	<ul style="list-style-type: none"> (a) review, verify and ascertain that all procurement and disposal has been undertaken in accordance with the Act, these Regulations and the terms set out in the tender documents; (b) approve the selection of the successful tender or proposal; (c) award procurement contracts in accordance with thresholds prescribed in First Schedule (d) ensure that funds are available for the procurement under consideration; (e) ensure that the public entity does not pay in excess of prevailing market prices; (f) where aggregation of procurements has been proposed, to review and approve such aggregation; (g) where packaging into lots has been proposed to review and approve for the use of such lots; (h) review the selection of procurement method and where a procurement method other than open tender has been proposed, to ensure that the adoption of the other procurement method is in accordance with the Act, these Regulations and any guidelines stipulated by the Authority; (i) approve the list of tenderers in cases of restricted tendering pursuant to Regulation 54(3); (j) approve the list of persons qualified to submit proposals pursuant to section 80 of the Act; (k) approve the list of persons to be given requests for quotations pursuant to Regulation 59(2) (l) approve negotiations under the Act, these Regulations and as may be stipulated by the Authority; (m) approve the amendment of contracts previously awarded by the tender committee, in accordance with the Act and these Regulations; (n) review the quarterly reports on quotations that have been awarded by the procurement committee. (o) undertake any other functions and duties as are provided under the Act, these Regulations or as may be stipulated by the Authority.
Approvals by tender committees	<ul style="list-style-type: none"> (1) In considering submissions made by the procurement unit or evaluation committees, the tender committee may: <ul style="list-style-type: none"> (a) approve a submission ;or (b) reject a submission with reasons; or (c) approve a submission, subject to minor clarifications by the procurement unit or evaluation committee. (2) The tender committee shall not: <ul style="list-style-type: none"> (a) modify any submission with respect to the recommendations for contract award or in any other respect; (b) reject any submission without justifiable and objective reasons; (c) where the tender committee rejects the recommendation of the evaluation committee, the decision shall be reported to the head of the procuring entity or to the accounting officer (3) Any submission rejected by the tender committee may be resubmitted and the tender committee shall provide explanation and justification of its decision thereof.
Procedure for tender committee meetings	<ul style="list-style-type: none"> (1) The accounting officer or the head of the procuring entity shall appoint an alternate member for each member of the tender committee and only the alternate shall attend any meeting of the tender committee whenever the member is unable to attend. (2) The quorum of the tender committee shall be five members including the chairman. (3) Decisions of the tender committee shall be by consensus and where there is no consensus, the decision shall be through voting by simple majority and where there is a tie, the chairman shall have a second or casting vote. (4) Where any member of the tender committee has a direct or indirect interest in any matter, he or she shall declare his or her interest in the matter and shall not participate in the deliberations or decision-making process of the committee in relation to that particular matter. (5) Members of the tender committee may be paid such honoraria as the procuring entity may determine.

Subject	Provisions for PPOA
	<p>(6) The tender committee shall cause to be prepared minutes of all its meetings and such records shall include:</p> <ul style="list-style-type: none"> (a) a register of attendance; (b) date of the meeting; (c) list of all matters considered; (d) the decision made for each matter, including any major issues discussed, the reasons for any rejections and any clarifications or minor amendments to which the approval is subject; (e) a note on the basis for any evaluation made; (f) any conflicts of interest declared by members; (g) any dissenting opinions among tender committee members; and (h) such other records as may be necessary. <p>(7) The tender committee may invite independent advisers or members of the procurement unit to explain submissions or provide technical advice, where required.</p> <p>(8) To enhance transparency of the procurement process the procuring entity shall invite in addition to the representative of various departments, at least two observers to attend its meetings in cases where the value of the contract is estimated to be above fifty million shillings.</p> <p>(9) At least one (1) observer shall come from a duly recognized private sector organization or discipline relevant to the procurement under consideration.</p> <p>(10) The failure of an invited observer to attend a meeting shall not nullify the procurement proceedings.</p>
Tenders Opening Committee	<p>(1) The accounting officer shall appoint a tenders opening committee specifically for the procurement in accordance with the following requirements and such other requirements as may be prescribed: (a) the committee shall have at least three members; and (b) at least one of the members must not be directly involved in the processing or evaluation of the tenders.</p> <p>(2) Immediately after the deadline for submitting tenders, the tender opening committee shall open all tenders received before that deadline.</p> <p>(3) Those submitting tenders or their representatives may attend the opening of tenders.</p> <p>(4) The tender opening committee shall assign an identification number to each tender.</p> <p>(5) As each tender is opened, the following shall be read out loud and recorded in a document to be called the tender opening register:</p> <ul style="list-style-type: none"> (a) the name of the person submitting the tender; (b) the total price of the tender including any modifications or discounts received before the deadline for submitting tenders except as may be prescribed; and (c) if applicable, what has been given as tender security. <p>(6) The public entity shall, on request, provide a copy of the tender opening register to a person submitting a tender.</p> <p>(7) Each member of the tender opening committee shall:</p> <ul style="list-style-type: none"> (a) sign each tender on one or more pages as determined by the tender opening committee; and (b) initial, in each tender, against the quotation of the price and any modifications or discounts. <p>(8) The tender opening committee shall prepare tender opening minutes which shall set out: (a) a record of the procedure followed in opening the tenders; and (b) the particulars of those persons submitting tenders, or their representatives, who attended the opening of the tenders.</p>
Disposal Committee	<p>(1) The public entity shall, for the purposes of section 128 of the Act, establish a disposal committee comprising of at least five members as follows:</p> <ul style="list-style-type: none"> (a) the officer in charge of finance; (b) the head of the procurement unit who shall be the Secretary; (c) the head of the accounting department; and (d) two heads of end user departments, of whom one shall be the head of the end-user department disposing of the stores or equipment. <p>(2) The disposal committee shall select a chairperson from amongst its members.</p> <p>(3) The disposal committee shall pursuant to section 128(2) of the Act, first meet within fourteen days of its appointment and subsequently at least once in every quarter.</p> <p>(4) The accounting officer shall, pursuant to section 129(4) of the Act, give the disposal committee a written notice as to whether he accepts or rejects the recommendations of the disposal committee within fourteen days of receipt of the recommendations.</p>

Subject	Provisions for PPOA
Disposal to employees	<p>(1) The public entity may, pursuant to section 131 of the Act, dispose its unserviceable, obsolete or surplus stores and equipment to an employee of the public entity or a member of a board or committee of the public entity where:</p> <p>(a) the time and cost required to dispose to any other person would be disproportionate to the value of the unserviceable, obsolete or surplus stores and equipment to be disposed;</p> <p>(b) the employee is in possession of the stores or equipment to be disposed and may be given the first priority to purchase the same.</p> <p>(2) Every disposal made by the public entity under paragraph (1) shall be documented by the accounting officer or DG of the public entity within fourteen days of the disposal.</p>
Responsibilities of user departments	<p>A user department shall be responsible for:</p> <p>(1) initiating procurement and disposal requirements and forward them to the procurement unit;</p> <p>(2) participating in the evaluation of tenders, proposals and quotations;</p> <p>(3) reporting any departure from the terms and conditions of the contract to the procurement unit;</p> <p>(4) forwarding details of any required variations to contracts to the procurement unit for consideration and action;</p> <p>(5) maintaining and archive records of contract management;</p> <p>(6) preparing any reports required for submission to the procurement unit, the procurement committee, the tender committee, head of procuring entity or the accounting officer;</p> <p>(7) undertaking conformity assessments of supplied goods, works and services with the specifications of the contract documents</p> <p>(8) endorsing the issuance of goods, works and services received notes;</p> <p>(9) preparing technical specifications and submit the same to the procurement unit;</p> <p>(10) assisting in the preparation of procurement and disposal plans;</p> <p>(11) making clarifications on tenders, requests for quotations and any other matter as may be required; and</p> <p>(12) carrying out any other functions and duties as provided under the Act and these Regulations or as may be stipulated by the Authority.</p>
Procurement committee	<p>(1) A procuring entity shall establish a procurement committee.</p> <p>(2) The procurement committee shall be responsible for procurement below the threshold of the tender committee set out in the First Schedule</p> <p>The procurement committee shall be composed of:</p> <p>(a) an official delegated by the head of the procuring entity or the accounting officer, who shall serve as the chairman of the committee;</p> <p>(b) the finance officer or an officer carrying out related functions;</p> <p>(c) three other members appointed by the head of the procuring entity or the accounting officer.</p> <p>(d) The head of the procurement unit shall appoint an officer to serve as secretary to the procurement committee.</p> <p>Approvals by procurement committee. In considering submissions made by the procurement unit, the procurement committee may:</p> <p>(a) approve a submission ;or</p> <p>(b) reject a submission with reasons; or</p> <p>(c) approve a submission, subject to minor clarifications by the procurement unit.</p> <p>(3) The procurement committee shall not:</p> <p>(a) modify any submission with respect to the recommendations for contract award or in any other respect;</p> <p>(b) reject any submission without justifiable and objective reasons.</p> <p>(4) Any submission rejected by the procurement committee may be resubmitted and the procurement</p>

Subject	Provisions for PPOA
	<p>committee shall provide explanation and justification of its decision thereof.</p> <p>Procedure for procurement committee meetings.</p> <ol style="list-style-type: none"> (1) The quorum for a meeting of the procurement committee shall be the chairman and at least two other members. (2) Where any member is unable to attend a meeting of the procurement committee, that member shall delegate authority to an appropriate official, who shall attend the meeting in his or her place. (3) Members of the procurement committee shall ensure that their authority is only delegated to officials with appropriate skills and experience to represent them at a meeting of the procurement committee. (4) Decisions of the procurement committee shall be by consensus and where there is no consensus, the decision shall be through voting by simple majority and where there is a tie, the chairman shall have a second or casting vote. (5) Where any member of the procurement committee has a direct or indirect interest in any matter, he or she shall declare his or her interest in the matter and shall not participate in the deliberations or decision-making process of the committee in relation to that particular matter. (6) The procurement committee may invite independent advisers or members of the procurement unit to explain submissions or provide technical advice, where required. (7) The procurement committee shall cause to be prepared minutes of all its meetings and such records shall include: <ol style="list-style-type: none"> (a) a register of attendance; (b) date of the meeting; (c) list of all matters considered; (d) the decision made for each matter, including any major issues discussed, the reasons for any rejections and any clarifications or minor amendments to which the approval is subject; (e) a note on the basis for any evaluation made; (f) any conflicts of interest declared by members; (g) any dissenting opinions among procurement committee members; and (h) such other records as may be necessary.
Evaluation committees	<ol style="list-style-type: none"> (1) For each procurement within the threshold of the tender committee, the procuring entity shall establish an evaluation committee for the purposes of carrying out the technical and financial evaluation of the tenders or proposals. (2) An evaluation committee established under paragraph (1) may comprise: <ol style="list-style-type: none"> (a) a separate financial evaluation committee and a separate technical evaluation committee; or (b) a combined financial and technical evaluation committee. (3) An evaluation committee shall consist of a chairman and at least two other members all appointed by the accounting officer or the head of the procuring entity upon recommendation by the procurement unit. (4) No person shall be appointed under paragraph (3) if such person is a member of the tender committee of the procuring entity. (5) A technical evaluation committee established in accordance with paragraph (2)(a) shall be responsible for: <ol style="list-style-type: none"> (a) technical evaluation of the tenders or proposals received strictly in adherence with the compliance and evaluation criteria set out in the tender documents; (b) performing the evaluation with all due diligence and within a period of thirty days after the opening of the tenders. (6) Each member of the technical evaluation committee shall evaluate independently from the other members prior to sharing his or her analysis, questions and evaluation including his or her rating

Subject	Provisions for PPOA
	<p>with the other members of the technical evaluation committee.</p> <p>(7) A financial evaluation committee established in accordance with paragraph (2) shall be responsible for:</p> <ul style="list-style-type: none"> (a) financial evaluation of the tenders or proposals received strictly in adherence with the compliance and evaluation criteria set out in the tender documents or request for proposals; (b) performing the evaluation with all due diligence and within a period of five days from the time of completion of the technical evaluation. <p>(8) Under no circumstances may any member of an evaluation committee enter into direct communication with any of the tenderer participating in a tender or proposal that such evaluation committee is considering.</p> <p>(9) An evaluation committee shall prepare a report on the analysis of the tenders received, and final ratings assigned to each tender and submit the report to the tender committee.</p> <p>(10) The report prepared under paragraph (9) shall include:</p> <ul style="list-style-type: none"> (a) minutes of the opening of the tenders or proposals; (b) the results of the preliminary evaluation, with reasons why any tenders or proposals were rejected; (c) the scores awarded by each evaluator for each tender or proposal; (d) a summary of the relative strengths and weaknesses of each tender or proposal; (e) the total score for each tender or proposal; and (f) a recommendation to award the tender to the lowest evaluated tenderer or to the person who submitted the proposal with the highest total score.
<p>Inspection and acceptance committee</p>	<p>(1) A procuring entity shall establish an inspection and acceptance committee.</p> <p>(2) The inspection and acceptance committee shall be composed of a chairman and at least two other members appointed by the accounting officer or the head of the procuring entity on the recommendation of the procurement unit.</p> <p>(3) The inspection and acceptance committee shall immediately after delivery of the goods, works or services:</p> <ul style="list-style-type: none"> (a) inspect and where necessary, test goods received; (b) inspect and review goods, works or services in order to ensure compliance with the terms and specifications of the contract; (c) accept or reject, on behalf of the procuring entity, the delivered goods, works or services. <p>(4) The inspection and acceptance committee shall :</p> <ul style="list-style-type: none"> (a) ensure that the correct quantity has been received; (b) ensure that the goods, works or services meet the technical standards defined in the contract; (c) ensure that the goods, works or services have been delivered or completed on time, or that any delay has been noted; (d) ensure that all required manuals or documentation have been received; and (e) issue interim or completion certificates or goods received notes, as appropriate and in accordance with the contract.



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2ND INTERIM REPORT

**CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT
SYSTEMS FOR THE GOVERNMENT OF KENYA PUBLIC
PROCUREMENT OVERSIGHT AUTHORITY (PPOA)**

VOLUME 3

ICT Component



2ND INTERIM REPORT

CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT SYSTEMS FOR THE GOVERNMENT OF KENYA PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

VOLUME	DOCUMENT	CONTAINS
1	Text Volume	1. Report Text Volume
2	Finance and Administration Manual	1. Financial and Accounting Regulations and Procedures Manual 2. Composition and Terms of Reference for Management Committees in the PPOA 3. Organization Of PPOA Internal Procurement Management Arrangements
3	ICT Component	Business Processes, Manuals, Technical Specifications and Annexes
4	Human Resources Policy and Administration Manual	Human Resources Policy and Administration Manuals and Annexes

Contract No. AFP-I-00-04-00002-00

Order No. 08

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1.0 DETAILED DESCRIPTION OF ICT DELIVERABLES

1.1 ICT NEEDS ASSESSMENT

This stage will involve the evaluation of PPOA's ICT requirements and will be divided into four sections as described below.

1.1.1 ICT Requirements Necessary to Achieve Communication Objectives

- Communication infrastructure – LANs, PABX, e-mail and internet connectivity, fax machines, use of ISDN lines, use of GSM lines etc.
- Operating Systems for servers and client computers
- Computing equipment – desktop computers, UPSs, laptops, printers, photocopiers, scanners, servers, tape drives, air conditioning for the server room, and other peripherals etc
- Personal productivity tools – word processing software, spreadsheet software, simple database software, presentation software
- Corporate Communication Software – e-messaging software, internet connectivity and management software, basic website specifications, website server and database servers
- Security hardware and software – firewalls, enterprise wide antivirus software, anti-spamming software, intrusion detection software, password policy management software, access control systems for the server room and other areas, redundancy for servers, redundancy for LAN components, etc
- Performance management and support systems – helpdesk system for IT, LAN management software, automated software distribution systems, remote control systems, space management systems for the server, automated backup for client computers on the LAN, etc

1.1.2 ICT Requirements Necessary to Achieve All Management Objectives

- Financial Management software – General ledger, chart of accounts, budgeting module, accounts payables, accounts receivables, cash management module, commitment accounting module, and reporting modules
- Purchasing Module – planning and costing, supplier database, requisitioning, order processing, blanket orders, invoices, credit memos, purchase journals, item journals, item reclassification journals etc
- Stock Management software – receipt of consumables, storage of consumables, issue of consumables, stock take module, reports and printing of accountable documents
- Payroll – database of employees, tracking of loans and other advances, statutory deductions, overtime, payslips, statutory deductions etc
- Human Resource Management – management of recruitment, probation, promotions, training history, succession planning, performance evaluation, leave and absence management, documentation management e.g. warnings, recommendations,
- Transport Management System – database of fleet of vehicles, tracking of recurrent activities like service, insurance, licenses, accident reports etc, fuel

and spare parts management, mileage management, work schedule for the vehicles, etc

- Facilities and Services Management – database of suppliers for hygiene and sanitation services, air conditioning systems etc, database of contracts, performance indicators, performance evaluation against contract terms module, document management, renewal advice alerts, reports
- Records Management – workflow planning, scanning of documents, searching and filing, output into optical and other media
- File Servers – management of data repository for departments and individuals, rules for storage and access to information, backup of data, archiving of data, security for the data
- Dash Board – database of key performance indicators per section, definition of the various levels of performance (good, average, poor), list of key metrics (financials, training parameters, no. of cases administered by the R&A Board, compliance parameters, resource centre access parameters etc), linkage to the various data sources (financial module, website, Review and Appeals Board System, etc), management reports.
- Computer Assisted Audit Tool – utilities for carrying out queries and analysis of information in all the various business systems from payroll to the Dash Board, reporting module, archiving module

1.1.3 ICT Requirements Necessary to Achieve Mandate of PPOA

- Website – dissemination of information, secure information log in, subscription page for PPOA publications and reports, online collection of information from procurement entities, online recruitment, statistics section, etc
- Monitoring and Evaluation – system to manage the coordination of procurement by entities, system to manage information gathered from field visit M&E exercises, annual audit reports for procurement entities etc
- Training and Capacity Building System – database of procurement professionals in the country, database of institutions certified by the Authority to offer courses, database of courses available to professionals that have been certified by the Authority, analysis of performance of registered institutions, course attendance, frequency of courses, attendance of courses, adherence to curriculum etc, Analysis of procurement professionals' continuous education performance, mailing lists to the procurement professionals (making training materials and other updates available, notifying students of relevant up and coming courses or seminars) etc.
- Review and Appeals Board System – Help Desk system that logs all cases lodged with the R&A Board, tracks the status of each case, the team assigned to each case, dates for each case, rulings of each case, and provides electronic copies of documentation and proceedings, etc
- Resource Center Management – Library management system for books and other hard copy materials, e-library system for materials that are available electronically.

1.1.4 Procurement and Implementation Strategy

- Development of hardware specifications – for servers, desktops, printers, scanners, photocopiers, UPSs, and other peripherals

- Development of software specifications – for operating systems, personal productivity tools, business automation applications (financial management systems, payroll, procurement systems etc), and other applications
- Development of infrastructure specifications - bandwidth requirement, optimum serve capacity, etc. both intranet and internet requirements that can support the system, PABX specifications, routers, switches, firewalls, diverse routing for redundancy requirements, etc
- Development of technical evaluation score sheets for hardware, software and infrastructure – This will indicate what parameters are evaluated through proposals, demonstrations and site visits. It will indicate which items need to go through the demonstration and if necessary the site visit evaluation stage
- Development of implementation and configuration parameters for hardware and software – security settings, functional settings, redundancy settings, backup settings, and customizations to suit the Kenyan environment
- Development of commissioning checklist for hardware and software implementations – provision of installation CDs, cloning CDs, license and warranty documents, documentation of network, inventory list of equipment, documentation of configuration parameters, basic administrator training for equipment like the PABX, photocopiers etc, system manuals handed over, documentation of customizations, etc
- Development of critical parameters to be captured in service level agreements (SLAs) for hardware and software maintenance – turn around times, replacement of equipment, escalation matrixes, incident management procedures, reporting parameters, priority equipment, Quality of Service (QoS) parameters (for internet connectivity), Denial of Service (DoS) penalties etc
- Development of disaster recovery management (DRM) parameters for hardware and software – Backup plans, off-site backup, DRM testing schedules, synchronization between onsite and offsite equipment, synchronization between live and standby equipment, etc

1.2 DEVELOPMENT OF BUSINESS PROCESS DIAGRAMS

The objective of this exercise is to identify all the business processes required to operationalize an effective PPOA. This phase of the assignment will be undertaken in three phases as described below.

1.2.1 Establish Currently Existing Business Processes

This will be in the form of an interview of existing officers of the PPOA and is intended to:-

- Obtain a full understanding of which processes are currently being undertaken,
- Obtain an appreciation of the volume of work in each process,
- Understand the complexity, repetitiveness, and routine nature of each process
- Identify the existing data and information that will need to be catered for in the transition from manual systems to automated business systems.

1.2.2 Design of Required Business Process for an Effective PPOA

Based on the first exercise, the consultant will then identify the gap between existing business processes and the automation of the business processes. The envisaged automated business processes will then be discussed with PPOA to establish a common understanding of the impact of automation on operations and the general trend of

automation, especially in terms of collaboration, security and linkage with internet-applications.

Once common understanding of the automation of business processes has been achieved a few business processes will be mapped out to some extent of detail.

1.2.3 Development of the Final Business Process Diagrams

Due to the time limitations imposed by the project (6 weeks) only a few of the business processes identified in the preceding exercise will be developed into detailed business process diagrams. These selected business process diagrams will indicate the work flow process as well as the information flow process across the various business application platforms and interaction with the internet applications.

This will be important to demonstrate the benefits to be leveraged from automating systems and will hence build the foundation for the proposed ICT Framework. This will then go further to assist in developing the appropriate specifications

1.3 DEVELOPMENT OF ICT STAFF TRAINING FRAMEWORK

The development of the ICT Staff Training Framework will be divided into two sections as described below. One section will cater to the requirements of the ICT Department and other will look at the requirements of the End Users.

1.3.1 ICT Staff Training Framework for ICT Department – Administrators

The ICT Department will be the facilitator of business process applications (BPA). They will be responsible for managing the implementation of projects. This will require that they have knowledge in the areas of:-

- Communication of user requirements to successful vendors and service providers,
- System testing in conjunction with users,
- Ensuring system documentation is available and comprehensive,
- Original licenses are provided,
- Warranties and other manuals are available and
- First level of staff training

Over and above these project related tasks, the ICT Department will be responsible for every day activities which will necessitate knowledge in the areas of:-

- Management of change requests (permissions, configuration parameters),
- Incident management and resolution (help desk),
- Backup of systems,
- Disaster recovery,
- Updating of system documentation,
- Application of service packs and other patches, etc

All the areas pertaining to the business process systems will be identified and specific ICT Department training needs will be highlighted for consideration during implementation of systems. Training will also consist of refresher courses to keep information current.

1.3.2 ICT Staff Training Framework for End Users

End users are the owners of the business process applications and they will require extensive training on how to best utilize the systems that will be implemented. This training will be designed to ensure that end-users are not only aware of what they need to do in their respective functions, but also how the information that they receive from other functions is generated, and how the information they produce is utilized by the next function in the process.

This 'more-than-you-do' knowledge transfer system is recommended for developing a knowledge oriented organization, where staff engage their minds when undertaking tasks as a result of understanding their role in the bigger picture.

All the business process areas will be identified and the staff who need to receive training in each of the areas will also be stated.

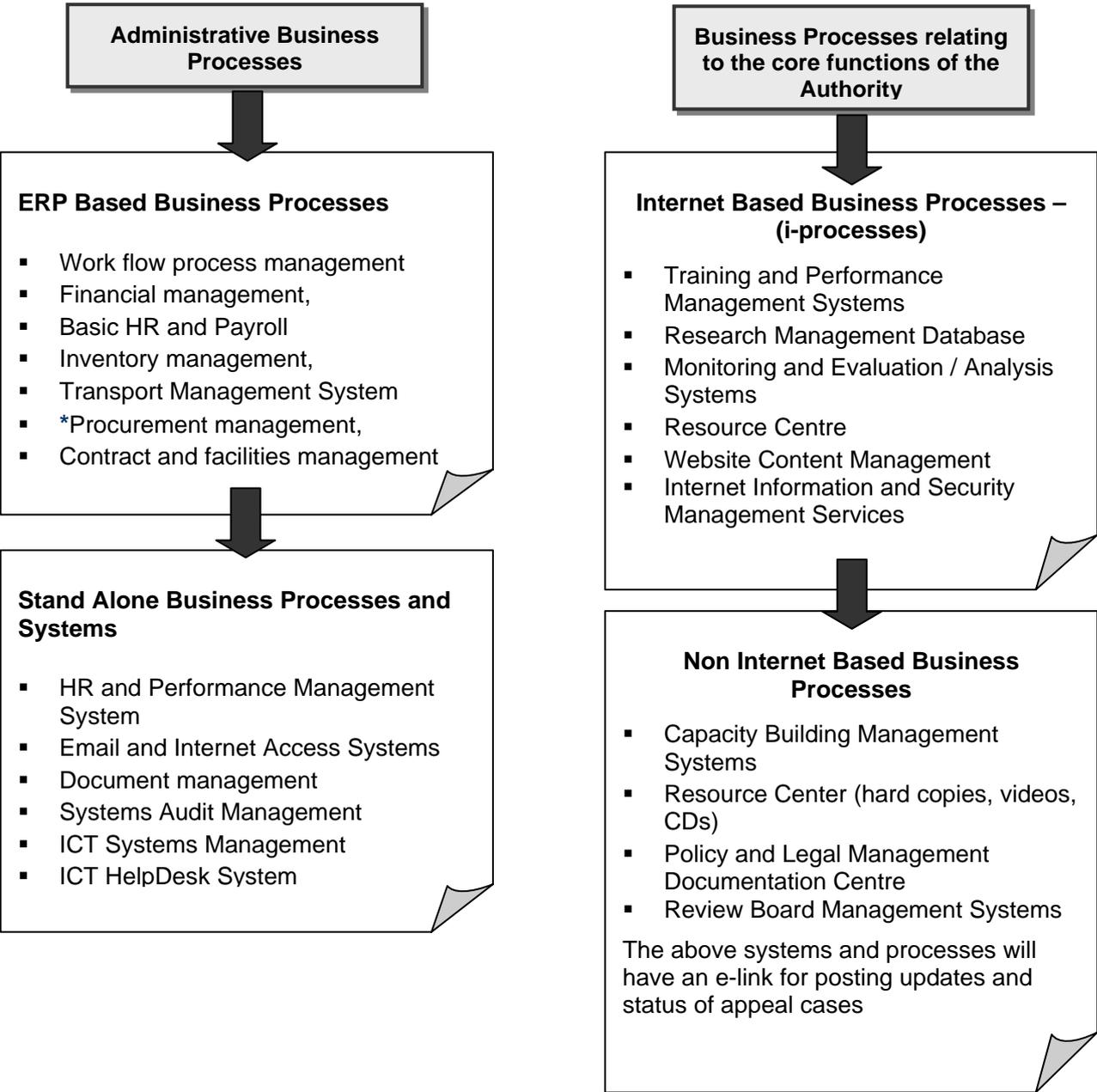
2.0 DEVELOPMENT OF BUSINESS PROCESS DIAGRAMS

2.1 INTRODUCTION TO BUSINESS PROCESSES

The business processes within PPOA can be broadly categorized into two areas. Those processes that relate to the administrative side of the business and those that relate to the mandated functions of the Authority.

The diagram below summarizes the business processes and systems that have currently been identified in these two areas. The diagram also includes the sub divisions of these processes from an ICT implementation view point.

Figure 1: Broad Classification of Business Processes



2.2 ADMINISTRATIVE BUSINESS PROCESSES

The first area is the one that deals with the administrative business processes. This area will be responsible for:-

- Work flow process management
- Financial management,
- Basic HR and Payroll
- Inventory management,
- Transport Management System
- *Procurement management,
- Contract and facilities management
- HR and Performance Management System
- Email and Internet Access Systems
- Document management
- Systems Audit Management
- ICT Systems Management
- ICT HelpDesk System

*The procurement management system will allow for the e-procurement – advertising, specifications, notifications, status management of various tenders, etc.

The e-procurement system will also manage e-recruitment – advertising, forms for filling in details and submitting scanned certificates and letters of application, as well as undertake the preliminary analysis of submitted applications and short listing.

The above business process will be governed by an integrated business application system also known as an Enterprise Resource Planning (ERP) System. The rationale for having an ERP to manage most of the administrative business processes is to ensure there is no duplication of activities; this in turn will reduce the incidences of errors and inaccuracies in transactions.

An ERP will also provide for online work flow processes that will ensure effective utilization of staff resources by automating and tracking all transactions including authorizations. The system documents will be customized to allow for printing of manual documents where manual signatures are required for audit purposes.

Some business processes do not require integration into the ERP. These will include processes like:-

- The HR Performance Management System
- The Automated Audit Tools for Internal Audit
- The ICT Systems to manage the infrastructure, etc

However, the non-integrated systems may require access to information from the ERP once in a while. This can be facilitated through various interfaces.

2.3 CORE MANDATE BUSINESS PROCESSES

The second area is responsible for the core functions of the PPOA and will have business processes that include:-

- Training and Performance Management Systems
- Research Management Database
- Monitoring and Evaluation / Analysis Systems
- Resource Centre
- Website Content Management
- Internet Information and Security Management Services
- Capacity Building Management Systems
- Resource Center (hard copies, videos, CDs)
- Policy and Legal Management Documentation Centre
- Review Board Management Systems

Business processes in the second area will mostly be managed through internet – applications (i-applications) but even those processes that are primarily PPOA bound will have internet links for purposes of posting:-

- Updates in registered training institutions for PPOA approved courses
- Training calendar updates
- Reports and results of relevant research
- Update on the status of Review Board Cases – logged, coming hearing session, ruling given, link to summarized ruling, etc
- Policy Documents and their updates, etc

2.4 ICT DEPARTMENTAL STRUCTURE – SUPPORTING BUSINESS PROCESSES

In view of the identified business processes, it is important that the structure of the ICT Department reflects the information requirements and addresses their concerns in an effective manner.

The recommended ICT Structure is reflected in the diagram below and divides the department into three sections:-

1. Business Applications Office
2. Internet Applications Office
3. Infrastructure and Help Desk Officer

The Business Applications Office will handle all the applications that are under the office of the Director Finance and Administration. These will be the applications running under the ERP as well as providing support to other non-ERP systems e.g. HR and Performance Management System, Documentation Management System etc.

The Internet Applications Office will handle all the applications under the offices of the Director Compliance and Policy, Director Research M&E and Director Capacity Building and Training.

Most of the systems in this area will be internet based applications to allow for cost effective management of data retrieval and information presentation to PPOA's constituent entities. The Internet Applications Officer will also be responsible for the non-i-based systems that run in these sections.

Finally, the Infrastructure and Help Desk Office will be responsible for managing ICT equipment (printers, fax machines, photocopiers, servers, computers etc), communication

infrastructure (PABX, telephone equipment, LAN systems, Internet Access and Security). This office will also be responsible for handling and resolving using issues relating to e-mail, internet access, use of personal productivity tools like spreadsheets etc.

The diagram below summarizes the structure of the ICT Department, recommended with a view of supporting the broad business processes requirements of PPOA, namely administrative business processes and core mandate business processes.

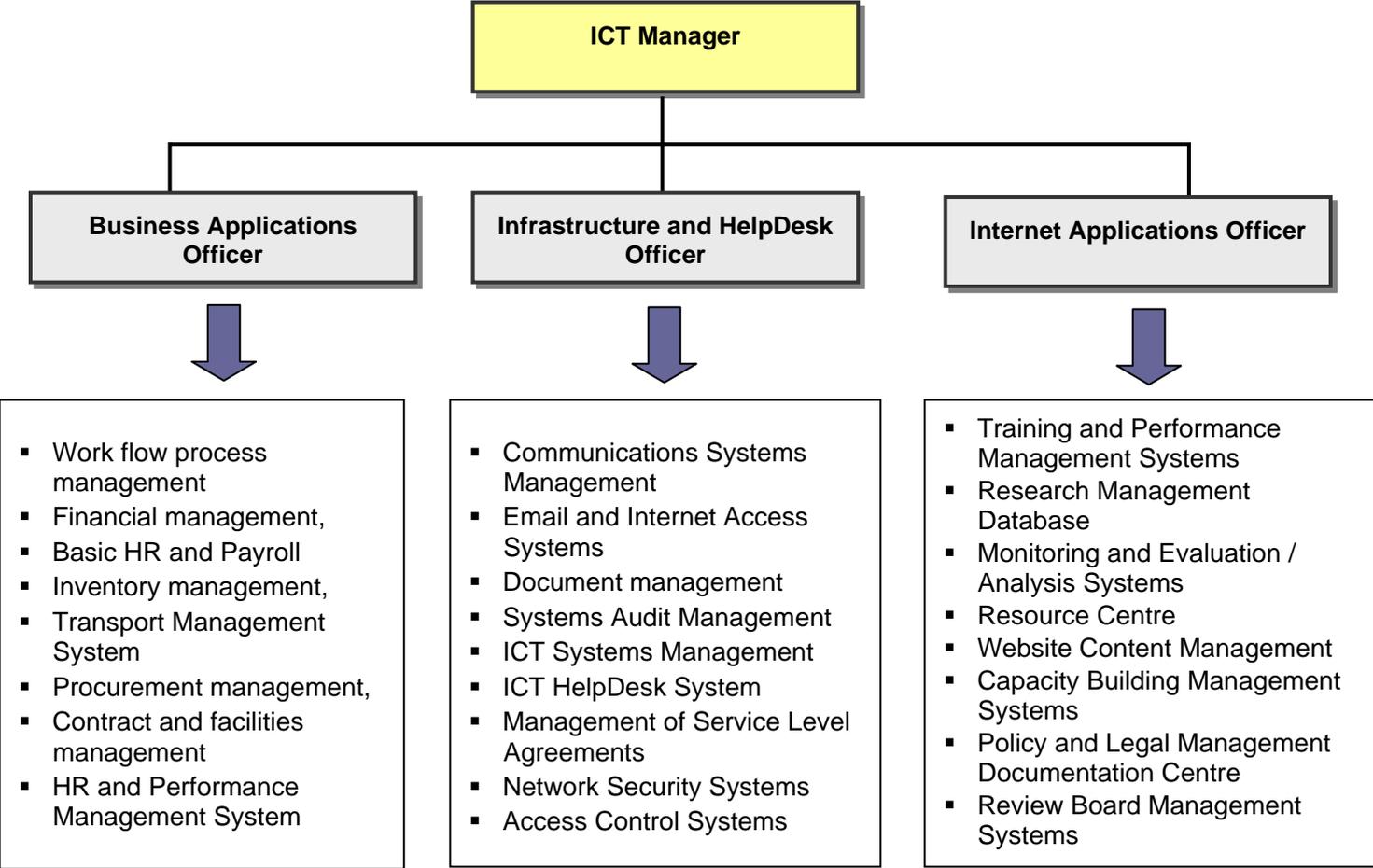


Figure 2: ICT Departmental Structure to Support Businesses Processes

The detailed business process diagrams for some of the processes above have been detailed in Annex 2 with a view of showing the benefits of incorporating recommended technologies to reduce task completion time while increasing collaboration and productivity in line with the TORs.

2.5 BUSINESS PROCESSES AND THE ICT FRAMEWORK

The business process diagrams presented in Annex 2 bring to light several issues to be considered when implementing the various software applications and hardware platforms within the PPOA working environment.

The purpose of analyzing the business process diagrams is to present a clear justification for the design of the ICT framework and architecture which will then be presented in the next chapter.

2.5.1 THE NEED FOR PROCESS AUTOMATION

The proposed Organogram for PPOA reveals a lean organization of highly skilled individuals who require automation of the various business processes in order to be as effective as possible. The other notable advantages of automation of business processes include:-

NO.	ADVANTAGE	COMMENT
1.	Effective utilization of human resources	<ul style="list-style-type: none"> ▪ Automation will allow a small number of staff to handle a large volume of work ▪ Repetitive tasks can be automated to free staff to concentrate on core assignments ▪ Electronic access to documents will reduce the time wasted in looking for files ▪ Integration will allow for information to be available across the organization once it has been keyed in at one entry point ▪ Automation will allow for tasks to be accomplished faster
2.	Follow up	<ul style="list-style-type: none"> ▪ HODs can keep track of departmental activities by querying systems ▪ E-mail will allow for queries and comments and general communication to take place even when the member of staff is not in the office ▪ Internet e-mail will allow staff to keep in touch with issues at the office even whilst on regional / international assignments
3.	Institutionalization of Processes	<ul style="list-style-type: none"> ▪ Automation will force staff to carry out processes as has been specified in the system ▪ Mandatory fields will ensure that information will not be accepted by the system unless keyed in completely ▪ Validation will ensure that important information will be checked by system before being accepted ▪ The fact that all transactions will be system based, will mean that delegation and handovers will be more thorough and take a shorter time, since all the information has been captured in the system
4.	Distributed access	<ul style="list-style-type: none"> ▪ Internet applications and linkages to the website will ensure that staff can work from anywhere in the country by accessing documents

NO.	ADVANTAGE	COMMENT
		<ul style="list-style-type: none"> ▪ Reports from the field can be updated on-line without staff having to report back to head office
5.	Participation of procuring entities and General Public	<ul style="list-style-type: none"> ▪ Internet applications will allow the procuring entities to make information available over the internet. E.g. the returns of procuring transactions over Kshs 5 Million, all cancelled tenders, all single sourced tenders
6.	Enhanced transparency	<ul style="list-style-type: none"> ▪ By posting the status of tenders on the website ▪ By posting status of appeal board cases on the website
7.	Improved customer service	<ul style="list-style-type: none"> ▪ Email notifications get the message to the other party quickly and cost effectively ▪ Access to electronic (scanned) documents means that customers can get a quick response since a file will not need to be requisitioned from registry
8.	Accuracy	<ul style="list-style-type: none"> ▪ Validation will improve accuracy of information as the system compares data keyed in with expected data ▪ Use of drop down lists and other menus will reduce errors by allowing PPOA staff to select the correct procuring entity, case, file etc ▪ Picking information through an interface ensures that errors do not occur in keying in data a second, third or fourth time
9.	Accountability	<ul style="list-style-type: none"> ▪ Status fields ensure that staff are accountable for their performance / throughput since the systems will clearly indicate their workload and progress against their workload e.g. how many cases in compliance and enforcement are awaiting reports, require follow-up, have been closed et ▪ Transactions initiated or updated by the user will be tracked through system audit logs. Thus each individual can be held accountable for their actions
10.	Backup	<ul style="list-style-type: none"> ▪ Automated systems will allow for scanned documents to be attached to transactions, cases, files etc. This will provide another backup to the hard copy ▪ Collaboration means that the same information may exist on two different systems and hence provide redundancy to the hard copy and scanned copy

Table 1: Detailed Advantages of Automating Business Processes

The above list is not exhaustive but points to the major reasons for investing in the necessary ICT infrastructure and business application systems that will support automation across the board.

The cost advantage associated with the above benefits (effective utilization of staff time, staff working and updating systems even when off site, having backup documents, improving the delegation and handover process etc) should always be examined against the cost of capital when ICT investment decisions are being made.

2.5.2 INTEGRATION

Certain systems **MUST** be integrated in order to be effective within the organization. This means that they must provide for:-

- Common database for storing master data
- One instance of entering primary data
- One instance of entering transactions
- Ability to update the one and only existing instance of primary data, and transactions
- Common presentation format of information – similar screens, similar error messages etc

Integration is critical for the administrative processes of finance, payroll, procurement, inventory management and asset management.

Once a user is created in the HR Module for purposes of registering him into the organization, he should be the same user that is reflected in the processing of the payroll, the same user that is visible to finance when they are recovering unaccounted for imprests, the same user that is recognized when making a requisition, the same user who receives stationary from the inventory management module, etc

2.5.3 INTERFACES TO SUPPORT COLLABORATION

Other systems within the business environment do not necessarily need to be integrated by virtue of the fact that the processes they manage are distinct and separate and do not share any information in common.

However collaboration may be necessary to communicate updates, alerts, reduce double data entry, reliance on individuals as opposed to systems.

Examples of systems that need to collaborate include the registry management software sending an e-mail notification to a user that fill xxx has been returned to the registry and is now available; e-procurement system sending tender status updates to the website page that a tender has been closed, awarded, appealed against, contracted etc

Collaboration interfaces allow information to be exchanged without affecting the base transactions and in a manner that mimics the native presentation format of the destination system. A tender status update will leave the e-procurement system looking like a table and appear on the website page looking like a chart.

2.5.4 USE OF E-MAIL

Messaging systems internal and external to PPOA are important to maintain communication across the organization.

It also provides for accountability in instances when the application generating the e-mail alert keeps a track of the date and time it sent notices, alerts or updates to a user, supplier, agency etc

E-mail together with other third party systems is effective in providing non-repudiation when delivery of messages has to be confirmed for other time-bound processes to take place.

2.5.5 USE OF INTERNET APPLICATIONS

Internet applications will be pervasive across PPOA. Close examination of the final business processes indicates that some of them will be entirely web based while others will simply have linkages to website pages.

Internet applications are important because they allow for transparency (posting updates on the website) as well as collaboration across the various procuring entities.

This is important when the lean nature of PPOA's organizational structure is taken into consideration. Strategies for covering the large territory of public procuring entities would be to have web-based forms and or internet applications that allow the procuring entities to fill in information that is required by the Authority.

Internet based applications also allow for PPOA staff to be effective when off site by providing access to documents that they may need to refer to, and allowing them to submit reports, updates etc over the internet.

Internet applications are the most cost effective way to achieve the benefits mentioned above. It is more affordable and hence more practical for a procuring entity to go to a cyber café once a week and key in information and / or download information on procuring events from the PPOA website at the rate of 1 to 3 Kshs a minute than for the Government of Kenya (GoK) to set up a Wide Area Network (WAN) between PPOA and its procuring entities.

All major towns in Kenya now have access to Internet services, and with the installation of the optic fibre back bone across the country, the reach of the access as well as the bandwidths available will improve tremendously.

2.5.6 SECURITY AND BACKUP

All these applications especially the internet applications go hand-in-hand with security concerns that must be addressed effectively to ensure the integrity of the data. Backup addresses the availability of the data on a 24x7x365 basis.

3.0 ICT FRAMEWORK AND SYSTEM ARCHITECTURE

3.1 FILE SERVER ARCHITECTURE

The nature of the business of PPOA is such that it will generate a lot of e-data that needs to be effectively stored, backed up, archived and restored in the event of a disaster.

The sources of e-data for the PPOA will include:

1. User data – documents, email etc
2. Business Application Data from the ERP and any other programs that operationalize functions of the Authority e.g. data from the Review Process+
3. Internet based data – this will include information from web applications such as M&E forms, Procurement data from e-procurement etc
4. Manual data that will be converted into electronic data for purposes of storing and archiving this will include the documentation for the review board etc

As a result of the data requirements PPOA needs to have a strategy for data storage, backup and disaster recovery that is:

- Cost effective
- Protects their investment over time
- Compatible with their data growth and expansion
- Flexible in terms of technology mix-match requirements
- Comprehensive in terms of redundancy
- Effective in terms of space utilization

INTRODUCTION TO BLADE STRATEGY

The solution recommended in this paper is to setup the data storage and disaster recovery devices using blade technology.

Blade servers are self-contained computer servers, designed for high density. Whereas a standard rack-mount server can exist with (at least) a power cord and network cable, blade servers have many components removed for space, power and other considerations while still having all the functional components to be considered a computer.

Typically, a blade enclosure will provide services such as the processor, memory, power, cooling, networking, various interconnects and management - though different blade providers have differing principles around what should and should not be included in the blade itself (and sometimes in the enclosure altogether). Together these form the blade system.

The blade enclosures are then mounted using a chassis onto the server rack. The chassis will provide cooling system, power, DVD/CD Drives, floppy drives etc as well as redundancy for the power, cooling and networking units.

Due to the fact that the blade is a striped down server, densities of 100 computers per rack and more are achievable with the current generation of blade systems.

As a result of using blade technology, PPOA can have a compact computer room that houses all its systems and switches in one 42U Rack.

MANAGING DATA USING BLADE TECHNOLOGY

The rationale behind the utilization of blade architecture at PPOA is presented below and will address four areas:

1. Operating Systems and Applications
2. Storage Area Networks
3. Backup Systems
4. Disaster Recovery Planning

Each blade server will be installed with the appropriate operating system as required by the application that will reside on the blade. The blade will then be installed with basic software like antivirus, remote control client, etc. Finally the blade will be installed with the Application.

For purposes of data recovery, data for the application will not reside on the blade server, but on the Storage Area Network (SAN).

The diagram below shows the software that will reside on each individual blade server.

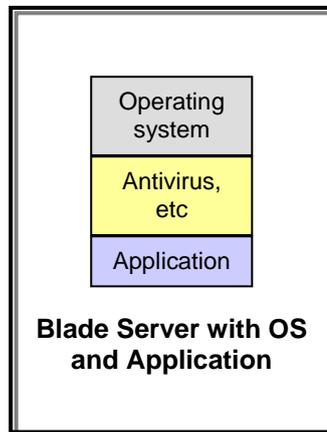


Figure 3: Diagrammatic representation of software on blade server

The diagram below shows how the various blades will sit on the first chassis within the 42U Rack. Each blade will host its own application such as the Review Board System (RBS), the Document Management System (DMS) etc.

The last two blades within the chassis will be redundant blades which will be used to restore data in the event that any of the blades fail.

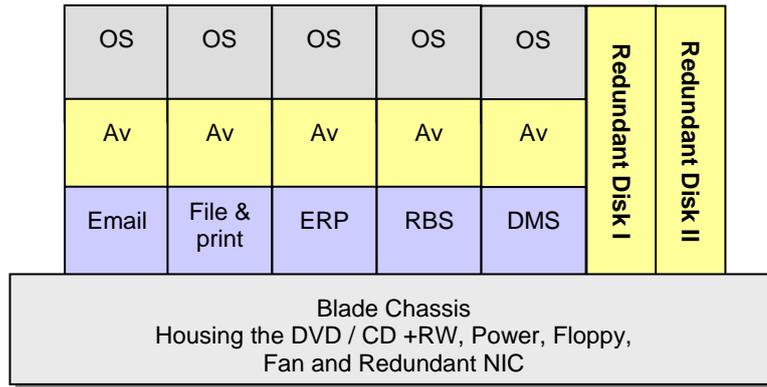


Figure 4: Diagrammatic Representation of Array of Blades within the chassis

The data for each individual application will then reside on the storage area network which will reside on the second chassis as shown below. Just as with the blades, the SAN system has two redundant disks for recovering data from the other disks in the event that they fail completely.

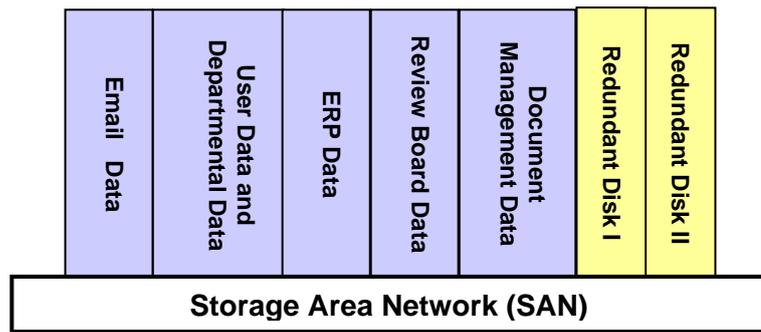


Figure 5: Diagrammatic representation of the SAN System

3.2 BACKUP AND DISASTER RECOVERY STRATEGY

For purposes of backing up data and disaster recovery, the 42 U Rack will also have a Disk Subsystem for backing up data from all the hard drives in the blade chassis and the SAN chassis.

The backup strategy recommended is one full weekly backup at the start of the week plus daily incremental backups. This will mean that only one media will be required for a full week's backup.

At the end of the month, a complete backup will be done in two copies, with one copy being taken off site. The table below summarizes the backup strategy.

Day of the Week	Nature of Backup	Volume of Data Backed Up	Total Volume on Disk	Title of backup Disk	No. of copies made	Storage Location
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Day 1	Full Backup	100 GB	100 GB	Disk 1	1	On Site
Day 2	Incremental	20 GB	120 GB		1	On Site
Day 3	Incremental	22 GB	122 GB		1	On Site
Day 4	Incremental	24 GB	124 GB		1	On Site
Day 5	Incremental	26 GB	126 GB		1	On Site
Day 6	Incremental	27 GB	127 GB		1	On Site
Day 7	Incremental	28 GB	128 GB		1	On Site
Day 8	Full Backup	128 GB	128 GB	Disk 2	1	On Site
Day 15	Full Backup	140 GB	140 GB	Disk 3	1	On Site
Day 29	Full Backup	145 GB	145 GB	Disk 4	2	1 On Site 2 Off Site
Total Number of Disks used in a month = 5						

Table 2: Backup Strategy for on site and off site storage

Monthly disks will be available for overwriting after two months. This means that PPOA needs a media cover sufficient for three months, since the disks of month 1 will be reused in month 3.

As a result, PPOA will be able to go back 2 months at any given time.

These are general recommendations and they can be customized later to suit the requirements on the ground.

If funds allow PPOA should have a final chassis dedicated to Disaster Recovery. This chassis will be used in the event that an entire chassis fails, but the blade servers or the SAN are still intact. In such a case, all the blades or disks in the SAN will be moved to the DRP Chassis.

The table below gives a summary of the components and the disaster recovery strategy recommended.

No.	Equipment Description	In built redundancy	DRP Strategy
1.	Blade Server	<ul style="list-style-type: none"> ▪ Redundant 	<ul style="list-style-type: none"> ▪ Redundant Blade Server available in the chassis ▪ Restore information from the last backup to the Redundant Blade
2.	Chassis for Blade Servers	<ul style="list-style-type: none"> ▪ Redundant power supply ▪ Redundant fan ▪ Redundant NIC ▪ Connected to Smart UPS 	<ul style="list-style-type: none"> ▪ DRP Chassis available
3.	SAN Hard Disks	<ul style="list-style-type: none"> ▪ 	<ul style="list-style-type: none"> ▪ Redundant Blade Server available in the chassis ▪ Restore information from the last backup to the Redundant Blade
4.	Chassis for SAN System	<ul style="list-style-type: none"> ▪ Redundant power supply ▪ Redundant fan 	<ul style="list-style-type: none"> ▪ DRP Chassis available

No.	Equipment Description	In built redundancy	DRP Strategy
		<ul style="list-style-type: none"> ▪ Redundant NIC ▪ Connected to Smart UPS 	
5.	Disk Subsystem	<ul style="list-style-type: none"> ▪ Redundant power supply ▪ Redundant fan ▪ Redundant NIC ▪ Connected to Smart UPS ▪ Redundant Fiber Cable 	<ul style="list-style-type: none"> ▪ Smaller capacity Disk Subsystem that is compatible with the live system

Table 3: Redundancy Matrix for the Blade Configuration

The figure below shows the full configuration for the recommended Server Layout on a 42 U Rack.

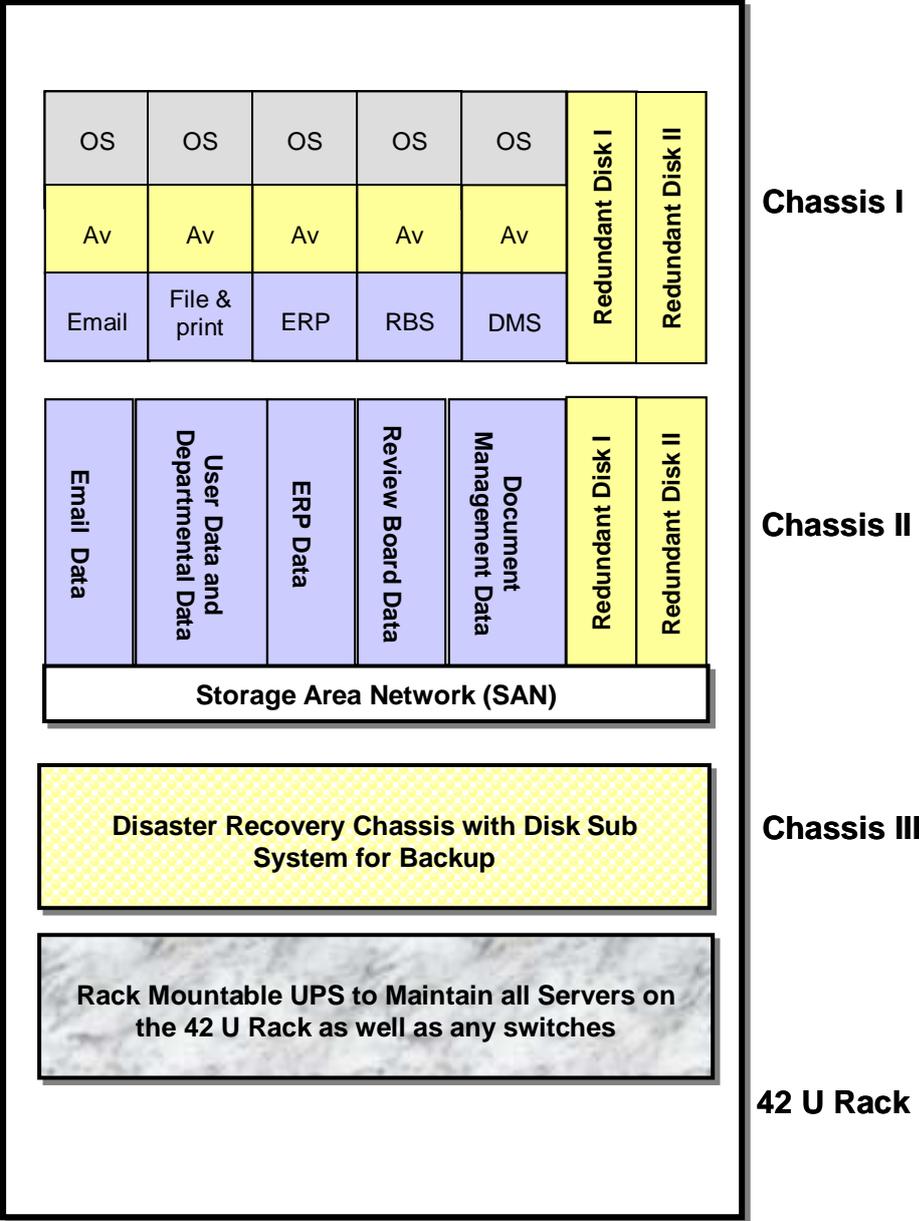
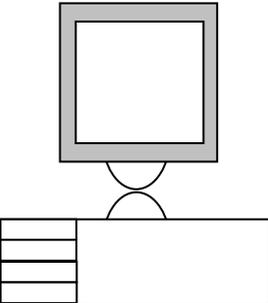


Table 4: Rack Configuration with Blade Servers, SAN and Disk Sub System

3.3 OVERALL ICT FRAMEWORK



4.0 STRATEGY FOR EFFECTIVE ICT P&I

In recognition of the fact that PPOA needs to undertake the procurement and implementation of ICT hardware and software as quickly as possible, a strategy for managing and executing the same has been provided to help manage the coordination and execution of this exercise.

This strategy has several components which are summarized in the diagram below and discussed in further detail overleaf.

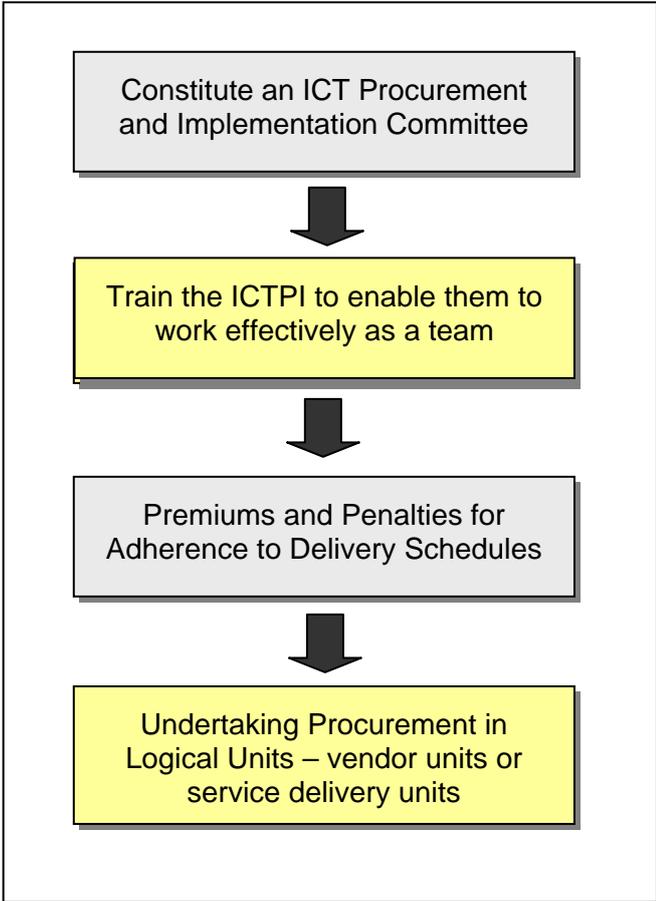


Figure 6: Diagrammatic Representation of the ICT P&I Strategy

4.1 Formation of an ICTPI Committee

1. It is recommended that an ICT Procurement and Implementation (ICTPI) Committee be constituted for the purpose of managing the ICT procurement and implementation.
2. The ICTPI Committee will be constituted to handle ICT procurement and implementation during the mobilization phase of the organization's transition to their new premises in Westlands; Their tasks will include:
 - Advertising Tenders
 - Holding Pre-Bid Conferences
 - Managing Pre-proposal Surveys
 - Managing the Bid Opening Process
 - Conducting Evaluation
 - Receipt of ICT Equipment
 - Commissioning of installation
 - Setting Service Level Agreements and Maintenance Contracts
3. The ICTPI Committee should report directly to the Director General. This will ensure speedy resolution of issues.
4. The ICTPI Committee needs to be multi-skilled so as to benefit from the knowledge of various departments. It should have professionals from ICT, Procurement, Finance and any other department.
5. The ICTPI Committee will be operational for a period of 3 – 4 months after which major ICT procurement will have been completed and subsequent procurement can be handled under every day operations.
6. The ICTPI Committee will be facilitated by an expert in ICT who will manage the technical details as well as ensure that project timelines are met.
7. The ICTPI will be empowered to make decisions and follow through on the same without continuously consulting with other governance structures on its day to day business.
8. The ICTPI Committee will be equipped for their task by going through a 3 day course geared towards equipping them with the skills to undertake technical evaluation quickly and effectively. The areas to be covered have been detailed in table 1.

4.2 Premiums and Penalties for delivery schedules

In recognition of the timelines under consideration, it is important that suppliers are sensitized on the need for speedy delivery and implementation. In order to achieve the same PPOA should consider the evaluation of delivery schedules as a key component of the financial evaluation.

However, this needs to be balanced with a monetary penalty for not adhering to the schedule. This will help PPOA guard against unscrupulous contractors / suppliers who will indicate delivery and / or implementation schedules that are not realistic and be unable to deliver against the same.

The practical implementation of the premium would be to incorporate it into the evaluation as follows:

Preliminary Evaluation	10%
Technical Evaluation	60%
Delivery Schedule	10%
Financial Evaluation	20%

The supplier with the shortest delivery time would be awarded the full 10% of the marks for delivery schedule; the other suppliers will then be awarded marks in a continuum as a percentage of the shortest delivery time. E.g. if the lowest delivery schedule proposal from Firm A is 2 weeks, and Firm B’s proposal is 4 weeks, then Firm A receives 10 points and

Firm B receives 5 marks as a result of the formula: $\left(\frac{TimeofFirmA}{TimeofFirmB}\right) \times 10marks$

4.3 Undertaking Procurement in Logical Units

Another tactic in expediting ICT P&I is to undertake the procurement in logical units that either work together as a complete component at the end of the day, or a logical unit that vendors are known to specialize in.

For example, one category of ICT Vendors in Kenya will be able to supply desktops, laptops, UPSs, licensed operating system software and undertake the deployment of the equipment with the appropriate software.

Another group of ICT Vendors will be able to undertake the supply and implementation of servers, storage area networks, backup systems and software.

For other types of procurement vendors will be procured separately but coordinated together as virtual teams by the nature of the final service that is required. In Kenya, this would apply to the contractors who undertake structured cabling and installation of PABXs. Although the industry sees these two areas as one – communications infrastructure, in Kenya, the vendors are separate and highly specialized. This means that the best supplier for structured cabling is not the same vendor for the installation and maintenance of a PABX system. However, the final service is harmonized and hence these two sets of vendors need to coordinate their installation together.

The logical units would be:

- Desktops, Laptops, UPSs and Operating System Software, Cloning Software and deployment of the same with standard software configuration

- Network printers, Colour Printers, Personal Printers, Scanners
- Photocopiers
- LCDs
- Racks, Servers, Storage Area Networks, Backup Devices and Software
- Microsoft Office Software Licenses and Media, Corporate Antivirus Software and Licenses
- Messaging Software and Licenses, Backup Software for Messaging System
- *Structured Cabling and PABX Implementation
- Integrated Business Application System (ERP)
- Website and Content Management Software that is database driven

* This is a logical service delivery unit as opposed to a logical vendor capacity unit.

No.	Topic	Areas to be covered
1	Pre-bid Conferences	<ul style="list-style-type: none"> ▪ Organizing the pre-bid ▪ Information to communicate, ▪ Experts to invite to answer questions from vendors, ▪ Communicating minutes and new information to participants
2	Surveys	<ul style="list-style-type: none"> ▪ What to prepare in advance, ▪ Who to sensitize to answer vendor questions in various, ▪ Coordination between contractors, ▪ Access to various offices
3	Bid Opening	<ul style="list-style-type: none"> ▪ Forming an effective work-flow process ▪ Participants at bid-opening ▪ Communication of minutes of bid-opening
4	Preliminary Evaluation	<ul style="list-style-type: none"> ▪ Forming an effective work-flow process ▪ Which technical aspects should form part of preliminary evaluation ▪ Confirming technical aspects of preliminary evaluation
5	Technical Evaluation	<ul style="list-style-type: none"> ▪ Forming an effective work-flow process ▪ Roles of committee members, ▪ Use of automated scoring tools, ▪ Understanding Evaluation criteria ▪ Production of minutes,
6	Evaluating Demonstrations	<ul style="list-style-type: none"> ▪ Setting up the demonstrations with vendors ▪ Internal communication with end users of the product / service ▪ Evaluating the demo criteria ▪ Obtaining clarification ▪ Recapping information obtained from demos
7	Site Visits	<ul style="list-style-type: none"> ▪ Setting up the site visits with vendors ▪ Participation of end users in the site visits ▪ Evaluating the site visit criteria ▪ Obtaining clarification when on the site visit
8	Consolidating Technical Evaluation	<ul style="list-style-type: none"> ▪ Combining scores from proposal, demo and site visit
9	Financial Evaluation	<ul style="list-style-type: none"> ▪ Ensuring completeness of financial quotations ▪ Understanding the cost implications for the various

No.	Topic	Areas to be covered
		categories of products
10	Receiving ICT Equipment	<ul style="list-style-type: none"> ▪ Coordinating receipt with vendors ▪ What to check for the various categories of equipment ▪ Which tests to request before acceptance of equipment (print test, system configuration) ▪ Which documents to take possession of before acceptance of equipment (manuals, warranty documents etc) ▪ What software to take custody of before acceptance of equipment
11	Confirming complete implementation	<ul style="list-style-type: none"> ▪ What to check for each category of equipment ▪ Use of standard commissioning forms
12	Service Level Agreements	<ul style="list-style-type: none"> ▪ How to craft them for purposes of effective service delivery ▪ What reports to include for effective management of the supplier
13	Warranty	<ul style="list-style-type: none"> ▪ What to capture during the receipt process for purposes of warranty management ▪ Full warranty ▪ Warranty on parts ▪ Warranty on labour ▪ Manufacturer's warranty

Table 5: Details of 3 day ICTPI Training Course

4.4 METHODOLOGY FOR DEVELOPING THE P&I STRATEGY - HARDWARE

The P&I Strategy for the hardware required by PPOA has been developed as a result of interviewing employees in the various departments of the Authority. The list and technical criteria for the equipment will be updated in the weeks to come as a result of information that may become available from the benchmarking visits to other parastatals and regulatory bodies.

This document will seek to provide information to the Authority to ensure that they can effectively procure and maintain the ICT assets they require to operationalize their business processes. This information will include:

- Technical specifications for the procurement of the ICT equipment
- Technical evaluation score sheets for each equipment identified
- Evaluation methodology to be employed – proposals, demonstrations and / or site visits
- Configuration parameters for the equipment
- Commissioning criteria for the equipment
- Issues to be considered when developing service level agreements with the suppliers

For some of the equipment, the specifications have been provided in two versions. The standard version will cater for most user departments and the second version will address the requirements of a particular department.

An example in the photocopier which has two sets of specifications. The standard set of specifications are meant to address departmental requirements where as the second set of specifications are particular to the requirements of the Review Board, which handles a lot of photocopying and the need for sorting and stapling is high.

The equipment has been divided into three categories for easy organization as indicated in the table below.

Client Based Equipment	Server Based Equipment	Network Based Equipment
Desktop Computers	Servers	Heavy Duty Network Printers
Desktop Smart UPSs	Server UPSs	Network Colour Printer
Laptop Computers	Racks for mounting the Servers	Multifunction Photocopier
Personal Printers	Backup Devices and Media	Fax Machines
	Server Room Air Conditioner	LCD Projectors
		PABX

Table 6: Summary of ICT Equipment Category

4.5 Summary of Equipment Recommended and Evaluation Criteria

The table below presents a summary of the equipment that has been identified for PPOA as well as the various versions that have been recommended. It also provides a snap shot of the evaluation criteria which may include demonstrations and site visits.

Demonstrations are recommended as part of the evaluation process when the equipment is not common in the market and there is need to confirm that the equipment been quoted performs according to the specifications.

Demonstrations can be done at the PPOA premises. This will involve the vendor bringing his equipment over and setting it up so that PPOA Staff can attend the demonstration and ask questions.

The second option is to have PPOA staff go to the vendor's show room and have a session where the functionality of the equipment is demonstrated, feature by feature.

Sometimes, the equipment is not available with the vendor, but a model exists with one of their clients. In this case, the demonstration session can be arranged by the vendor at the client site.

Site visits are recommended where it is necessary to assess the performance of the equipment under normal working conditions similar to those of PPOA. The site visits will also have evaluation criteria that will seek to assess the capacity of the vendor to service and maintain the equipment to the customer's satisfaction. This is usually important for equipment that has only one vendor, and equipment that has a life span of over 5 years.

No.	Equipment Recommended	Equipment Versions	Pre-Bid Conference Survey Required	Evaluation Methodology		
				Proposal	Demo	Site Visit
1	Desktop Computers	Standard Only				
2	Desktop UPS	Standard Only				
3	Laptop Computers	Standard Only				
4	Servers	Standard Only	Pre - Bid			
5	Server UPS	Standard Only	Pre - Bid			
6	Server Racks	Standard Only	Pre - Bid			
7	Backup Drives and Media	Standard Only	Pre - Bid			
8	Air Conditioner for Server Room	Standard Only	Pre - Bid			
9	Heavy Duty Network Printers	Standard Only				
10	Personal Printers	Standard Only				
11	Heavy Duty Colour Printer	Standard Only				
12	Multifunction Photocopiers	Standard Departmental Photocopiers				

No.	Equipment Recommended	Equipment Versions	Pre-Bid Conference Survey Required	Evaluation Methodology		
				Proposal	Demo	Site Visit
		Review Board - greater volume, sorting and stapling capabilities				
13	Scanners	Standard Departmental Scanners				
		Heavy Duty Autoloading Scanner for the Review Board				
14	Fax machines	Standard Fax machine for individual offices like				
		Heavy Duty Fax machine with intelligent document management and network accessibility for the registry and departments				
15	LCD Projectors	Standard LCD Projectors				
		Document Scanner LCD Projector for the Review Board				
16	PABX		Survey			

Table 7: Summary of Evaluation Criteria for ICT Equipment

4.6 Road Map to the P&I Strategy for ICT Equipment

This document contains several technical specifications for equipment and a road map has been provided to enable the reader to locate information effectively.

For each piece of ICT equipment that has been identified information on the same will be provided in sub headings as follows:

- a. General comments addressing the type of technology recommended
- b. Technical Specifications
- c. Technical Evaluation Score Sheet – Provided in Excel
- d. Other evaluation criteria that may refer to services – setup and maintenance
- e. Parameters necessary for effective service contract

The information has been presented in a way that will make it easier for the final user to simply print out the necessary pages and begin the procurement process.

All the details are in Annex 1 of the ICT Manual.

5.0 ICT BENCHMARKING REPORT

Two benchmarking visits were carried out by the consultant at Capital Markets Authority (CMA) and the Communication Commissions of Kenya (CCK). The two organizations gave two distinct pictures of ICT at opposite sides of the ICT Governance Spectrum.

At CMA, ICT is a minor support department under the Director HR and Administration has been positioned to primarily give help desk support to members of staff on personal productivity tools and email. Current staff is limited to the IT Manager only and the department does not report to any committee of the Board.

Systems at CMA for administration are mostly manual with only accounts and payroll being automated. All other business processes at administrative level and for the core functions are manual.

At CCK, ICT is envisaged as a key unit under the office of the Director General. It receives prominence in planning and budgeting and the strategic role of ICT is recognized and supported at the top most level. The ICT Department has six (6) members of staff and manage the activities of supporting administrative processes, core function processes as well as maintaining the ICT infrastructure.

Senior Management is actively involved in ICT and has on three occasions invited representatives of Microsoft and Oracle Corp. to discuss how best to manage the software licenses for the organization. This is just an example of how engaged senior management in terms of ICT developing and protecting their ICT investment.

The table below summarizes the findings of the visits along the following headings:-

- People Interviewed
- Year Established
- Establishment
- Structure of ICT Department
- Governance Structures for ICT
- ICT Strategy and Policy
- Role of ICT in the Organization
- ICT Equipment Status
- ICT Software
- Business Administration Software
- Levels of ICT Literacy
- Planning for ICT Training
- Management of ICT Budget
- Support to Core Mandate Functions
- Website Presence
- Backup and Disaster Recovery

ICT BENCHMARKING REPORT

No.	Area Under Review	Capital Markets Authority	Communications Commission of Kenya
1.	People Interviewed	<ul style="list-style-type: none"> ▪ Michael Michumo – HR and Admin Director ▪ ICT Manager 	<ul style="list-style-type: none"> ▪ Juma Kandie – Director HR and Administration ▪ Kipnetich Rotich – HR Director ▪ Nzano – ICT Manager
2.	Year Established	<ul style="list-style-type: none"> ▪ Set up in 1989 through an Act Parliament (Cap 485A, Laws of Kenya). ▪ Constituted in January 1990 	<ul style="list-style-type: none"> ▪ Set up in 1999 through an Act Parliament – Kenya Communications Act
3.	Establishment	<ul style="list-style-type: none"> ▪ Approved establishment of 46 ▪ 11 Positions Vacant ▪ Provision for recruitment in line with the growth of the sector 	<ul style="list-style-type: none"> ▪ Made the transition to the Authority with 99 staff, 98 from the original Kenya Posts and Telecommunications ▪ Currently has a staff of 145
4.	Structure of ICT Department	<ul style="list-style-type: none"> ▪ The Organogram has provision for:- <ul style="list-style-type: none"> ▪ ICT Manager in charge of training ▪ Senior ICT Officer ▪ Systems Analyst ▪ Currently the department has only the ICT Manager who manages the department in totality 	<ul style="list-style-type: none"> ▪ The Organogram has provision for:- <ul style="list-style-type: none"> ▪ Assistant Manager ICT ▪ Internal ICT Function which handles the infrastructure and business administration software ▪ External ICT Function which handles the core mandate functions of Frequency Services Management Systems (RSMS) and Quality of Service Management Systems (QSMS) ▪ Currently the department has 6 employees
5.	Governance Structures for ICT	<ul style="list-style-type: none"> ▪ ICT reports to the HR and Admin Director ▪ ICT does not report to any committee of the Board 	<ul style="list-style-type: none"> ▪ ICT Department reports directly to the Director General as a Unit ▪ ICT does not report to any committee of the Board

No.	Area Under Review	Capital Markets Authority	Communications Commission of Kenya
6.	ICT Strategy and Policy	<ul style="list-style-type: none"> ▪ ICT Strategy – does not exist ▪ ICT Policy – does not exist formally 	<ul style="list-style-type: none"> ▪ ICT Strategy – exists ▪ ICT Policy – exists
7.	Role of ICT in the Organization	<ul style="list-style-type: none"> ▪ Primarily help desk role – sorting out issues with word, e-mail, excel etc 	<ul style="list-style-type: none"> ▪ Management of ICT Infrastructure ▪ Support of Core Mandate Software Systems – RSMS, QSMS ▪ Provision of Support to Administrative Software Systems – Finance and Payroll ▪ Managing of services from various ICT vendors and suppliers ▪ Formatting and publishing monthly e-bulletin
8.	ICT Equipment Status	<ul style="list-style-type: none"> ▪ All employees have computers ▪ All managers have laptops ▪ One server exists for backing up user data ▪ CMA occupies three floors at Re-insurance plaza and all of them are networked 	<ul style="list-style-type: none"> ▪ All employees have computers ▪ All managers have laptops ▪ The ICT Department has a pool of laptops for traveling employees ▪ Several servers exists for:- <ul style="list-style-type: none"> ▪ E-mail ▪ Extranet ▪ FSMS ▪ QSMS ▪ User Data Backup ▪ Disaster Recovery ▪ Finance and HR and Payroll System ▪ All senior managers have PDAs for e-mail and related tools like calendars, contacts, to-do lists etc ▪ The PABX is fully loaded with ISDN, GSM, VOIP ▪ CCK occupies offices in its own building and all

No.	Area Under Review	Capital Markets Authority	Communications Commission of Kenya
			offices are networked
9.	ICT Software	<ul style="list-style-type: none"> ▪ E-mail is stored on user machines ▪ Messaging is provided by MDaemon running on a Unix Server ▪ All Microsoft Software is legally licensed 	<ul style="list-style-type: none"> ▪ All the systems run on an oracle database ▪ Messaging Services are provided by Microsoft Exchange 2003 ▪ Internet email is available through Outlook Web Access (OWA) – linked to their website ▪ All software is legally licenses ▪ The Board has had three meetings with Microsoft and Oracle representatives to discuss the most cost effective way of managing their licenses which are critical for communication (Microsoft) and for their key systems (RSMS and QSMS)
10.	Business Administration Software	<ul style="list-style-type: none"> ▪ Finance is using SysPro (ERP) ▪ Asset management – manual ▪ Inventory management – manual ▪ Procurement management – manual ▪ Payroll – automated ▪ HR – manual ▪ Document management – traditional registry 	<ul style="list-style-type: none"> ▪ Finance is SUN Financials (ERP) ▪ Asset management – SUN Systems ▪ Inventory management – manual ▪ Procurement management – manual ▪ Payroll – Perpay ▪ HR – Perpay ▪ Document management – departmentalized on soft copy and hard copy
11.	Levels of ICT Literacy	<ul style="list-style-type: none"> ▪ Minimal ▪ Recent TNA noted that staff have elementary computer navigation skills and have rudimentary ICT analysis skills 	<ul style="list-style-type: none"> ▪ Above Average ▪ All personnel including drivers and messengers use e-mail ▪ Senior Managers and directors are very

No.	Area Under Review	Capital Markets Authority	Communications Commission of Kenya
		<ul style="list-style-type: none"> All personnel including drivers and messengers use e-mail 	<p>conversant with the use of the PDAs</p>
12.	Planning for ICT Training	<ul style="list-style-type: none"> There is a budget for training but this has not been utilized because staff is thin on the ground and this would have a negative impact on operations 	<ul style="list-style-type: none"> Each department is responsible for identifying its training requirements and forwarding the same to HR for coordination Policy in place for employees to undertake self study – a refund of 75% is given upon presentation of a recognized certificate. This is usually applicable for accredited courses
13.	Management of ICT Budget	<ul style="list-style-type: none"> Sits with the various heads of departments 	<ul style="list-style-type: none"> Divided between ICT for support of business systems and the various departments that utilize the services of the ICT systems in place
14.	Support to Core Mandate Functions	<ul style="list-style-type: none"> Legal and Enforcement - manual Compliance and Marketing – manual Research and Market Development – manual Support and Administration – manual Capital Markets Tribunal – manual Connected to the CDS Resource Center - manual 	<ul style="list-style-type: none"> RSMS – automated, running on an oracle database QSMS - automated, running on an oracle database Resource Center – new software being launched on 11th May 2007 and will handle both hard copy and electronic resources
15.	Website Presence	<ul style="list-style-type: none"> http://www.cma.or.ke 	<ul style="list-style-type: none"> http://www.cck.go.ke
16.	Backup and Disaster Recovery	<ul style="list-style-type: none"> Backup done for the file server No offsite storage No DRP Strategy 	<ul style="list-style-type: none"> Backups done daily for RSMS and QSMS Backups done weekly for other systems like HR and Payroll Backup tapes are stored off site at a safe deposit box Replication is done between the live servers and the backup servers for RSMS, QSMS and Perpay

No.	Area Under Review	Capital Markets Authority	Communications Commission of Kenya
			<ul style="list-style-type: none"> ▪ A Disaster Recover Program is being established to provide full redundancy for CCK's ICT systems and information

Table 8: Summary of ICT Benchmarking Report

Annex 1 – Technical Specifications for Hardware

[PPOA Hardware Specifications 4.xls](#)

Annex 2 – Business Process Diagrams

A2.1 E-Procurement Business Process Diagrams

Summary of Section

1.1	Requisitioning, Specifications And On-Line Approvals	40
1.2	Managing The Bidding Processes At Ppoa.....	41
1.3	Managing The Bidding Processes On The Internet	42
1.4	Managing The Pre-Bid Conference / Survey	43
1.5	Managing Bid Opening.....	44
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1.7	Managing The Processes Of The Tender Committee.....	46
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1.10	Electronic Documents That Will Be Available For Each Pr	49
1.11	Interlinkages With Other Systems	49
1.12	Capacity Building Requirements	50
1.13	Backup Requirements.....	50

BUSINESS PROCESSES FOR THE PROCUREMENT PROCESSES

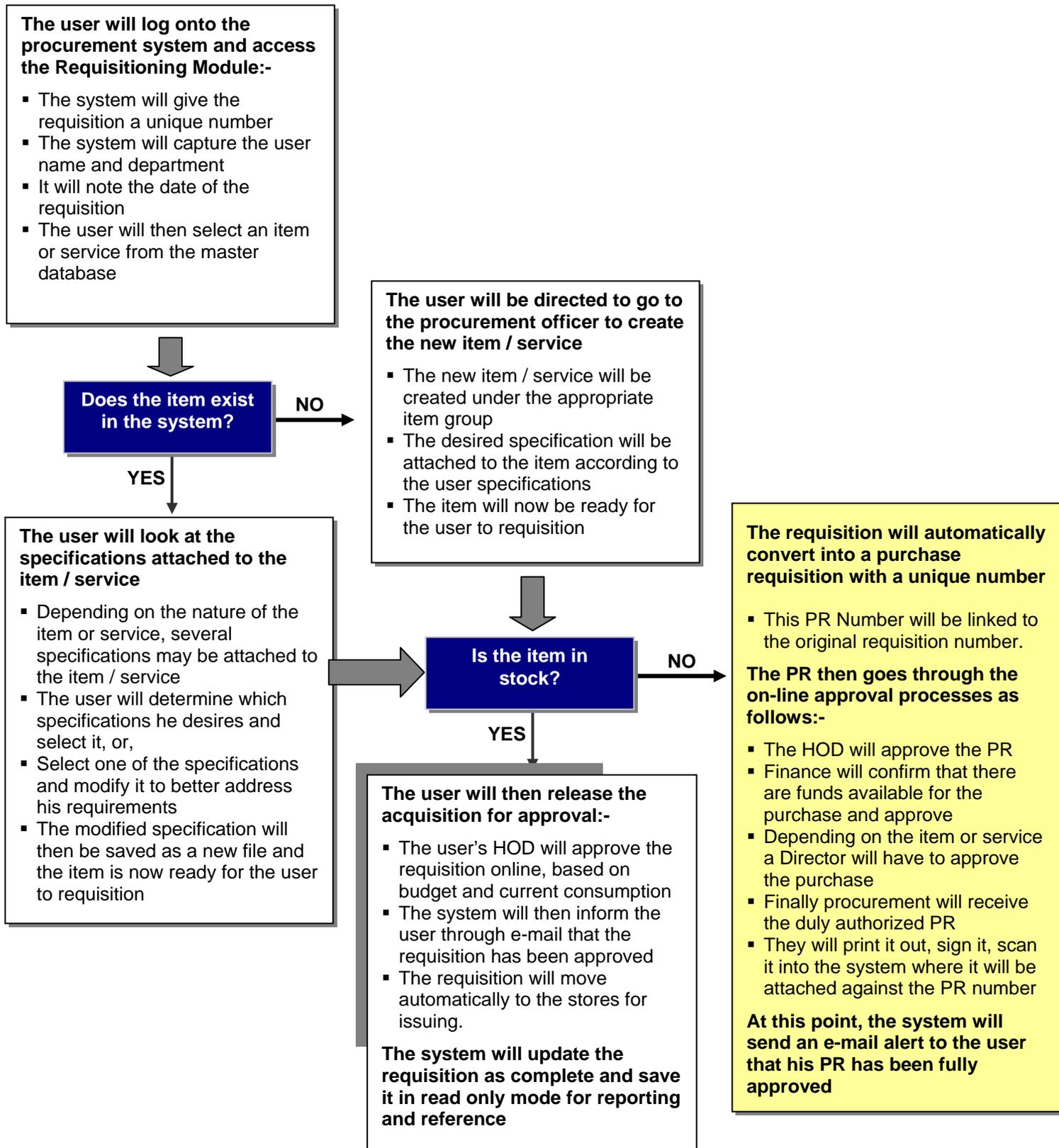
The PPOA will undertake procurement as an entity for goods and services that it will require from time to time.

The procurement processes are envisaged as taking place in an electronic environment (e-procurement) which has linkages to the internet content manager for updating the various tenders and quotations and the status of the same.

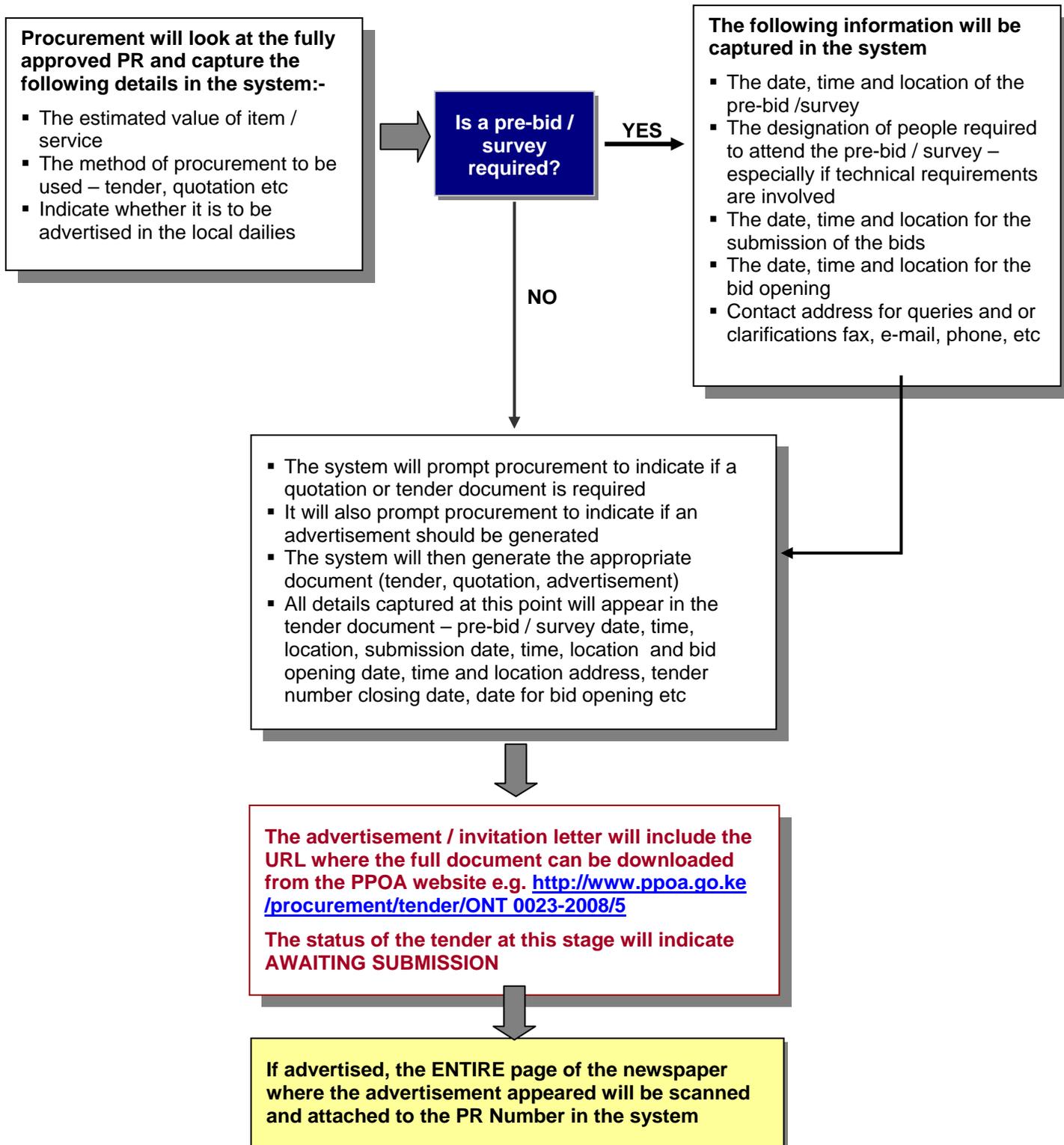
The diagrams below cover the following businesses processes:-

- Requisitioning, specifications and on-line approvals
- Managing the bidding processes at PPOA
- Managing the bidding processes on the internet
- Managing the pre-bid conference / survey
- Managing bid opening
- Technical and financial evaluation
- Managing the processes of the tender committee
- Notification and acceptance of award
- Information that will be available against each PR
- Electronic documents that will be available for each PR
- Interlinkages with other systems

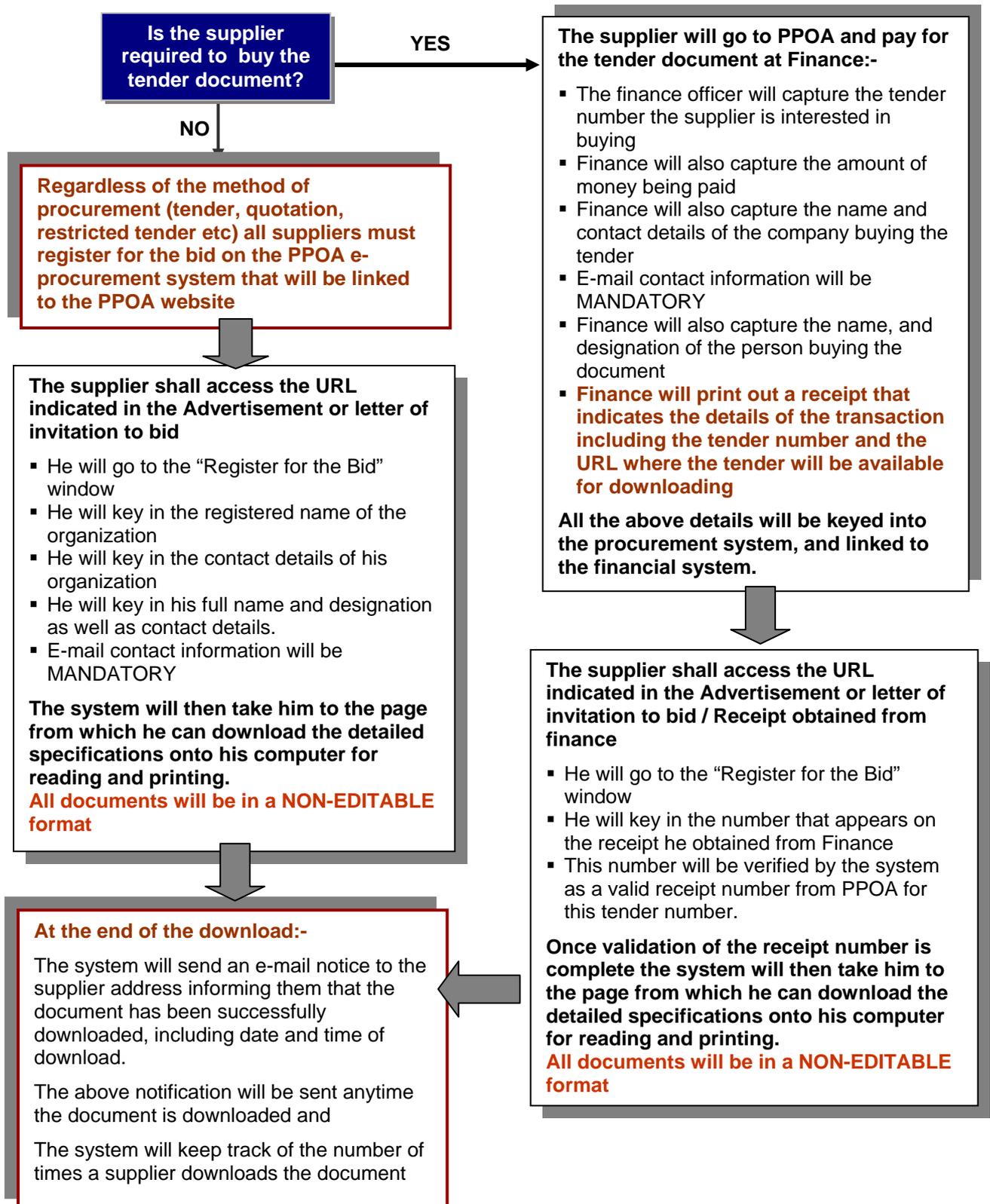
1.1 REQUISITIONING, SPECIFICATIONS AND ON-LINE APPROVALS



1.2 MANAGING THE BIDDING PROCESSES AT PPOA



1.3 MANAGING THE BIDDING PROCESSES ON THE INTERNET



1.4 MANAGING THE PRE-BID CONFERENCE / SURVEY

PRE -BID CONFERENCE / SURVEY

All suppliers attending the pre-bid conference will have to register into the system as follows:-

- Indicate name of organization
- Contact details of organization
- E-mail contact details will be MANDATORY
- Indicate name and designation of person attending on behalf of the organization

The system will keep track of the date and time when the person registered into the pre-bid / survey.

This information will be available to the procurement team for compiling the minutes of the pre-bid / survey



Minutes of the pre-bid / survey will be compiled and attached to the unique PR Number:-

- Once the minutes are attached in the system, they will be automatically sent to the suppliers and participants via e-mail
- The minutes will also be posted on the PPOA website, under the appropriate URL



An extension to the previously announced closing date will be communicated through newspaper advertisement, e-mail addresses & website

- The system will note the date and time the extension notice was e-mailed out to the suppliers
- The newspaper extension notice will be scanned and attached to the PR Number in the system

1.5 MANAGING BID OPENING

All suppliers attending the bid opening will have to register into the system as follows:-

- Indicate name of organization
- Contact details of organization
- E-mail contact details will be MANDATORY for the organization
- Indicate names and designations of persons attending on behalf of the organization
- Indicate if attending as an observer, tenderer, by placing a tick in the correct box

If attending as a tenderer:-

- The system will prompt the first person to sign in to key in the receipt number for procuring the bid along side the organization name
- The receipt number will be validated by the system and an acceptance / rejection message will be immediately flashed on the screen

If attending as a member of PPOA:-

- The system will prompt the person to sign in their user name and designation at PPOA
- It will also prompt the user to indicate if they are playing a role in the bid opening e.g. chairman, secretariat staff etc

All the above information will be availed to the secretariat for generating information for the bid opening session and the minutes of the same

The bid opening window will be projected using LCD Projector in the designated room and:-

- Only suppliers who have logged in will be indicated on the bid opening sheet
- The validity status of the receipt number they have keyed in will be displayed – VALID or INVALID
- Columns with opening criteria like submitted on time, valid bid bond, amount of bid, technical certificate etc will be visible
- Procurement will key in the details as they are read out by the Chairman during the bid opening processes
- Comments will also be captured on the bid opening sheet

At the end of the session, the procurement officer will prompt the system to generate bid opening minutes.

- The system will automatically generate the minutes with tender no, date of bid opening, PPOA members present, names of all suppliers present,
- The tabularized summary of the status of all bids opened will also be included in these minutes
- The comments will appear below the summarized status of bids.
- The minutes will be printed, signed by PPOA members and two suppliers,
- The minutes will then be scanned into the system and attached to the PR number
- This scanned, signed copy will then be printed for each participant to take a copy with him

Once the minutes are attached in the system, they will be automatically sent to the suppliers and participants via e-mail

The minutes will also be posted on the PPOA website, under the appropriate URL for suppliers to download and print

The minutes will be in NON-EDITABLE format

The status of the Tender will change from Awaiting Submission to CLOSED

1.6 TECHNICAL AND FINANCIAL EVALUATION

Procurement will ensure that the following is indicated in the system in preparation for evaluation:-

- The correct evaluation template is posted to the PR based on the specifications that went out
- The names of the evaluation team members
- The names of technical experts if any
- The date, time, location when the evaluation will be conducted
- The system will check if the date, time, location and the members selected have conflicting assignments

The system will send out an e-mail notification informing the members of the date, time, location and tender number to be evaluated.



To start the evaluation processes, procurement will log onto the evaluation module

- The system will provide of a list of tenders that are awaiting evaluating and the procurement officer will select the appropriate one
- The system will confirm that this is the correct tender to be evaluated
- The system will prompt the selected members of the evaluation committee to log in and put in their passwords
- It will then prompt the expert evaluators on the panel to log in with their IDs and passwords
- Procurement will confirm that these are the members who are present and the system will then display the evaluation template

The system will automatically generate the evaluation template based on the technical specifications generated AND the number of suppliers who were registered during the bid opening process

The evaluation process will proceed as follows:-

- For each supplier, the score against the criteria will be given
- The system will automatically total up the score for the preliminary section and the technical section
- The combined score for preliminary and technical will then be calculated as a percentage of 70%, 80% depending on what the tender stated
- The financial figures will then be keyed in and calculated appropriately
- Delivery schedule figures will then be keyed in and calculated appropriately
- The system will then automatically calculate the total score per supplier

The system will now present the outcome of the evaluation in a table format from the lowest to the highest

At this stage any comments will be noted as well as the recommendation of the team



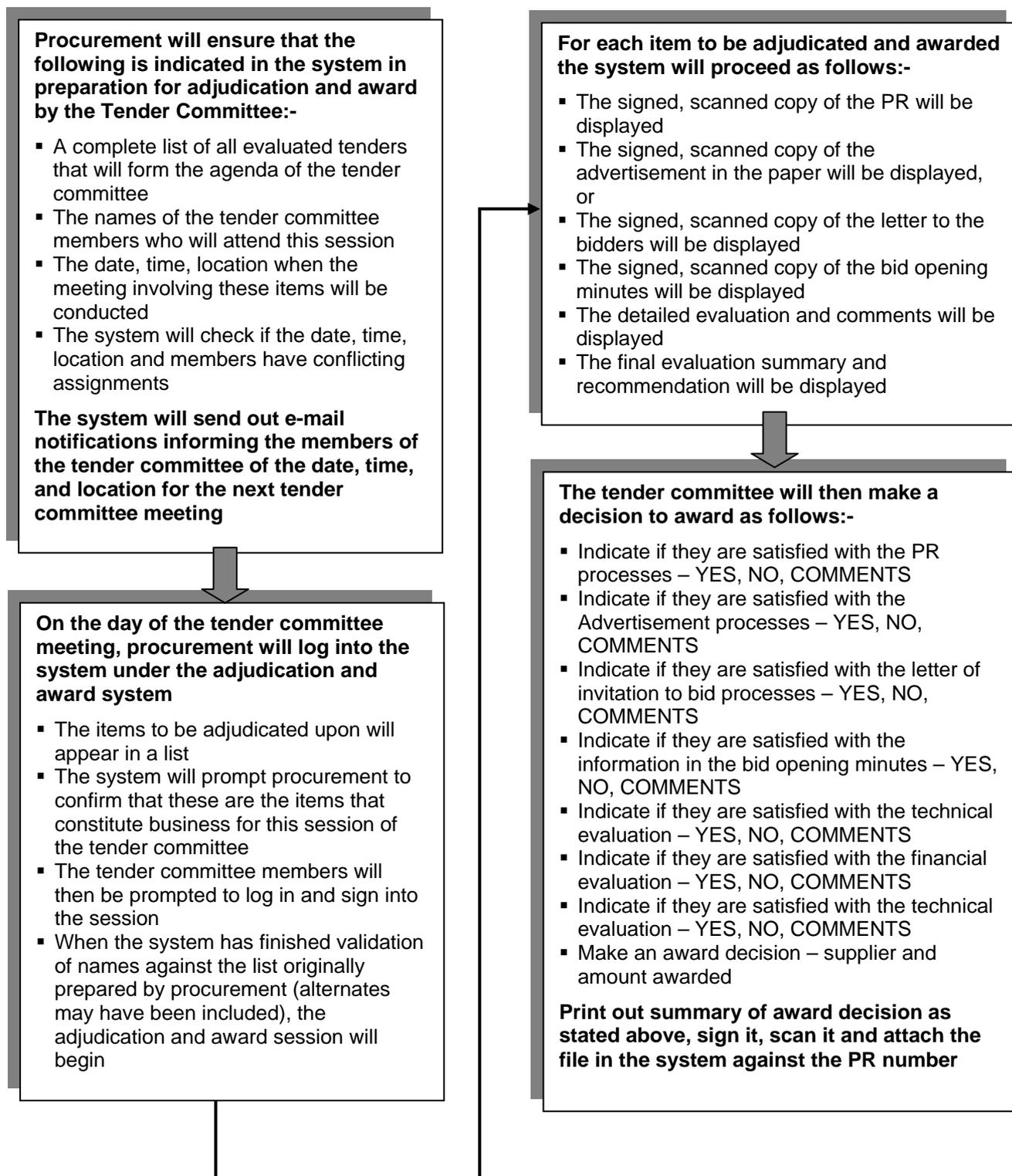
The system will then prompt procurement to generate minutes

- The minutes will include the date of the evaluation, the names and designations of the evaluation team and the tender number
- The minutes will then present the summary of the evaluation
- The minutes will next present the comments and recommendations of the evaluation team
- The detailed analysis will then be provided in tabular format
- The committee will scrutinize the minutes and edit as necessary

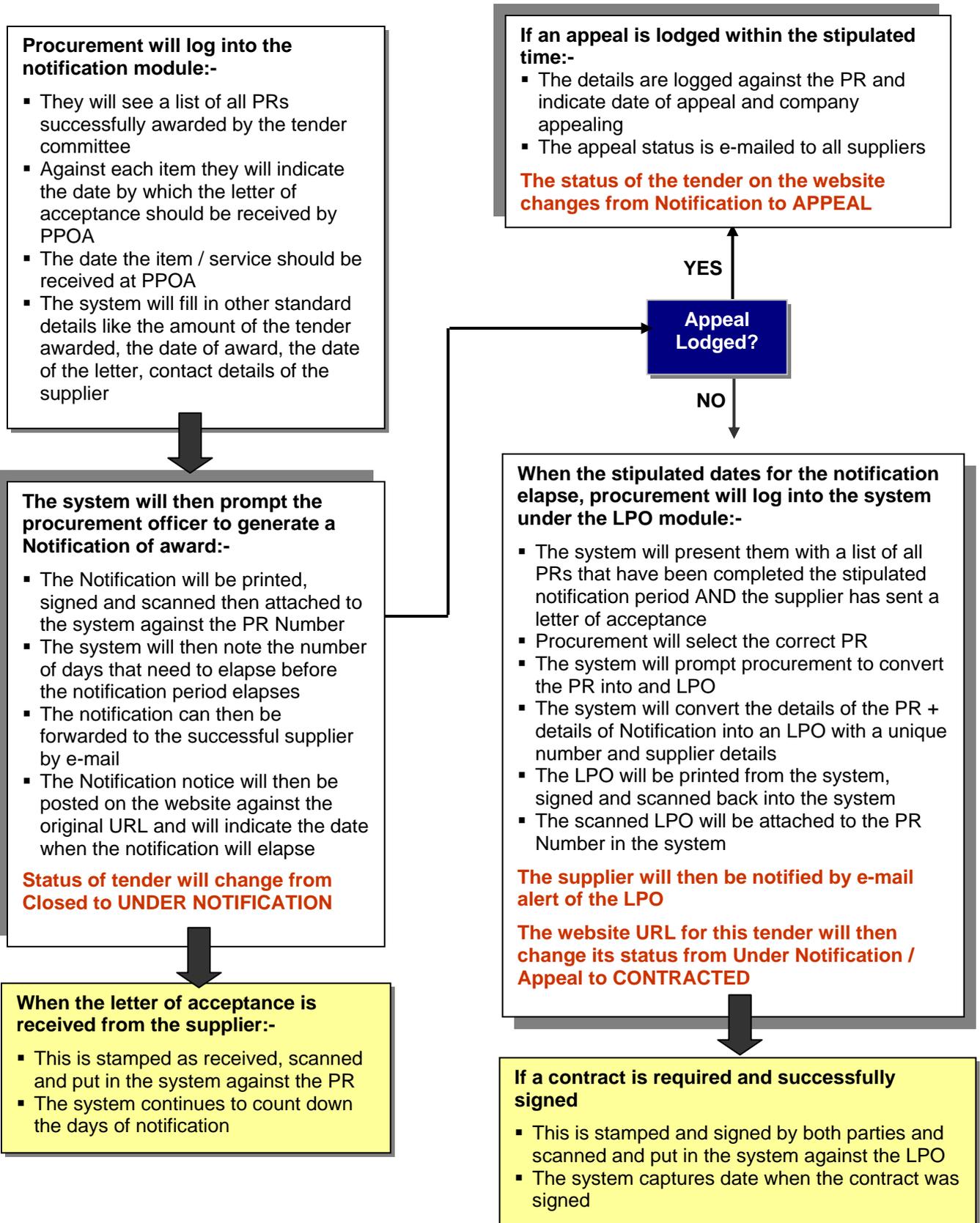
The system will then prompt procurement to print the minutes of the evaluation

- The minutes will be printed and signed by all the members
- The signed minutes will then be scanned and attached to the PR number
- The evaluation session will then be closed and all documents rendered NON EDITABLE

1.7 MANAGING THE PROCESSES OF THE TENDER COMMITTEE



1.8 NOTIFICATION AND ACCEPTANCE OF AWARD



1.9 INFORMATION THAT WILL BE AVAILABLE AGAINST EACH PR

For purposes of tracking the effectiveness of the procurement processes and for keeping users informed on the status of the items they have requisitioned, the system will be able to provide the following status against a requisition:-

- Date and time of requisition
- Name and department of the person who placed the requisition
- The date and time when the HOD approved the requisition
- Whether the item is in stock or not.

If the item is not in stock, the system will be able to provide the following information against the Purchase Requisition:-

- Date and time when requisition was converted into a PR
- Date and time when the HOD approved
- Date and time when Finance approved
- Date and time when Director approved
- Date and time when Procurement activated the PR

For a fully approved PR, the user will be able to see the following status against the document:-

- When the PR-Tender was advertised / letter of invitation went out
- Closing date of the tender
- Extension of the closing date if any
- When evaluation was completed
- When adjudication was completed
- When notification was posted
- When notification will elapse
- When and if an appeal has been lodged
- When the supplier accepts the award
- When the PR is converted to an LPO
- When the contract is signed
- Expected date of delivery

On the PPOA website\procurement the status of all tenders will be available and will indicate:-

- Awaiting Submission
- Closed
- Under Notification
- Under Appeal
- Contracted

1.10 ELECTRONIC DOCUMENTS THAT WILL BE AVAILABLE FOR EACH PR

The procurement processes will boast an electronic document trail and will be able to provide scanned, signed copies of the following documents:-

- Fully approved purchase request
- Letter of Invitation to tender
- Advertisement of tender from the daily newspapers
- Letter extending submission date
- Advertisement of submission date extension from the daily newspapers
- Minutes of the bid opening
- Minutes of the evaluation proceedings
- Minutes of the tender committee adjudication and award process
- Letter of Notice of Award
- Letter of Acceptance from the supplier
- Purchase Order from the system
- Contract that is duly stamped as well as signed

1.11 INTERLINKAGES WITH OTHER SYSTEMS

The e-procurement system will work closely with the following systems:-

No.	Software	Comments
1.	E-mail system	<ul style="list-style-type: none">▪ Sending alerts to suppliers▪ Sending alerts to internal staff▪ Updating users on the status of their requisitions
2.	Web site content manager and database system	<ul style="list-style-type: none">▪ Posting new tenders▪ Availing details and specifications of tenders▪ Updating the status of tenders▪ Communicating extensions to the date of submission
3.	Financial Management system	<ul style="list-style-type: none">▪ Capturing the receipt of money for the procurement of bid documents▪ Capturing the liability of the Authority against awarded Purchase Orders
4.	Inventory Management System	<ul style="list-style-type: none">▪ Capturing the specifications and quantities of commodities that are waiting to be received from suppliers
5.	Appeals Board System	<ul style="list-style-type: none">▪ Communication about the registration details of an appeal. This will be linked to the PR – Tender that has been appealed against▪ Communication about the ruling of a Tender so as to advice if the process should continue or be re-tendered

1.12 CAPACITY BUILDING REQUIREMENTS

The following is a list of skills that the procurement staff will have to acquire in order to be effective in an e-procuring environment:-

- Typing using the QWERTY system
- Use of LCD Projectors for bid openings, evaluations and tender meeting sessions
- Use of scanners, appropriated nomenclature for the various documents to be scanned and attached to each PR
- Use of Excel for the design of specifications and technical evaluation score sheets based on the criteria.
- Use of the e-procurement system
- Use of e-mail
- Use of the website content manager to update the status of each tender on the website
- Use of Acrobat PDF for publishing documents onto the website e.g. specifications, notice of extension etc

1.13 BACKUP REQUIREMENTS

The system should allow for the backing up of the following:-

- Master data e.g. employee names, supplier database, tender committee members etc
- Transactions and movement of various tenders and quotations
- All scanned files and the linkage to the PRs and POs.

A2.2 Registry & Document Management Business Process Diagrams

Summary of Section

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1.0 INTEGRATED DOCUMENT MANAGEMENT SYSTEM (IDMS)

1.1 FUNCTIONS TO BE SERVED BY THE IDMS

PPOA is currently managing its documentation through the services of the registry. This department is responsible for receiving and filing all correspondence, managing the movement of files, and managing the update and archiving of files.

This function is necessary for the new PPOA but needs to be managed in a manner that allows each department to keep track of its documents in an efficient manner.

The use of an integrated document management system (IDMS), will allow the function of the registry to be availed across the organization while using a fraction of the previous resources.

The Resource Centre will be responsible for acquiring and managing diverse materials for the organization for purposes of internal and also external capacity building and knowledge transfer.

The Resource Centre will handle both manual materials (magazines, journals, videos, CDs, DVDs) as well as electronic materials (online material in PDF format, online subscriptions, etc).

The IDMS will also provide the function for resource centre management.

1.2 BRIEF DESCRIPTION OF THE DOCUMENT MANAGEMENT SYSTEM

An IDMC is usually comprised of a relational database, software to act on that database, and two graphical user interfaces (one for administrators and one for staff). Most IDMCs separate software functions into modules, which are then integrated into a unified interface. Examples of modules required include:-

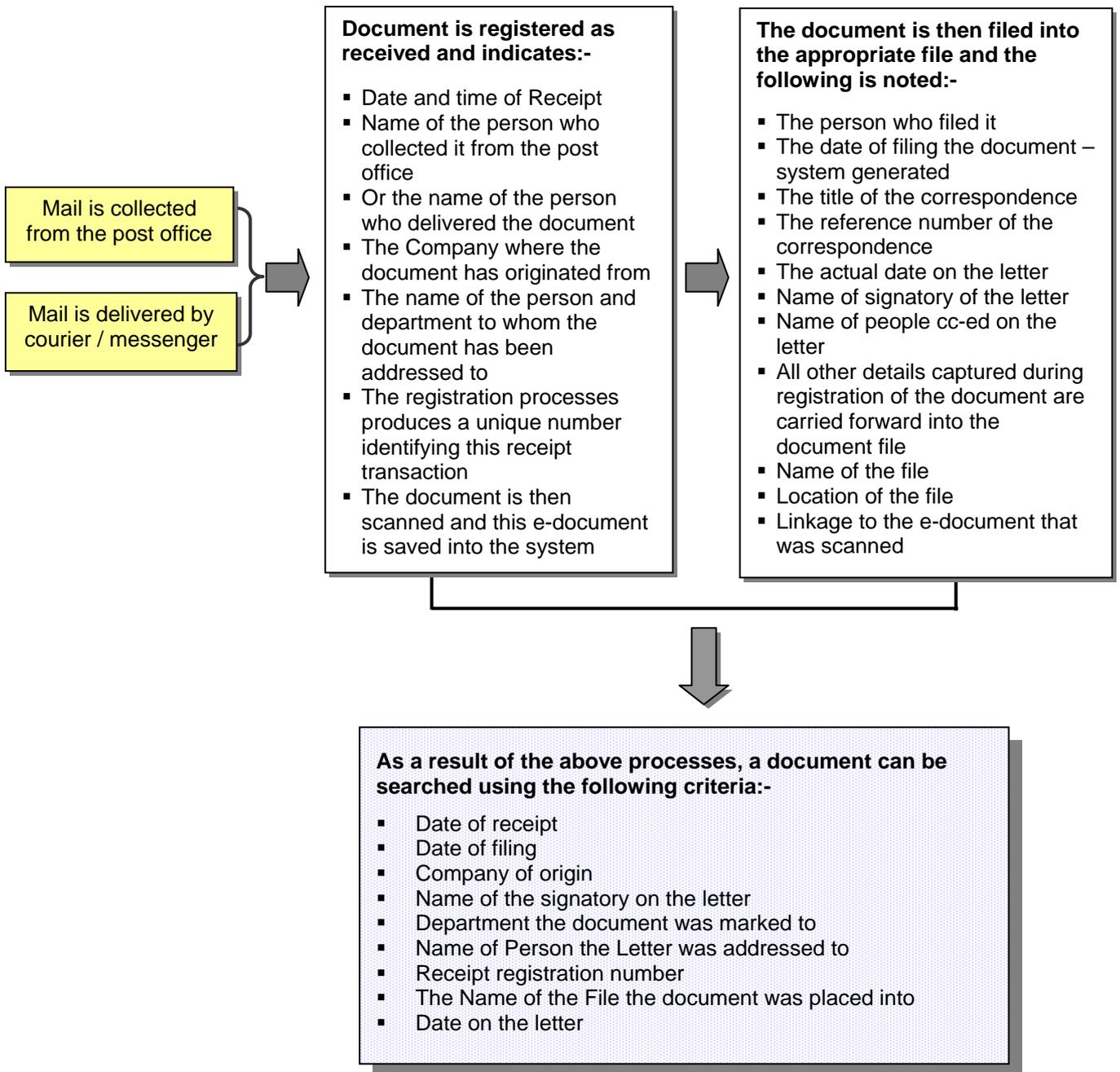
- Acquisitions (ordering / subscribing and receiving materials),
- Cataloging (classifying and indexing materials),
- Circulation (releasing files and documents to staff and receiving them back, or loaning materials to patrons and receiving them back),
- Serials (tracking magazine and newspaper holdings),
- OPAC (public interface for users to allow them to log in and request files / materials)
- Each staff / patron and each item has a unique ID in the database that allows the IDMC to track its activity
- Bar coding module – for the easy tracking of files and materials

2.0 BUSINESS PROCESS DIAGRAMS – REGISTRY OPERATIONS

The business processes in this section are:-

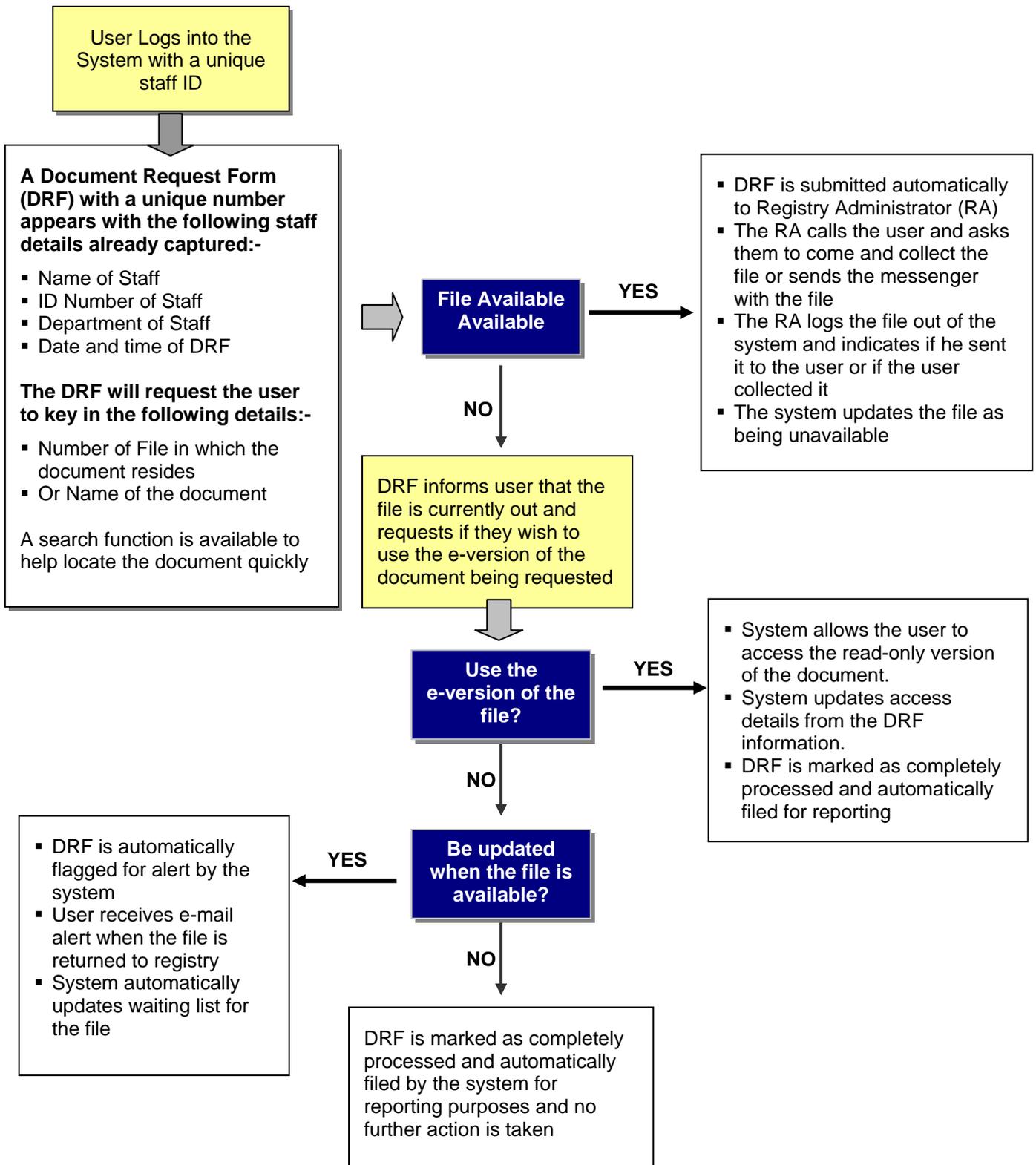
- Receipt and Filing of Correspondence
- Requisition of files
- Receiving files back from staff
- Managing documents in their locations
- Backing up the information in the IDMS

2.1 RECEIPT AND FILING OF CORRESPONDENCE

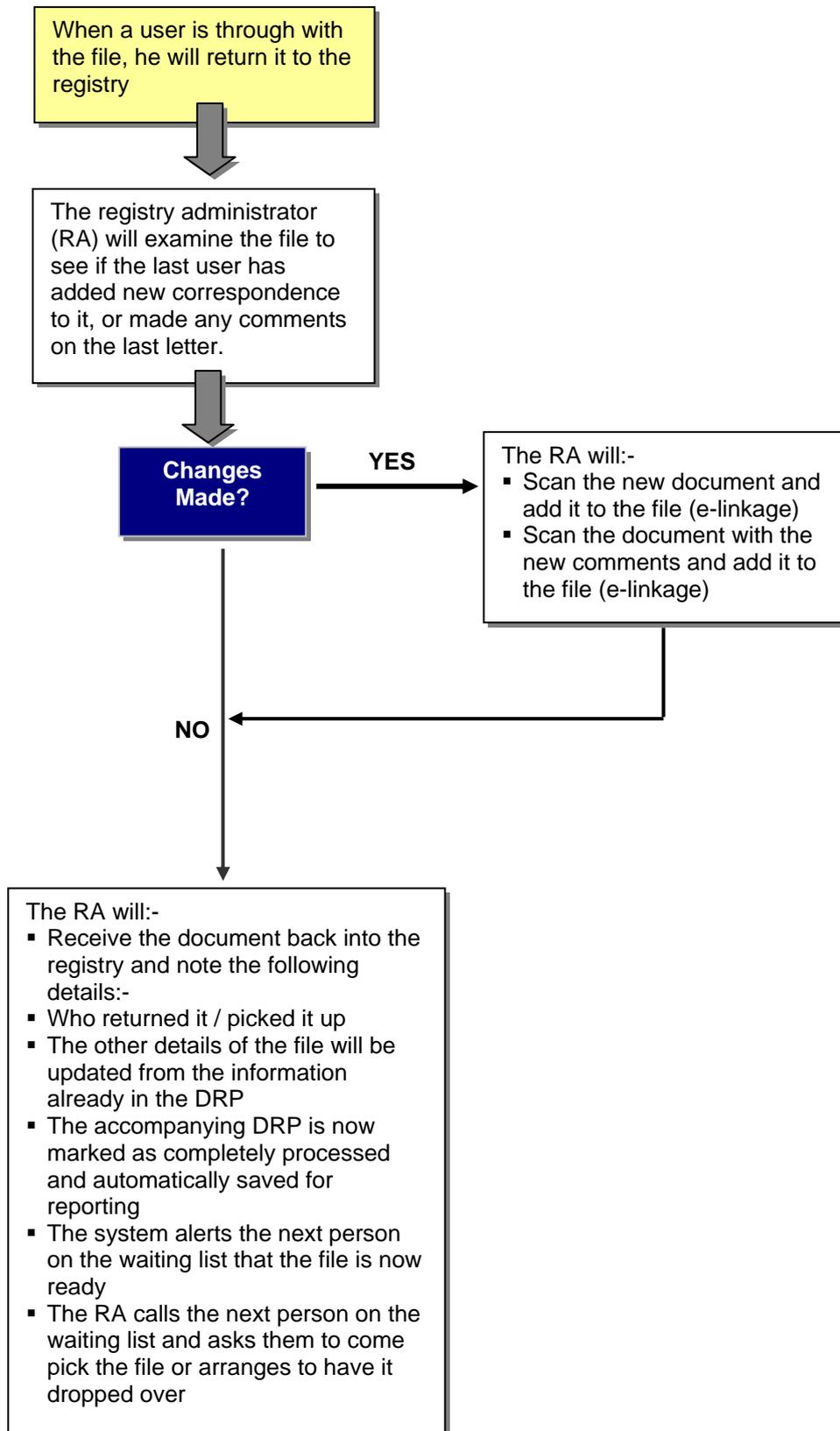


2.2 REQUISITIONING FOR A FILE

Only complete files will be logged out of the registry. The individual documents within the file will be accessed using the electronic version.



2.3 RETURNING A FILE TO THE REGISTRY



2.4 MANAGING DOCUMENTS IN THEIR LOCATIONS

The IDMS will have the following functionality over and above the processes described above:-

1. The ability to set up locations for the various files. These locations will refer to the:-
 - The room where the cabinet is to be found
 - The name / number of the cabinet
 - The number of the cabinet shelf (1,2, 3 ... from the bottom)
2. The ability to fully describe a file as follows:-
 - The department where the file belongs e.g. finance
 - The subject matter of the file e.g. supplier invoices
 - Any other designations e.g. the entity/ministry
3. The system will also capture the following information concerning a file:-
 - The number of documents in the file
 - If the file is volume II of an existing file
 - Whether the file is the current one or an archive version
 - If the file is a dummy file since the original has been misplaced and hence contains only copies of the original documents
4. The system will capture the following information concerning a document upon receipt in the system:-
 - Whether it is a fax, e-mail, memo, government circular, minutes, invitation etc
 - Whether the document is an original or copy
 - Whether the document is confidential or available for general circulation
5. The system will also allow the Registry Administrator to indicate the status of the file and manage it as follows:-
 - Open – available for general circulation
 - Departmental – only available to specific members within the department
 - Confidential – not visible to the regular users; can only be seen by the Registry Administrator and the Director General
 - Access Limited – the e-document may be available for viewing but not available for saving, printing, changing or any other form of access
 - Comments can be appended to the file by the RA or the Departmental HOD
6. The system will also allow the Registry Administrator to generate the following reports:-
 - The list of files with a waiting list
 - The list of files that have not been returned at the end of the day, the week, the months
 - The list of files with the highest transaction rates and lowest transaction rates
 - The list of users holding the most number of files
 - The list of users holding files at the end of the day, the week, or the month
 - The list of files that have been misplaced
 - The list of users who have misplaced files and which files these are
 - A list of departments with missing files in a given period of time
7. The system will also allow users to be setup as follows:-

- The full names of the user
 - Their employee identification number
 - Their department
 - Are they permanent or temporary / contract staff
 - The duration of their privileges – set to expire at the end of contract period for non-permanent staff
 - The departmental files they have access to
8. The system will store information in the master database and the electronic-documents (the scanned ones) will also be in the document database. All the information in the system will be backed up on a daily basis and the tape stored in a location that is not the registry.
9. The information backed up will include:-
- Master database with all locations, files, users and their permissions
 - Transaction files that indicate the status of all the files and which user has which documents
 - Document database with all the scanned images of the individual documents

2.5 THE ADVANTAGES OF THE IDMS – REGISTRY OPERATIONS

The above business processes describe the functionality of a system that provides for the current operations of the registry but delivers the following benefits:-

- All the individual documents in a file are scanned and stored electronically, thus providing a backup of the hard copy file WITHOUT having to make photocopies of the documents.
- The fact that backup is provided through the e-documents, means that a lot of space is saved that would otherwise be used up for storing backup files.
- Backup of the entire registry can be done daily by backing up the e-documents. This ensures that files can never get “lost” since a daily version of the file exists
- Document management across the organization can be STANDARDIZED. This means that there will be no department that is notorious for losing documents or misplacing files, since filing is done centrally and rules are managed centrally.
- Employees will not waste time looking for files, since they will be informed exactly where the file is and will be able to use the e-document if it is only one document they are interested in and not the whole file
- Documents cannot be successfully altered or tampered with in the hard file, since there will always be an e-copy of the document in the system, which will indicate the original state of the constituent documents in the file.
- It is easier to enforce rules and regulations on the use of files since the system will alert the user and the registry administrator of files that have not been returned at the end of the day, week, month etc
- It is easier to train people on the management of documents since the system is automated and not in the mind of an individual.

The Review Board can have its own IDMS to handle the information that comes in for the different appeal cases.

2.6 CAPACITY BUILDING REQUIRED FOR THE IDMS – REGISTRY

For effective utilization of the IDMS training will need to be done across the organization on the following areas:-

1. Train all staff on the basics of record and document management and the accompanying government regulations on the same
2. Train all staff on the procedures to be followed upon the receipt of documents, correspondence, fax, memos etc especially those in the front office, who are always receiving documents.
3. Train end users on how to use the IDMS to requisition and return documents from the registry
4. Train the Registry Administrator and other staff on how to manage documents within the IDMS
5. Train the Registry Administrator and other staff on how to use the document scanner and its software
6. Train the ICT Team on how to backup, restore and manage the application

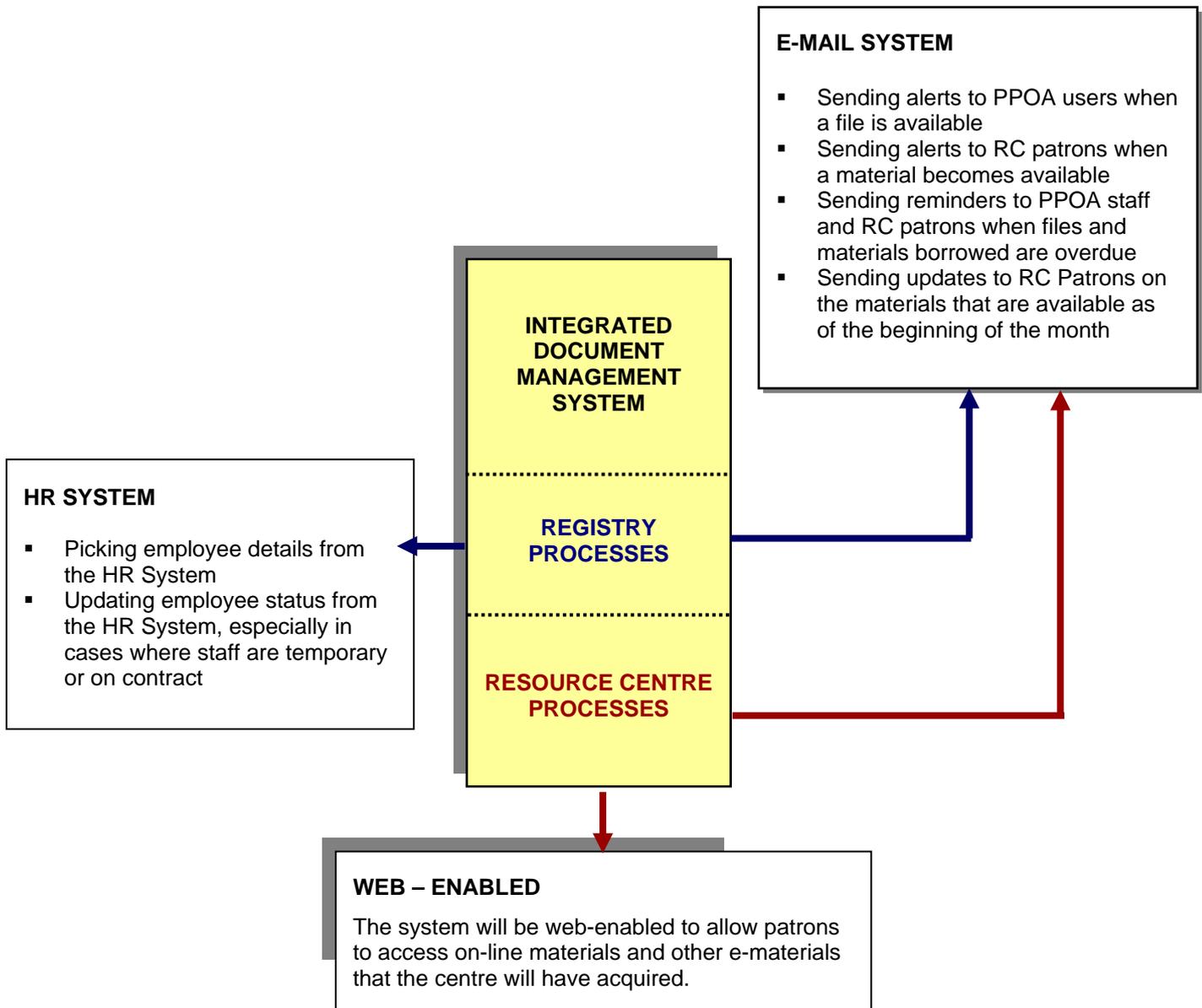
2.7 LINKAGES TO THE IDMS SYSTEM

Although the IDMS is a stand-alone system in the sense that it does not need to be integrated to the business application systems / ERP, it does require certain linkages with some systems in order to be effective. These linkages include:-

- Linkage to the HR Master database for employees. During the setup of an employee on the IDMS – Registry processes, the system will prompt the Registry Administrator to pick the name and details of the employee from the HR Database. This will ensure that only bona-fide employees who exist in the HR system can ultimately have access to the PPOA's documents
- The linkage to the HR master database for employees will also ensure that employees who have been terminated no longer have access to the system. At the end of each month, the Registry Administrator will run a function that will compare the names of users on the databases and the employees in the HR database to ensure that only employees with an "active" status in the HR System have access to the registry system
- The resource centre component of the IDMS will be web-enabled to allow patrons to access e-materials over the internet. The system will also enable patrons to see the full list of materials and reserve them, should they so wish.
- The full IDMS will be integrated to the e-mail system for PPOA to allow for the system as well as the individual administrators to sent out e-mail alerts for various purposes including – reminders to return materials, updates of new material, etc

The diagram overleaf summarizes the key linkages to the IDMS system.

SUMMARY OF IDMS SYSTEM LINKAGES



A2.3 Resource Centre Business Process Diagrams

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1.0 INTEGRATED DOCUMENT MANAGEMENT SYSTEM (IDMS)

1.1 FUNCTIONS TO BE SERVED BY THE IDMS

PPOA is currently managing its documentation through the services of the registry. This department is responsible for receiving and filing all correspondence, managing the movement of files, and managing the update and archiving of files.

This function is necessary for the new PPOA but needs to be managed in a manner that allows each department to keep track of its documents in an efficient manner.

The use of an integrated document management system (IDMS), will allow the function of the registry to be availed across the organization while using a fraction of the previous resources.

The Resource Centre will be responsible for acquiring and managing diverse materials for the organization for purposes of internal and also external capacity building and knowledge transfer.

The Resource Centre will handle both manual materials (magazines, journals, videos, CDs, DVDs) as well as electronic materials (online material in PDF format, online subscriptions, etc).

The IDMS will also provide the function for resource centre management.

1.2 BRIEF DESCRIPTION OF THE DOCUMENT MANAGEMENT SYSTEM

An IDMC is usually comprised of a relational database, software to act on that database, and two graphical user interfaces (one for administrators and one for staff). Most IDMCs separate software functions into modules, which are then integrated into a unified interface. Examples of modules required include:-

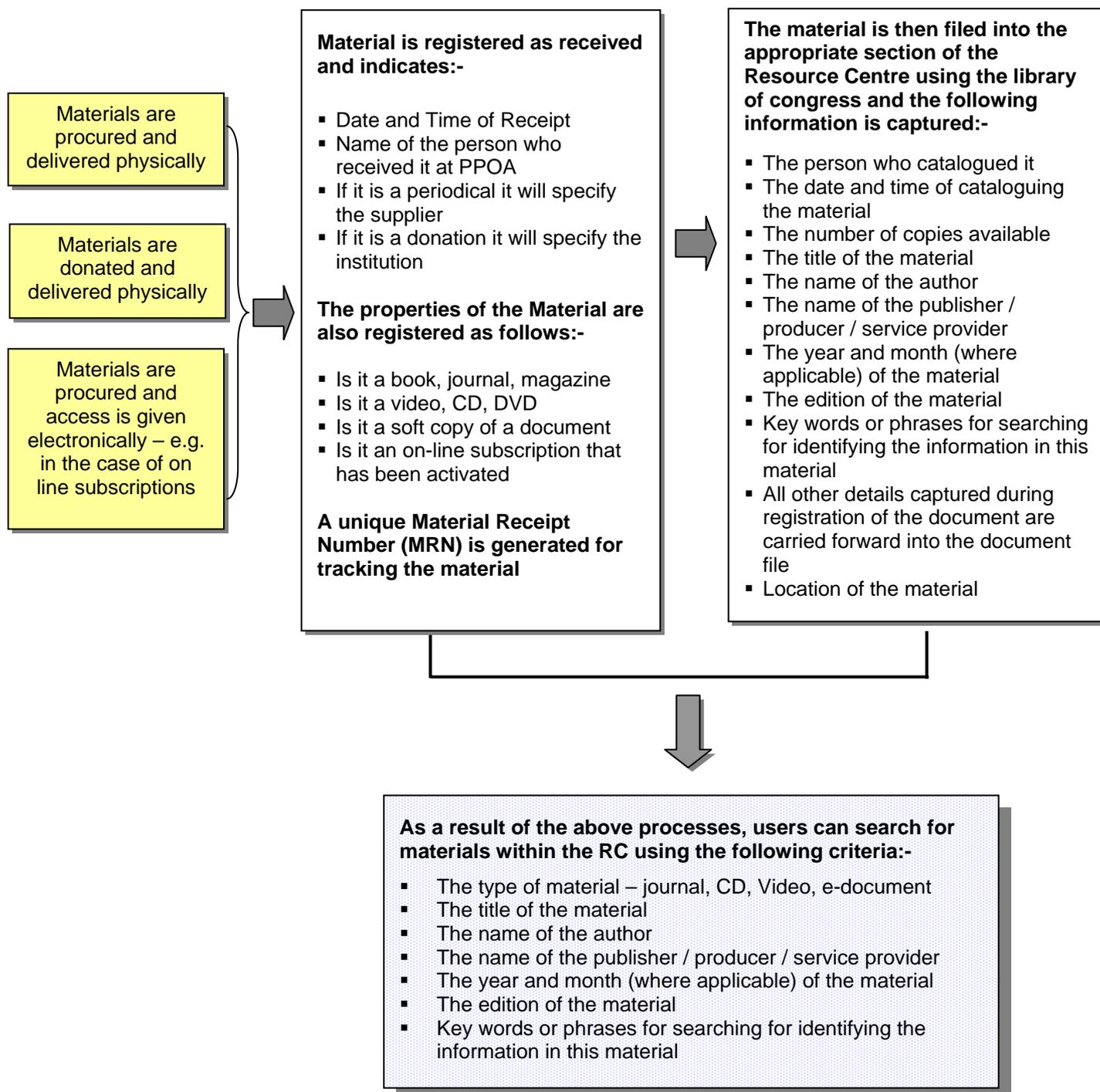
- Acquisitions (ordering / subscribing and receiving materials),
- Cataloging (classifying and indexing materials),
- Circulation (releasing files and documents to staff and receiving them back, or loaning materials to patrons and receiving them back),
- Serials (tracking magazine and newspaper holdings),
- OPAC (public interface for users to allow them to log in and request files / materials)
- Each staff / patron and each item has a unique ID in the database that allows the IDMC to track its activity
- Bar coding module – for the easy tracking of files and materials

2.0 BUSINESS PROCESS DIAGRAMS – RESOURCE CENTRE

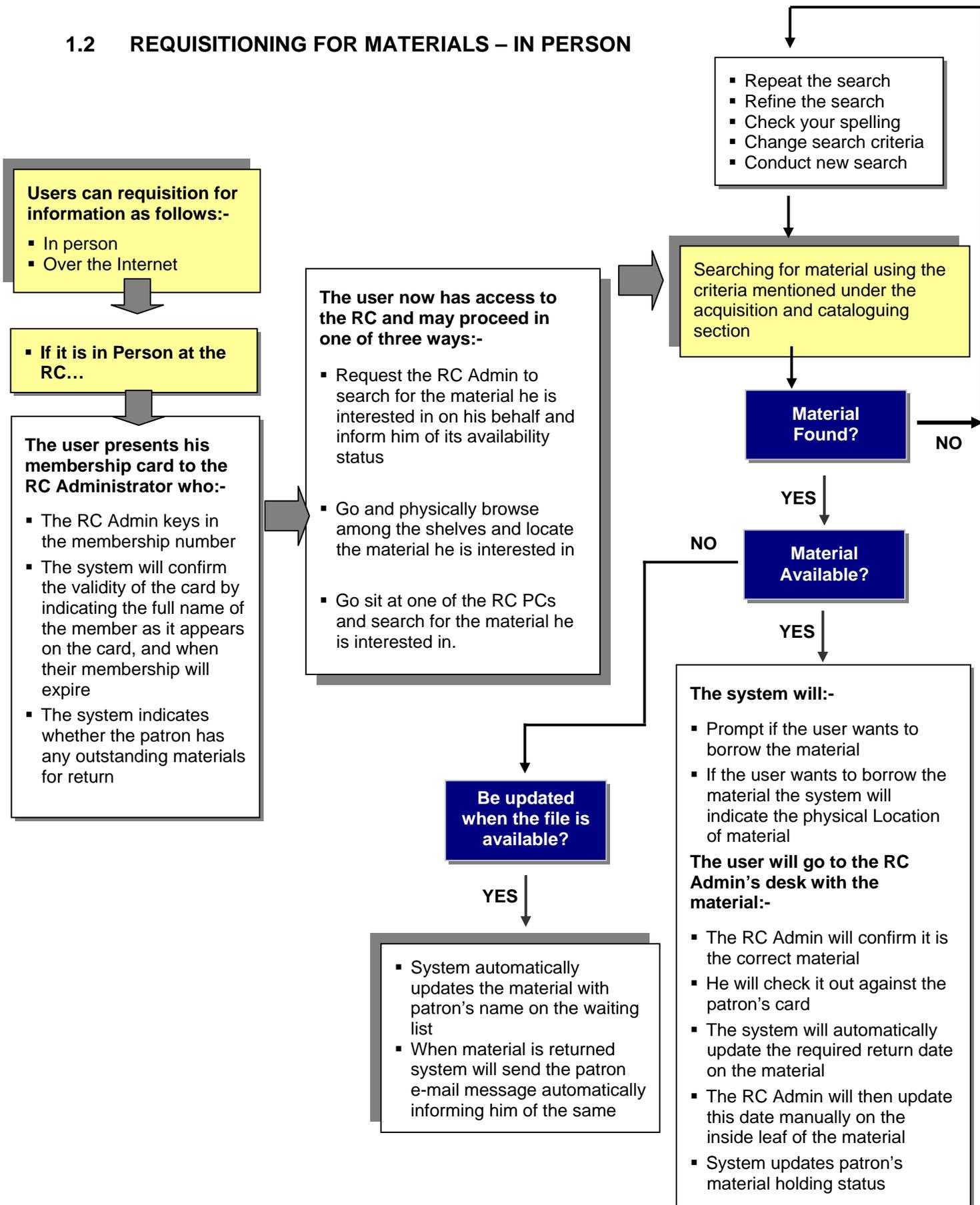
The business processes in the Resource Centre are as follows:-

- Acquisitions and cataloguing of materials
- Requisitioning for materials
- Receiving materials back from patrons
- Managing materials in their locations
- Backing up the information in the RC

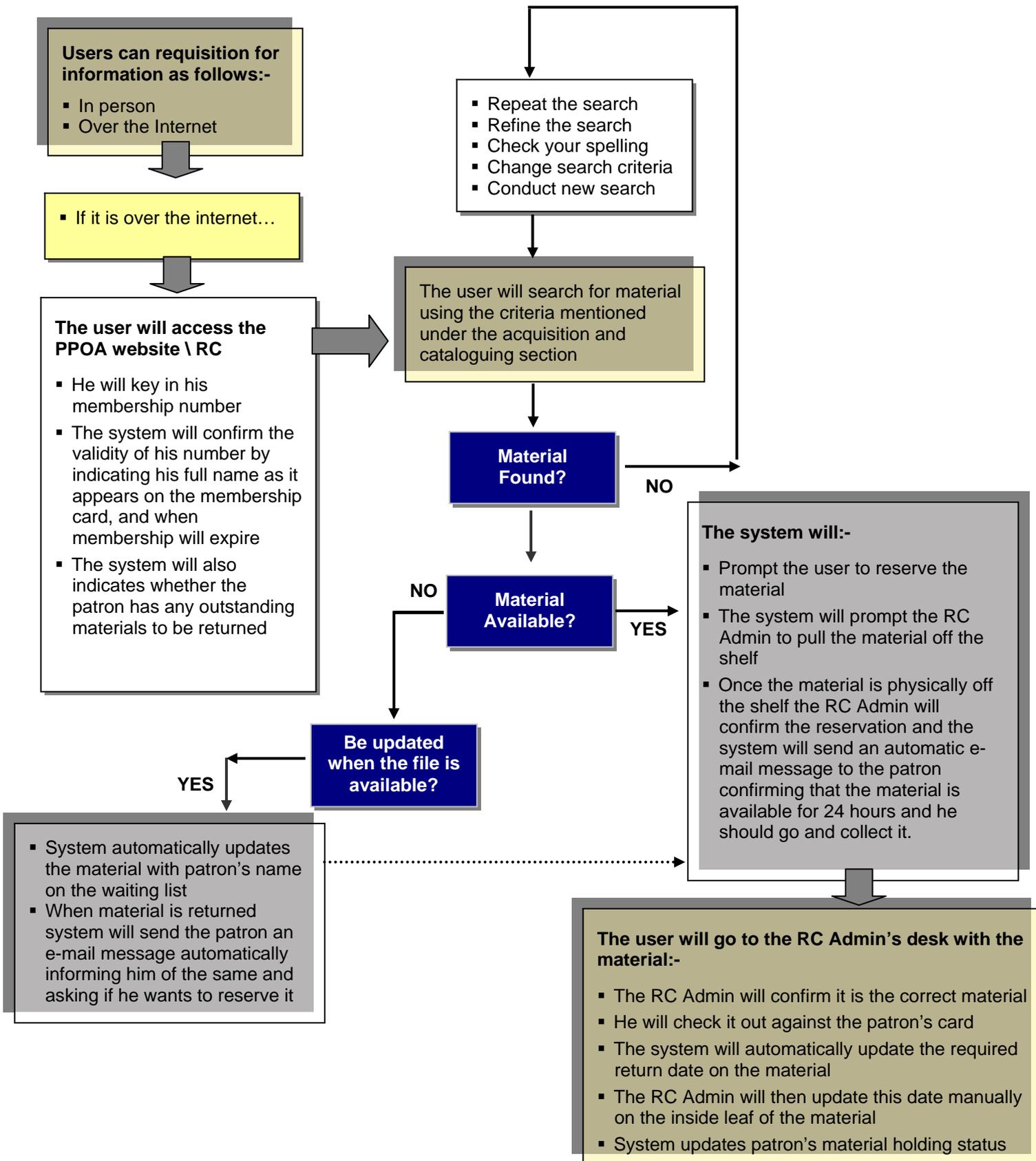
1.1 ACQUISITION AND CATALOGUING OF MATERIALS



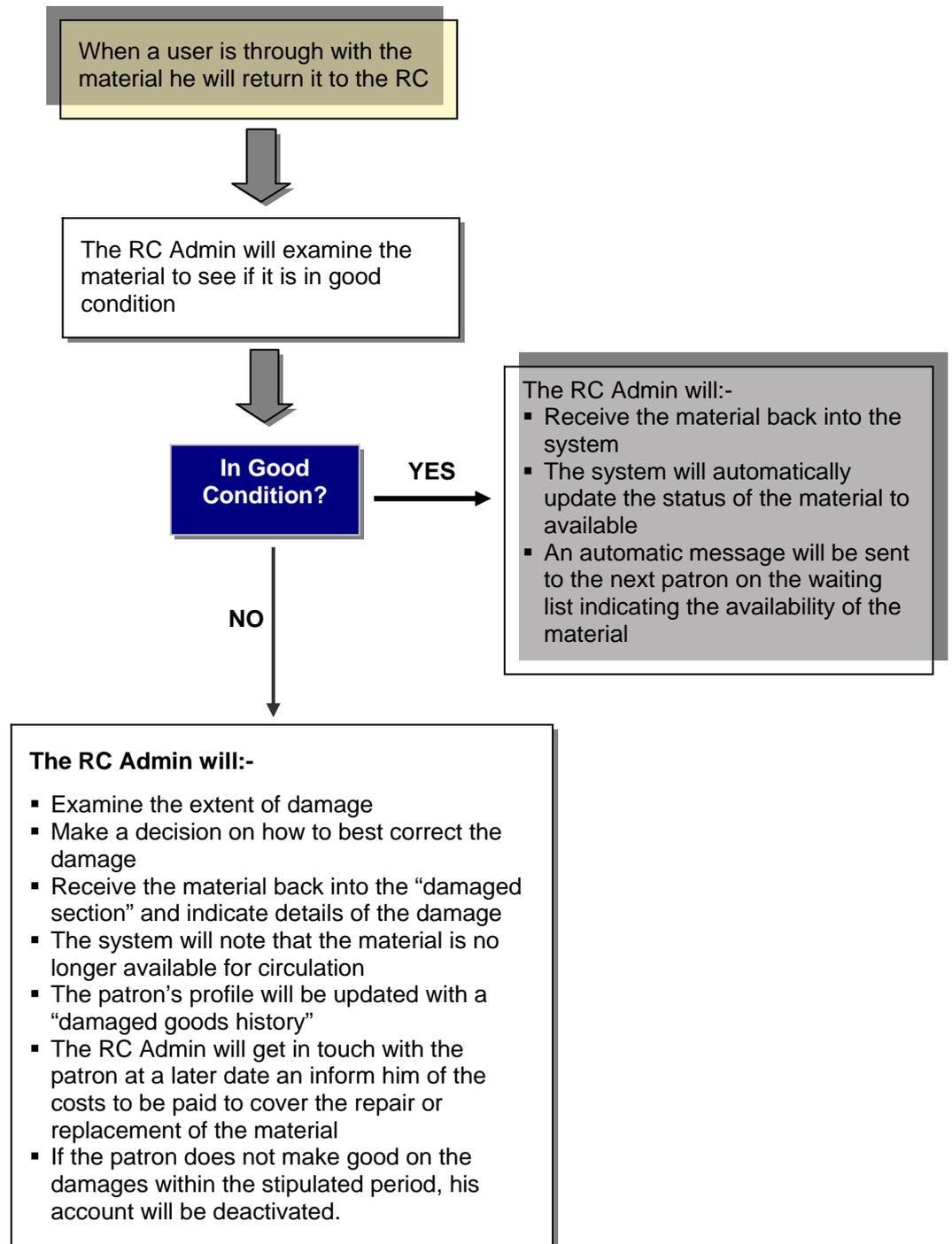
1.2 REQUISITIONING FOR MATERIALS – IN PERSON



1.3 REQUISITIONING FOR MATERIALS – ON LINE



1.4 RECEIVING MATERIALS BACK FROM PATRONS



1.5 MANAGING MATERIALS IN THE RC SYSTEM

The IDMS will have the following functionality over and above the processes described above:-

1. The ability to set up locations for the various materials. These locations will refer to the:-
 - The room where the shelf or cabinet is to be found
 - The name / number of the cabinet / shelf
 - The number of the cabinet / shelf (1,2, 3 ... from the bottom)
2. The ability to fully describe materials as follows:-
 - The type of material e.g. journal, magazine, video, DVD, CD etc
 - The author(s) of the material
 - The publisher of the material
 - The copy right year of the material – mm-yyyy
 - The edition / volume of the material
 - The subject matter of the material
 - Any other designations
3. The system will capture the following information concerning materials upon receipt in the system:-
 - Source of funds for acquiring the materials – PPOA / GoK / Donor etc
 - The number of copies that exist of that material
4. The system will also allow the RC Administrator to indicate the status of the file and manage it as follows:-
 - General – available for general circulation
 - Restricted – only available to specific members / patrons
 - Not for Circulation – to be read or viewed in the RC but cannot be taken out of the RC
 - Under Repair – available in the library but currently being repaired
 - Comments can be appended to the material by the RC Administrator
5. The system will also allow the RC Administrator to generate the following reports:-
 - The list of materials with a waiting list – this will assist him to know which materials need to be acquired in more than one copy
 - The list of materials that have not been returned within the stipulated time
 - The list of materials with the highest transaction rates and lowest transaction rates – necessary for determining how to store materials
 - The list of patrons who have not returned materials as stipulated at the end of the period. The system should have the capability of sending an automatic reminder to the patron via e-mail.
 - The list of materials determined as “lost” after interaction with the patrons concerned
 - The list of all online-resources that are available to the RC
 - The utilization of each patron
 - The demand for each piece of material
 - The list of patrons who have misplaced files and which files these are
 - The list of patrons with outstanding payments for membership
 - The list of patrons with outstanding payments for damaged or lost materials, etc
 - The list of on-line subscriptions that are due for re-newal
6. The system will also allow patrons to be setup as follows:-

- The full names of the patron
 - Their RC identification number
 - Their place of work
 - Their telephone contact details
 - Their e-mail address
 - Their post office box
 - Their ID Number
 - The duration of their membership
7. The system will store information in the master database and the electronic-materials will also be in the e-materials database. All the information in the system will be backed up on a daily basis and the tape stored in a location that is not the resource centre.
8. The information backed up will include:-
- Master database with all locations' list, materials' list and members' list
 - Transaction files that indicate the status of all the materials and which member has which documents
 - Document database with all the e-materials like DVDs, CDs, etc

1.6 THE ADVANTAGES OF THE IDMS WHEN USED FOR THE RESOURCE CENTRE

The above business processes describe the functionality of a system that provides for the operations of resource centre that is automated and delivers the following benefits:-

- Automation of the processes of the RC will result in more effective utilization of available resources
- Since the IDMS used for the processes of the registry is the same one used for the processes of the Resource Centre, training will be easier across the board for PPOA staff.
- The RC will be able to handle both manual and electronic materials
- Effective tracking of all materials

1.7 CAPACITY BUILDING REQUIRED FOR THE IDMS – RESOURCE CENTRE

For effective utilization of the IDMS – Resource Centre training will need to be done across the organization on the following areas:-

1. Train all staff and patrons on the use of the IDMS to search for materials and access materials
2. Train the Resource Centre Administrator on how to manage materials within the IDMS
3. Train the Resource Centre Administrator on how to assist patrons with common internet problems they may encounter when using the internet at the RC.
4. Train the ICT Team on how to backup, restore and manage the application

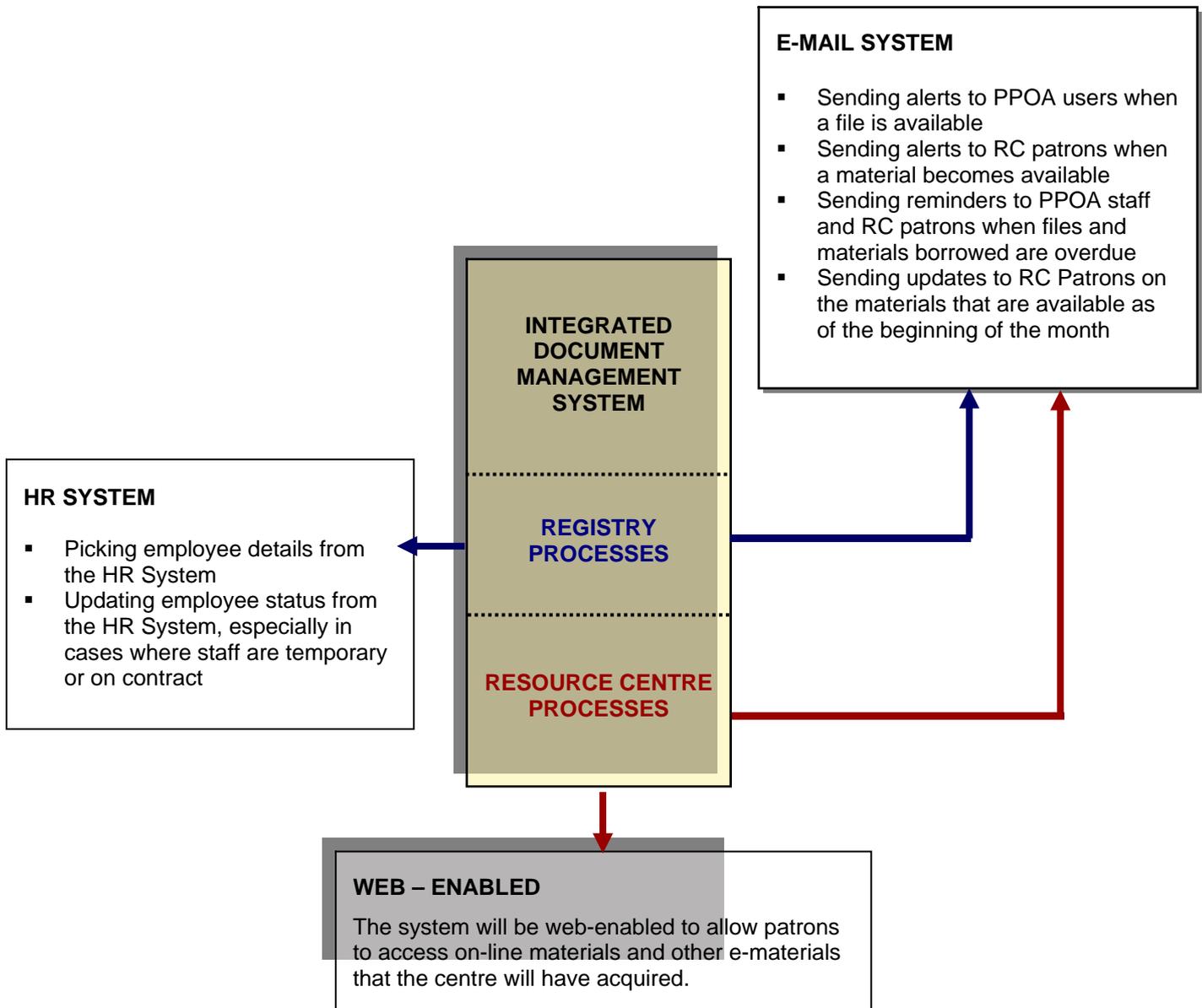
1.8 LINKAGES TO THE IDMS SYSTEM

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The diagram overleaf summarizes the key linkages to the IDMS system.

SUMMARY OF IDMS SYSTEM LINKAGES



A2.4 Appeals Board Business Process Diagrams

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1.0 BUSINESS PROCESSES FOR THE APPEALS BOARD

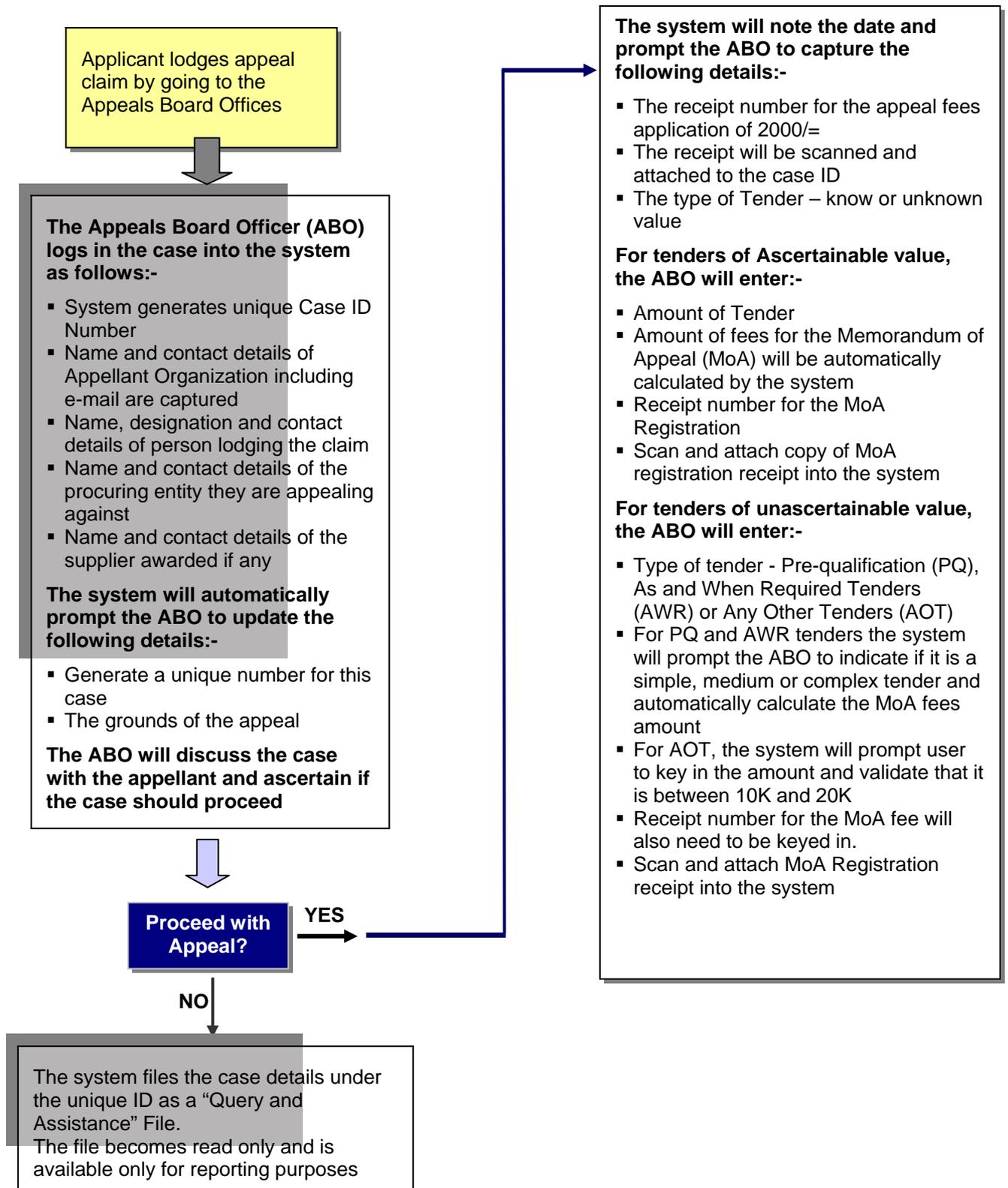
The appeals board has several business processes which can be effectively modeled onto a helpdesk system with a few customizations.

The processes described below are as a result of the interviews with staff at the Appeals Board Section and have incorporated current procedures as well as other procedures to ensure accountability and security.

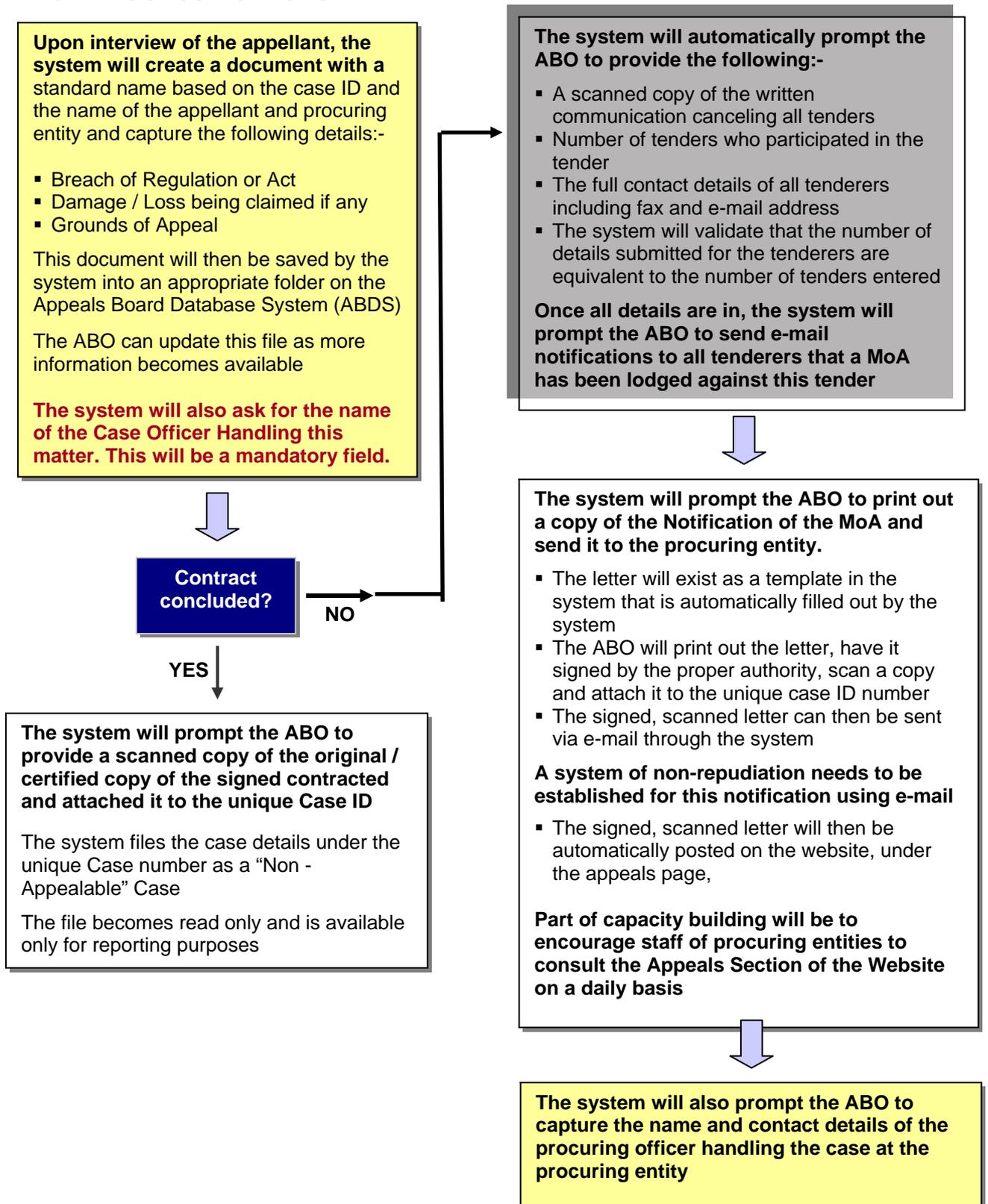
The processes of the appeals board are as follows:-

- Registering a Case
- Processing a Case
- Putting a case together
- Managing and preparing for the hearing
- Managing case updates in the system
- Conducting searches in the system database
- Scanned documents attached to the UCFID
- Some reports that will be available from the system
- Linkages with other systems

1.9 REGISTERING A CASE



1.10 PROCESSING A CASE



1.11 BUILDING A CASE

1

The system will automatically prompt the ABO to determine the documents that are required for this case by providing a list of pre-determined documents.

- Against each pre-determined document, the ABO will have to indicate if it is necessary or not by placing a tick.
- The system will then prompt the ABO to update the status of these documents each time the case file is opened until all the necessary documents are marked as delivered
- The system will automatically send a reminder to the e-mail address of the procuring entity for documents to be submitted once a day.
- As each document is submitted, the ABO will place a check mark against it.
- When the full set of documents has been delivered, a “Document Delivery Form” (DDF) will be signed by the representative of the procuring entity and the ABO
- The number of documents submitted will be indicated alongside each document
- The number of copies submitted for each document will be indicated on the next column

The scanned copy of the DDF will be attached to the unique Case ID in the system.



2

Any time the ABO is following up on the case, he should ensure he is logged into the system. Under the follow-up window, the system will prompt the ABO to indicate:-

- Nature of follow-up; is it by phone, fax, e-mail, letter, etc
- The date and time of the follow-up
- The person you spoke to or
- The person you e-mailed, faxed, mailed

The system will automatically default to the name of the procuring officer at the entity, but this can be changed to any other person's name

- If follow-up is by letter, the system will prompt you to attach a scanned copy of the letter with the appropriate date, signature and stamp

3

- When the documents are received from the procuring entity, the names of the tenderers on the opening bid minutes will be compared to the names given by the procuring entity at the start of the exercise.
- The system will prompt the ABO to place a check mark against the names of the tenderers that have been validated.
- If other tenderers appear on the minutes that had not been disclosed before, they will be added to the system files and contacted

All MoA notifications that are sent out to the tenderers especially the awarded supplier and are confirmed will be scanned and attached to the case file number (CFN).

- Delivery and read notifications from e-mail will be attached to the CFN
- Fax positive delivery confirmations will be scanned and attached to the CFN
- The page of the delivery note book will be scanned and attached to the case file number
- Any documents that confirm delivery will be scanned and attached to the CFN

PPOA must acquire a messaging system that allows for the full spectrum of e-mail connectivity mentioned above.

PPOA's e-mail bandwidth needs to be large enough to allow for the e-mailing of MoAs complete with attachments



4

The hearing notice will be crafted from a system template, printed, signed, scanned back into the system. It can then be sent via:-

- E-mail for all participants with e-mail
- E-mail to all members of the Appeals Board
- Courier to all participants

As each confirmation of receipt of the hearing is successfully acknowledged as delivered, this will be updated in the system against each tenderer's name

1.12 MANAGING AND PREPARING FOR THE HEARING

1

Case officer writes the “Analysis Report” and prepares for the hearing as follows:-

- The Analysis report is attached in soft copy format to the Case ID in the system and
- The date of submission is captured by the system
- The Analysis report is sent to the members of the Appeals Board
- The system notes the date when the Analysis Report is sent out to Board Members

2

On the day of the hearing, participants log into the system through a desktop provided at the entrance as follows:-

- The participant will indicate if he is an Appeals Board Member, a supplier, the procuring entity representative, or the procuring entity’s legal representative, the appellant, or the appellant’s legal representative, Case Officer of PPOA, Assistant to the case officer, etc
- The system will then request for the full names of the participants, the organization they are representing and pertinent contact details.

These details will be captured by the system for writing the minutes of the hearing. The Case Officer will simply extract the names from the system registration module

3

The minutes of the hearing will then be typed in as the case continues.

- They will eventually be edited and a soft copy scanned and put into the system under the Case ID Number.
- When the minutes are approved and signed, they shall be scanned into the system and attached to the particular case number

4

During the hearing, the system will make available to the Appeals Board a soft copy of all the Laws of Kenya

- These will be available by searching for them using the appropriate name.
- Since they are electronic, they will be projected on the first projector for participants to follow
- Other documents produced during the hearing will be presented on a second camera projector for participants to follow easily and without the need for photocopying

5

After the hearing is concluded:-

- The Appeals Board will give a date for the Ruling
- The Board will deliberate on issues and a ruling is arrived at.
- The interim ruling will be attached to the UCID as it is being written.
- The Case Officer can update it until it is in its final version

6

On the date the Ruling is read:-

- Participants will register into the system as indicated in box 2 to the left.
- The ruling will be read aloud to participants
- The final ruling will be approved by the Board at a later date, signed and initialized.
- A scanned copy will be posted into the system under the UCID
- The abridged version of the ruling will be posted onto the PPOA website
- The Case Officer will then mark the UCID as “Closed”
- This will render all the details read only and the case will only be available for reporting and reference

If the Ruling is appealed against, the date and particulars of the appeal will be noted and documents sent to the AG’s office

1.13 MANAGING CASE UPDATES IN THE SYSTEM

Against each unique case ID (UCID) the following information and status will be available:-

1. The contact details of the:-

- Appellant Company
- Officer representing the Appellant's Company
- Procuring entity
- Procuring officer representing the procuring entity
- Case Officer handling the case

2. The number and name of each tenderer and the status of the same against case progress as shown below.

No.	Name of Tenderer	e-mail address	Tenderer appears on the tender minutes	Successful confirmation of MoA (dd-mm-yyyy)			Successful confirmation of Notice of Hearing (dd-mm-yyyy)		
				RM	E-M	Fax	RM	E-M	Fax
1.	Supplier Fulani 1	md@supplier.com	√	11-02-2007			18-02-2007		
				√				√	
2.	Supplier Fulani 2	gm@supplier.com	√	11-02-2007			16-02-2007		
					√				√
3.	Supplier Fulani 3	info@supplier.com	√	11-02-2007			16-02-2007		
					√		√		

LEGEND

- RM** Regular Mail – Post Office / Courier
- E-M** Electronic Mail
- Fax** Facsimile

3. Against each unique case ID the status of the case will be given indicating:-

- Date the case was logged in
- Date when Appeals Application fee of 2000/= was received
- Date when the MoA Registration fee was received
- Date when the MoA was sent out to tenderers
- Date when the procuring entity received the MoA
- Date and Method for follow-up with the procuring entity to submit documents 1
- Date and Method for follow-up with the procuring entity to submit documents 2
- Date and Method for follow-up with the procuring entity to submit documents 3
- Method and Date when the procuring entity received the first reminder to submit documents
- Method and Date when the procuring entity received the second reminder

- Date the awarded supplier received the MoA
- Date when all of the relevant documents were received at PPOA
- Date the Notice of hearing was sent out to tenderers
- Date when the Notice of hearing went out to Review Board members
- Date when analysis report was logged in by the Case Officer
- Date of Hearing
- Date of Ruling
- Date the ruling was published on the website
- Date of appeal against ruling if any

1.14 CONDUCTING SEARCHES IN THE SYSTEM DATABASE

As a result of all the data that has been captured in the system, PPOA staff can search for the details of a case using the following parameters:-

- Name of Appellant Organization
- Name of Appellant Organization Representative
- Date the 2000/= Appeal Fee was paid
- Receipt number of the Appeal Fee
- Date the MoA Registration Fee was paid
- Receipt Number of the Registration Fee
- Name of Case officer handling the matter
- Hearing Date of the Case
- Ruling Date of the Case

1.15 SCANNED DOCUMENTS ATTACHED TO THE UCFID

As a result of all the documents that have been scanned, the system will be able to avail an e-version of the following documents:-

- Receipt for the Appeal Application Fee of 2000/=
- Registration Receipt for the MoA
- Concluded and signed contract from the procurement entity or
- Letter from the procuring entity indicating it has cancelled the tender and communicated the same to all participants
- Signed letter of MoA notification
- Signed Notice of Hearing to all participants
- Proof of delivery for e-mail, fax and regular post delivery of notifications of MoA and the hearing
- Analysis Report to guide the Appeals Board on their deliberations
- Signed minutes of the hearing
- Signed minutes of the ruling
- Signed ruling
- Abridged ruling that will be posted on the Internet

1.16 SOME REPORTS THAT WILL BE AVAILABLE FROM THE SYSTEM

For purposes of managing the work of the Appeals Board a variety of reports will be made available including:-

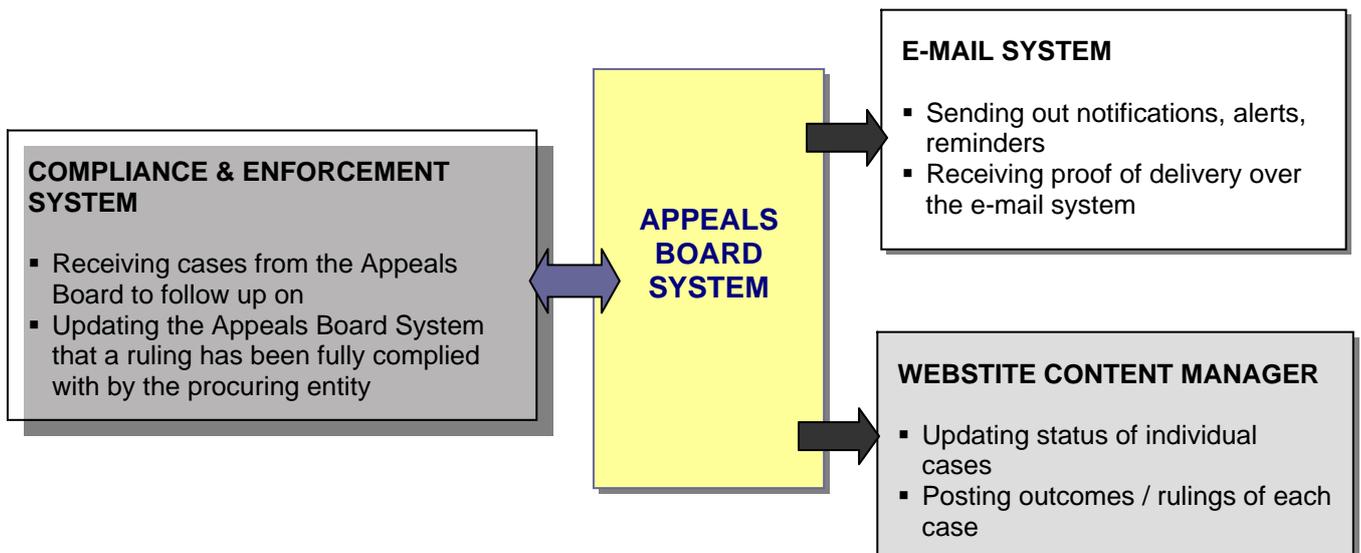
- The number of cases that have ended as “Query and Assistance” files
- The number of cases that have been withdrawn half way through the hearing

- The number of cases successfully concluded over a given period
- The number of cases whose rulings have been repealed against over a given period
- The number of cases awaiting documents from the procurement entities
- The number of cases scheduled for hearing in a given period
- The number of cases whose hearing has been concluded but rulings are pending
- The number of cases whose ruling has been given but the same has not been posted on the PPOA website
- The number of cases being handled by a particular case officer
- The number of cases registered against a particular procuring entity over a given period of time
- The amount of money raised through Appeal Application Fee over a given period
- The amount of money raised through MOA Registration over a given period of time

1.17 LINKAGES WITH OTHER SYSTEMS

The Appeals Board System is essentially a stand alone system. However it will have linkages to the e-mail system and the website content manager to allow it to send alerts and publish rulings on the appropriate web page.

The status of a case as given in 1.5 no. 3 above can be posted on the PPOA website to ensure that all interested parties to the case are aware of the status of the case especially the date of hearing and the date of ruling.



1.18 CAPACITY BUILDING FOR THE APPEALS BOARD SYSTEM

The following skills will be critical for the Appeals Board Staff to be able to function at an optimal level with the introduction of the automated appeals management system.

- Typing
- Use of e-mail
- Working with PDFs
- Working with the website content manager
- Operating the heavy duty scanner

A2.5 Compliance and Enforcement Business Process Diagrams

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1.0 BUSINESS PROCESSES FOR COMPLIANCE AND ENFORCEMENT

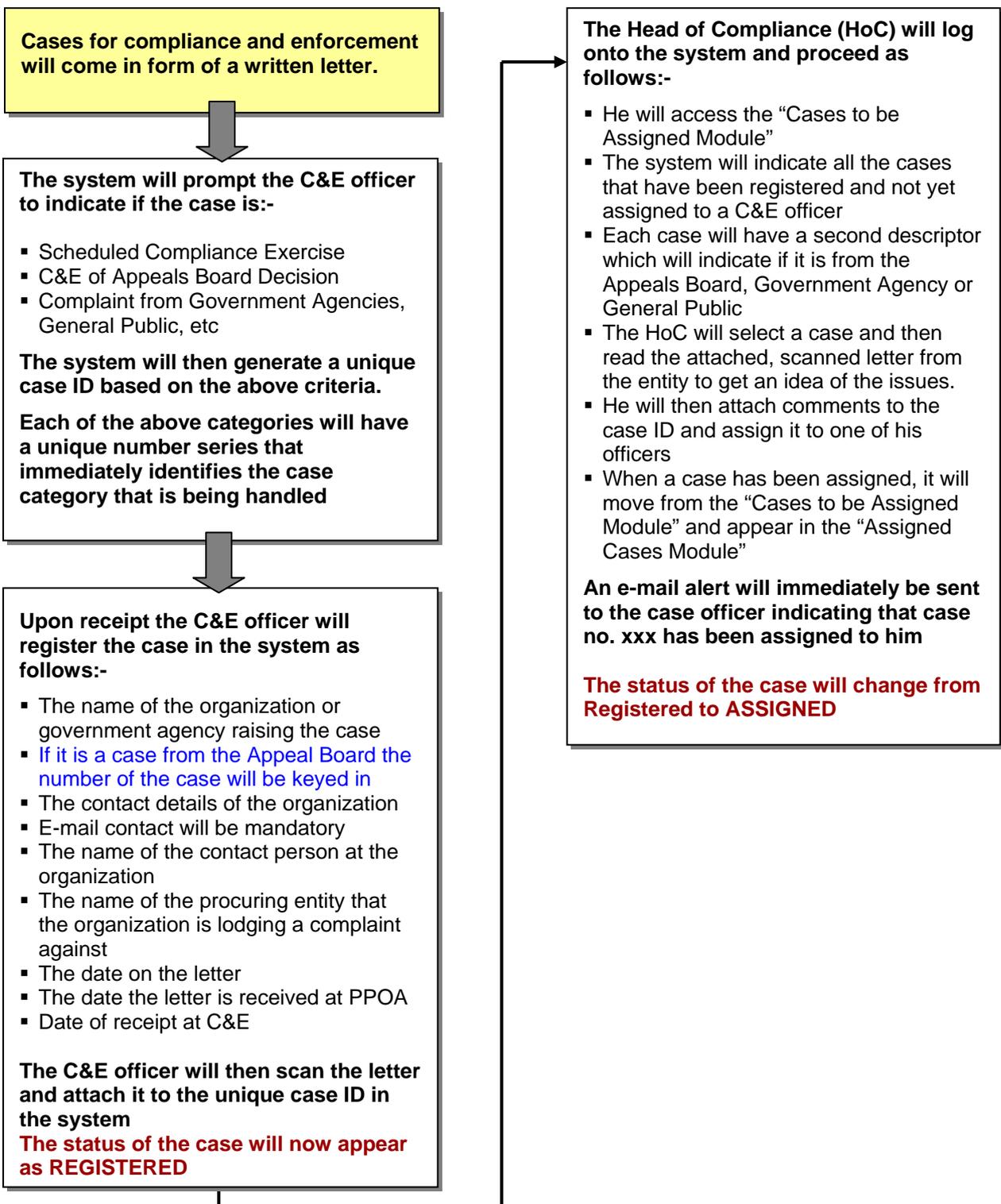
Compliance and enforcement (C&E) involve the monitoring of the procurement processes at the PPOA's constituents to ensure that they are compliant with the law as well as other policies and regulations that may come into effect from time to time.

This department works closely with legal and policy as well as with the Appeals Board. Links to the former are to ensure that the compliance and enforcement officers are aware of the most current rules and regulations and the interpretation of the same in the working environment. Linkage to the Appeals Board is to ensure that rulings are complied with and any breaches in procedure that were identified during the processes are highlighted and addressed.

The processes of compliance and enforcement are:-

- Receiving and registering a case
- Managing a case in the system
- Reviewing and closing a case in the system

1.1 RECEIVING AND REGISTERING A CASE



1.2 MANAGING A CASE IN THE SYSTEM

The C&E Officer will log onto the system and will be presented with his case load:-

- The “Case Load” is a screen that shows all the cases that have been assigned to the officer, date of assignment to the officer, number of days it has been active and current status
- This will enable the case officer to see at a glance his performance against his case load every time he logs on.
- The C&E Officer will access the latest case assigned to him.

The status of the case will immediately change from Assigned to ACTIVATED



The C&E Officer will proceed as follows:-

- He will read the scanned letter / file with the details of the case
- He will read the comments from the HoC
- He will then access the Work Plan section of the case and indicate in bullet points the steps he will take against this assignment

The work plan will assist the HoC to know how thoroughly the C&E Officers are handling assignments

After the work plan is submitted into the system, the status of the case will change from Activated to PLANNED



The C&E System will be accessible over the Internet, so that C&E Officers can update their case loads even when traveling within the country

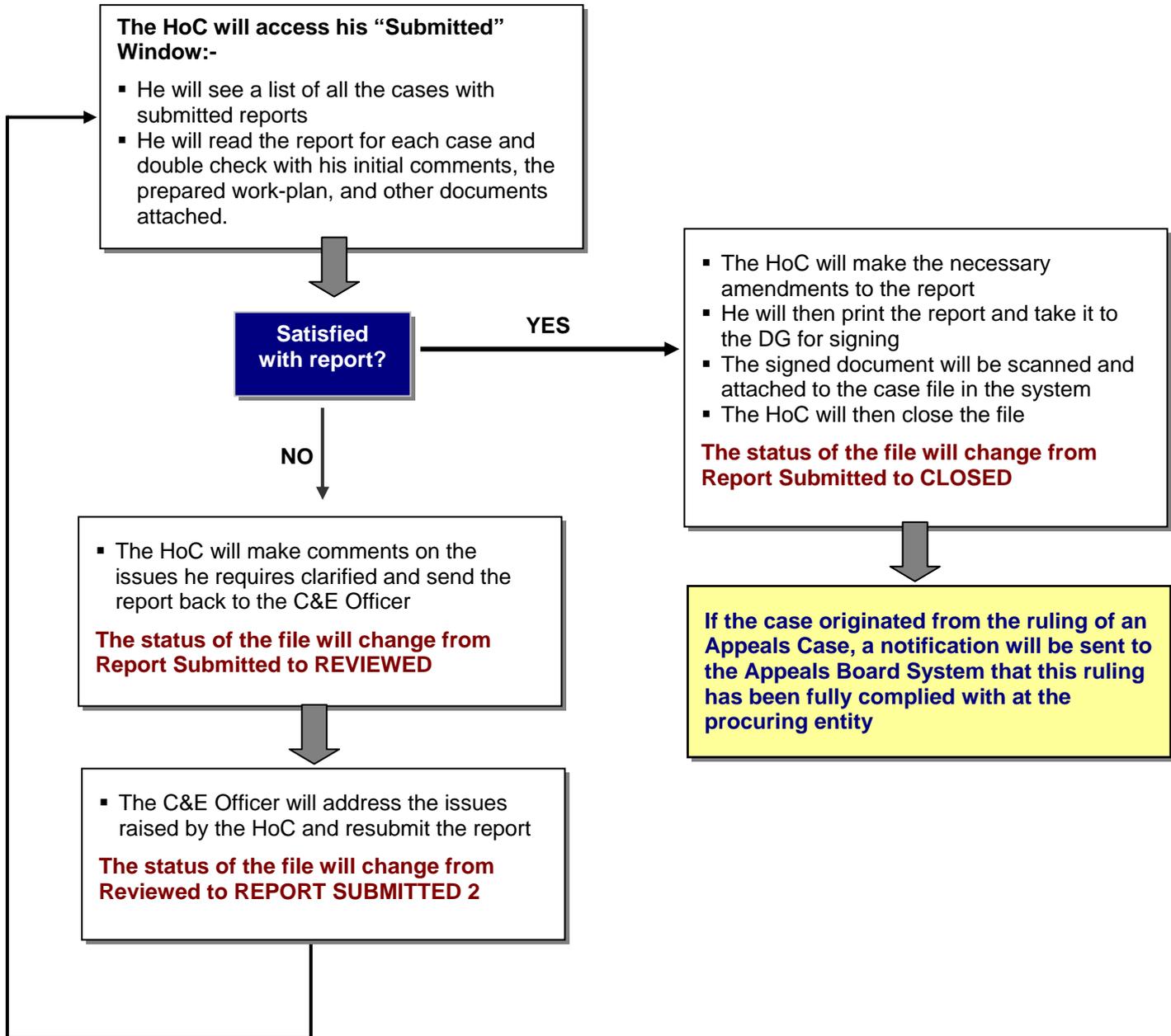
The C&E Officer will log his activities pertaining to this case under the “Activities” Window and will capture:-

- Date of Activity, Nature of activity. E.g. sent letter to accounting officer of the procuring entity; visited the procuring entity and examined documents; received missing documents from entity; etc
- Pages of the relevant documents collected will be highlighted, notes appended and scanned into the system against the case number
- When the exercise is complete, the C&E Officer will write his report and submit it in the system

The system will automatically send an e-mail alert to the HoC that the report for case no. xxx has been submitted.

The status of the case will change from Planned to “REPORT SUBMITTED”

1.3 REVIEWING AND CLOSING A CASE IN THE SYSTEM



1.4 ADVANTAGES OF AUTOMATING COMPLIANCE AND ENFORCEMENT

There are several advantages to automating this particular function as indicated below:-

- More effective utilization of employee time, since tasks like registering cases and availing the needed information can be delegated to junior staff.
- A lot of time is saved by having access to documents online that would otherwise have been spent requesting files from the registry
- Increased collaboration between the compliance and enforcement staff, since case files can be delegated or handed over with all the details completely intact and available electronically.
- Documents will be backed up through scanning and attaching them to the appropriate case. Should the hardcopy file be lost, the electronic files will always be available since they will be backed up daily.
- E-mail alerts and updates will keep all players informed of the status of cases in their docket.
- Currently, cases can remain “OPEN” for a long period of time without staff being aware that action is due, a reminder is needed or follow up is required. Automating the process will ensure that the status of each case is known and cases can actually be closed within stipulated time.
- Since the system will be internet-enabled, staff will be able to submit their reports, consult documents etc whilst out in the field on assignment, without having to carry bulky documents with them.

This will also prove cost effective, since staff can be deployed on compliance and enforcement assignments in a certain area, where they will be able to handle several cases in the area, without needing to go back to HQ to submit their reports and consult documents

1.5 ELECTRONIC FORMS FOR PERIODIC REPORTING BY PROCURING ENTITIES

PPOA is responsible for receiving and analyzing returns from the procuring entities on a quarterly basis on the following issues:-

- All contracts awarded above Kshs 5 Million
- All contracts terminated before award / contracting
- All contracts terminated after award / contracting
- All single sourcing procuring transactions.

These returns can be streamlined by providing electronic forms on the PPOA website that allow the procuring entities to fill in the details of the above returns online. The hardcopies which will be signed and stamped will be delivered later for verification at the PPOA offices.

1.6 SEARCHING WITHIN THE C&E SYSTEM

Due to the automation, cases being handled by the compliance and enforcement team can be searched / filtered according to the following criteria:-

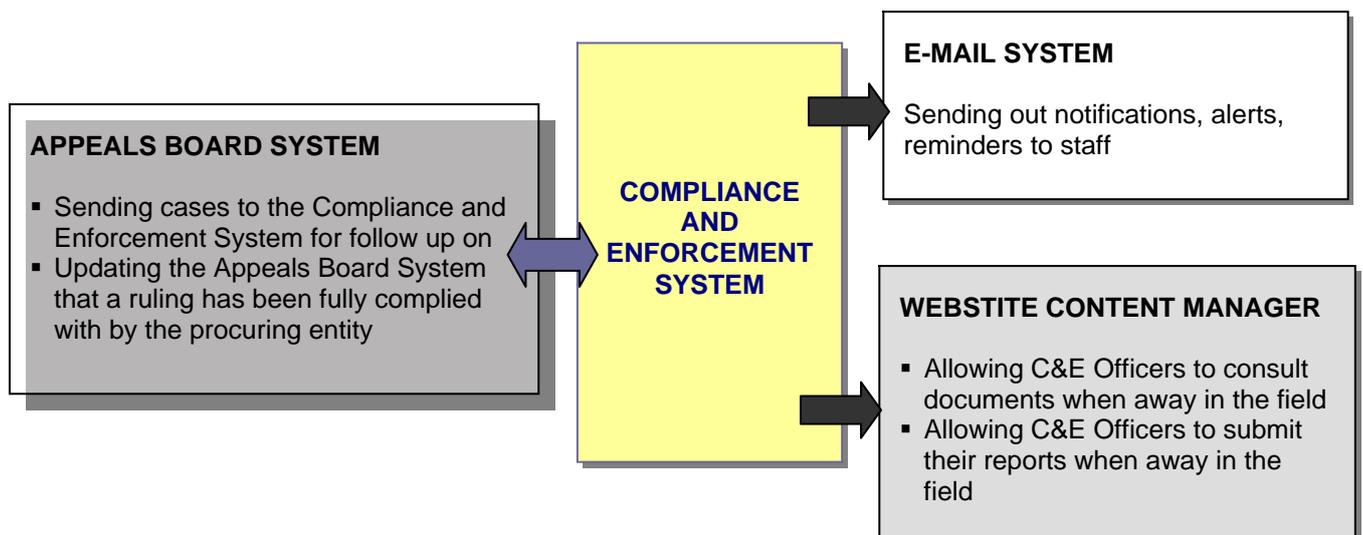
- Officer who handled the case
- Date the case was registered in the system
- Name of organization that initiated the C&E Case
- Name of procuring entity involved in the C&E Case
- Category of case – from Appeals Board, Scheduled C&E Assignment, General Public initiated assignment, Government Agency initiated case
- Status of the case – registered, assigned, activated, planned, report submitted, closed, under review etc

1.7 REPORTING WITHIN THE C&E SYSTEM

As a result of the automation, these are some of the reports that should be available from an automated system:-

- Number of cases per status – e.g. number of cases that are registered, number of cases that are activated, etc
- Number of cases per status per C&E Officer per month, quarter, year
- Number of cases per status per procuring entity per period
- Number of cases per status per government agency – e.g. how many KACC initiated cases are being reviewed

1.8 LINKAGES WITH OTHER SYSTEMS





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2ND INTERIM REPORT

**CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT
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PROCUREMENT OVERSIGHT AUTHORITY (PPOA)**

Volume 4

HUMAN RESOURCES POLICY & ADMINISTRATION MANUAL

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY (PPOA)

MAY 2007

This publication was produced for review by the United States Agency for International Development.

HUMAN RESOURCES POLICY & ADMINISTRATION MANUAL

**CONSULTANCY TO ASSIST IN THE DESIGN OF MANAGEMENT
SYSTEMS FOR THE GOVERNMENT OF KENYA PUBLIC
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Contract No.

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

HUMAN RESOURCES POLICY & ADMINISTRATION MANUAL

BACKGROUND

Introduction

This human resources manual provides detailed information about Public Procurement Oversight Authority (hereinafter referred to as Authority) human resources policies, procedures and conditions of employment for staff. It is binding on the employee as part of the contract of employment.

Any changes to the policies and procedures contained in this manual will require authorisation of the Director General. However, where changes in policy may have significant financial implications, the Director General will seek approval from the Public Procurement Oversight Board (hereinafter referred to as the Board) prior to implementation.

In areas where staff requires clarification, the Director General should be consulted for guidance and interpretation of any section of the manual as well as for cases that may not have been specifically covered.

Responsibility

All employees will be held responsible for reading and understanding these regulations and any amendments that will be made as and when the Authority deems necessary. Ignorance of any of these regulations will not be accepted as an excuse for failure to act upon any matter or comply with the regulations as laid down in the manual.

Applicability

Unless expressly provided either in these regulations or where exception is authorised by the Board, these regulations shall apply to all employees.

ESTABLISHMENT OF THE AUTHORITY

The Public Procurement Oversight Authority is established under the Public Procurement and Disposal Act, 2005

The Authority's role is to oversee procurement in the entire Public Sector.

The scope of public sector includes all procurement entities in which the Government has direct or indirect interest. This classification includes schools, local authorities and development funds among others.

The Public Procurement Oversight Board

The Act provides for the establishment of the Public Procurement Oversight Board as an unincorporated body. The Advisory Board shall consist of the Director General and nine (9) members appointed by the Minister and approved by Parliament from persons nominated by the prescribed organizations.

The functions of the Advisory Board are:

- To advise the Authority generally on the exercise of its powers and the performance of its functions
- To approve the estimates of the revenue and expenditures of the Authority
- To recommend the appointment and/or termination of the Director General in accordance with the Act
- To perform such other functions and duties as are provided for under the Act

The Public Procurement Administrative Review Board

The Public Procurement Administrative Review Board is established under the Act. The composition and membership of the Review Board shall be in accordance with the Public Procurement and Disposal Regulation, 2006. The Act stipulates that the Authority shall provide administrative services to the Review Board.

MANAGEMENT PHILOSOPHY AND GUIDING PRINCIPLES

Vision

To be a world class Public Procurement Oversight Authority.

Mission

To innovatively design and facilitate an effective supply chain system that provides value for money, by ensuring competition, fairness, transparency and accountability while contributing to national socio-economic development.

Motto

Spearheading best procurement practices for a better nation.

Values

The Public Procurement Oversight Authority's operations and service delivery to the public will be based on a value system whose core elements will be: -

- Integrity
- Ethics & Professionalism
- Impartiality

These key elements will further be underpinned by the following attributes:-

- Promptness, Efficiency & Effectiveness
- Creativity & Innovativeness
- Discipline
- Commitment & Team work
- Customer Focus
- Social Responsibility
- Transparency and Accountability

ORGANISATION STRUCTURE

The structure of an organisation is a reflection of what the organisation does and how it undertakes its key functions. The Authority will strive to maintain a simple flat organisation structure to ensure that each member of staff is adequately involved in the delivery of the expected service.

The structure is outlined below.

1. Director General

The office of the Director General will be responsible for the overall responsibility of Public Procurement Oversight Authority as per the Act, namely:

1. To ensure that the procurement procedures established under the Act are complied with.
2. Monitor the public procurement system and report on the overall functioning of it and present to the Minister for Finance such other reports and recommendations for improvements as the Director-General considers advisable.
3. Assist in the implementation and operation of the public procurement system and in doing so:
 - a. To prepare and distribute manuals and standard documents to be used in connection with procurement by public entities
 - b. To provide advice and assistance to procuring entities on procurement matters
 - c. To develop, promote and support the training and professional development of persons involved in procurement
 - d. To issue written directions to public entities with respect to procurement including the conduct of procurement proceedings and the dissemination of information on procurements
 - e. To ensure that procuring entities engage procurement professionals in their procurement units.
4. To initiate public procurement policy and propose amendments to the Act or to the regulations.
5. To perform such other functions and duties as are provided for under the Act.

2. Technical Division

The role of this division will be three fold and will be carried out by three departments namely: (1) Compliance and Policy (2) Capacity Building and (3) Monitoring and Evaluation. Each of these departments will be headed by a seasoned professional manager in the respective field.

The responsibility of the Director, Technical Services will be to steward the Division in an integrated manner so that delivery of service by the three departments can be fully optimized. The specific key functions of the Director will include:

i Compliance and Policy Department

1. Responsibility for ensuring that Procurement Entities comply with procurement procedures established under the Act.
2. Developing policy, distributing manuals, standard documents and issuing directives as well as providing the necessary advice and assistance to procuring entities.
3. Receiving and dealing with complaints on the performance of the public procurement not related to appeals against contract awards or not directed to the Review Board
4. Approving a specifically permitted procurement procedure provided for by Regulations on request by procuring entities
5. Ensuring that the boards of surveys and disposal of stores and equipment are carried out by the procuring entities in accordance with the Act and the Regulations
6. Processing recommendations from procuring entities on debarment

ii Capacity Building Department

1. Ensuring that there is adequate capacity in public procurement entities in terms of professional personnel and skills.
2. Ensuring that a comprehensive training needs assessment for public procuring entities is done and developing policy and guidelines for promoting and supporting the required training including professional self development.
3. Ensuring that an appropriate training curricula and training manuals are developed and properly used by outsourced trainers including collaborative training institutions.
4. Supporting development of training capacity in public institutions for different level of training in liaison with other key stakeholders.

iii Research, Monitoring & Evaluation Department

1. Establishing base line indicators and monitoring against compliance and performance indicators.
2. Collection, analysis and review of data from public procurement entities based on set/agreed performance indicators to determine the overall performance.
3. Obtaining and assessing the feedback from stakeholders and the general public on the performance of public procurement
4. Improvement in efficiency , transparency, competition in procurement practice and value for money
5. Benchmarking and comparative analysis of public procurement performance with international standards and best practices and recommending improvements

3. Finance & Administration Division

The division will be headed by the Director, Finance and Administration and below him/her there will be three departments namely Finance, Human Resources and Administration and Information Communication Technology (ICT) Manager all seasoned professionals. This division will provide support services in finance & procurement, human resources, ICT and procurement. The functions under each department will be as follows:

Finance & Procurement Department

1. Ensuring that there are sound financial policies and procedures aimed at efficient and effective use of funds
2. Managing the planning and budgeting process in line with the Ministry of Finance guidelines
3. Developing strategies for sourcing of funds beyond the exchequer
4. Ensuring that there are adequate financial controls and that Audit queries are dealt with expeditiously.
5. Preparation of the organisation accounts
6. Ensuring that asset inventory and records are properly maintained.
7. Procurement services for the Authority

HR & Admin Department

1. Coordinating manpower planning for the organisation including the budgetary implications.
2. Carrying out recruitment within the agreed policy framework
3. Managing the remuneration and benefits policy while ensuring that they are sufficiently competitive to attract the best talent
4. Coordinating training needs assessment, developing and implementing training plan
5. Managing and coordinating the performance and career management systems notably Performance Contract with the Ministry of Finance and staff performance appraisal
6. Managing welfare services

Information Communication Technology (ICT) Department

- (i) Automation of administrative business processes like finance, HR, Procurement, inventory Management etc
- (ii) Automation of core function processes like compliance, capacity building, monitoring and evaluation, appeals board processes etc
- (iii) Management of ICT based projects and other initiatives that require ICT facilitation
- (iv) Managing relationships with suppliers and vendors who provide services and Products
- (v) Developing ICT Capacity Building Program
- (vi) Ensuring that objectives of the ICT Strategy and ICT Policies are met and adhered to

DEFINITION OF TERMS

1. Authority:

- (a) These terms and conditions of Service are governed by the Advisory Board as provided by the Act, and are managed by the Board.
- (b) Unless otherwise expressly provided either in the Terms and Conditions of Service or elsewhere, or unless the context otherwise requires, all employees of the Authority shall be required to observe the provisions of these Terms and Conditions of Service.

- (c) All employees are also subject to relevant provisions of other regulations, rules and instructions as may be issued by the board or other authorities empowered to do so.

2. Amendments:

The Terms and Conditions of Service may be reviewed from time to time by the authority of the Board.

3. Interpretation:

The interpretation of the Terms and Conditions of Service shall rest with the Director General subject to the right of Appeal to the Board.

4. Delegation:

The Board may delegate any of its functions and powers under the Terms and Conditions to the Committee of the Board or to the Director General who may in turn delegate his duties and powers to any employee of PPOA.

5. Powers of the Director General

The Director General shall enforce these regulations as he/she may consider necessary, subject to any instructions of general nature as may be given by the Board acting in accordance with the provisions of the Act.

6. Definition of Terms

The terms in subsequent sub-paragraphs will have meanings specifically assigned. Unless otherwise stated or implied, words in the masculine gender include the feminine gender, words in the plural include the singular and words in the singular include the plural

7. Authority

Means the Public Procurement Oversight Authority

8. Advisory Board

Means the Public Procurement Oversight Advisory Board

9. Committee

Means the Finance and General Purposes Committee of the Authority.

10. The Act

Means the Act establishing PPOA

11. Director General

Means the Chief Executive of the Authority.

12. Employee

Means a person employed by the Authority on monthly rated terms.

13. Officer

Includes employees, unless otherwise stated or implied.

14. Spouse

Means the legal marriage partner of an employee as specified under the marriage Act or in accordance with the relevant customarily law.

15. Dependant Child

Means an unmarried and unemployed biological child including adopted child under the age of 22 years. For purposes of personnel records all dependant children must be declared at the time of appointment or at the time of birth or at the time of adoption if it occurs during employment with the Authority.

16. Immediate Family

Includes the employee's spouse, dependant children as defined above, the employee's biological father and mother and employee's spouse biological father and mother as listed in the employee's personnel records and confirmed in the employee's or spouse' birth certificate.

17. Next-of-kin

The name of the person provided by the officer for the purpose of contact during emergency. In case of death, the person assumes the role of legal administrator of the deceased estates.

18. Family domicile

This is the location specified by the employee as his/her family domicile as shown in the employee's personnel record.

19. Basic Salary

Means pay of an employee exclusive of house allowance, overtime, subsistence allowance or any other allowances.

20. Gross Salary

Means pay of an employee including all allowances

21. Reimbursable Allowances

Allowances paid to an officer as reimbursement for the expenditure incurred in the course of duty e.g. accommodation allowance, transfer allowance etc.

22. Remunerative Allowances

Allowances paid to an officer; in addition to salary as form of compensation for additional responsibilities e.g. overtime allowance, acting allowance, special duty allowance etc

23. Per diem

An allowance payable to an employee while on duty outside own station. Per diem will be based on 24 hour period divided in quarters for partial days. The management will determine whether the distance involved or the work being performed justifies overnight stay.

24. Financial Year

Means the period from 1st July, to 30th June of the following year.

GENERAL TERMS AND CONDITIONS

Staff Deployment

An employee must serve at such places in Kenya as the Director-General may determine. The employee must devote himself entirely to the duties of his post during such hours of duty as may be prescribed.

The services of an employee are not limited to the work, which may be specified in his contract of service or letter of appointment. He may be called upon at any time to perform any other reasonable duties within his ability in connection with the Authority's discharge of its functions.

Hours of Duty

The hours of duty for employees will be such as may be prescribed from time to time for the station, office or other place of employment at which they are working, whether temporarily or permanently employed at such places.

The office hours at the Authority, Monday to Friday are:

8.00 a.m. to 1.00 p.m.

2.00p.m. to 5.00 p.m.

Duty Attendance

No employee may absent himself from duty during working hours, leave his appointed place of work, or proceed to a place other than that at which he is usually employed, exchange duties with another employee, or alter his hours of attendance without the prior permission of his superior officer.

Responsibility

Every employee will be responsible through the immediate superior officer to the Head of his Division, Department or Unit for the proper and efficient discharge of the duties entrusted to him. It is the duty of every employee responsible for the work of other employees to give special attention to efficiency and economy in the work, disposition of the employees under him, the use of all property of the Authority, the methods of working and the number of employees employed under him

Conflict of Interest

An employee will be required to declare to the Director General his/her business interests where companies or partnerships in which the employee holds interest and any conflict in whatever nature with the Authority's interests.

Conduct Towards the Customer

MAY 2007

This publication was produced for review by the United States Agency for International Development.

The conduct of any employee must be civil and obliging and he must couch his written communication in courteous language. Any communication from the customer or a corporate body must be dealt with expeditiously and courteously.

Part-time Employment Elsewhere

The salary of an employee is fixed on the assumption that his whole time is at the disposal of the Authority unless it is otherwise specifically stated in his terms of service. An employee is prohibited from engaging in trade or in any commercial undertakings, which may be in conflict with the interest of the Authority or rendering professional assistance to, or accepting any remuneration from private persons or firms.

Medical Examination and Fitness Tests

Employees must undergo such medical examinations and go through such fitness tests as may be required by the Authority.

Contracts and Directorship

The Authority shall not enter into a contract, arrangement or agreement with an employee or with any partnership or company in which he is a shareholder unless he has made full disclosure of the measure of his interest in the contract and the Director-General has given approval for the contract to proceed.

No employee may accept a directorship in any company holding a contract with the Commission except as a nominee of Government or with the express permission of the Director-General. Any employee who finds he is about to deal officially with any matter concerning a business organization, in which he has an interest, must disclose his interest to the Director-General.

APPOINTMENTS AND PROMOTIONS

The Authority will seek to create a working environment that will attract and retain qualified and experienced staff. Such staff should have the necessary capabilities that will enable the Authority to achieve its objectives. In this regard, the Authority will need multidisciplinary and appropriately qualified staff. The process will entail identifying the optimum staffing needs, identifying skills development needs and recruitment of staff to operationalise the recommended structure.

Established vacant posts shall, as far as possible be filled from within unless there are no suitable candidates in the organization, in which case recruitment from outside shall be considered.

Power to make Appointments

The power to appoint persons to hold or act in any office in the Public Procurement Oversight Authority is vested in the Board.

In consultation with the Chairman of the Board, the Director General may engage temporary staff and report such appointments to the Advisory Board during its next meeting.

CATEGORIES OF APPOINTMENTS

An employee may be appointed in the service of the Authority on the following terms:

Permanent and Pensionable

Permanent and pensionable appointment applies to employees who after successful completion of their probationary period are eligible to join the Authority Staff Pension Scheme.

Contract

Appointment on contract terms shall apply to vacancies that cannot be filled on pensionable terms or where suitable candidates can only be appointed on contract terms.

Temporary

Appointment on temporary terms will apply to cases where the services of an employee would normally not be required beyond a period of twelve (12) months.

Casual

Casual employees may be appointed for a period not exceeding three (3) months and paid wages on daily basis.

POLICY ON SELECTION FOR FIRST APPOINTMENT

It is the policy of the Authority to attract and recruit individuals who are qualified by job related standards of education, training, experience or who can be trained to perform work in a manner that will contribute to the attainment of the objectives of the Authority.

In making selection for appointment, preference will be given to qualified and suitable Kenya citizens. Information concerning a candidate's general background and/or previous employment will be verified at this point

Appointment on Contract Terms of Service will normally be for a maximum period of 36 months and renewable, if need be. At the expiry of the contract period, an employee will be entitled to gratuity which shall be calculated at the rate of 31% (thirty one per cent) of the employee's basic salary over the contract period.

Appointments in all cases shall be made in accordance with the existing Job Descriptions and Specifications for various cadres of staff in their respective fields of employment. For the purposes of appointment, the relevant Schemes of Service, Career Progression Guidelines

formulated for the Authority shall form an integral part of these Terms and Conditions of Service.

Secondment of staff to and from the Authority may be made in accordance with the existing Government procedures and will normally be for a period of three (3) years. Secondment will be authorized only in cases where there are no reciprocate transfer arrangements for pension purposes.

RECRUITMENT PROCESS

Determination of Vacancy

Where a vacancy falls, the Head of Human Resource unit will notify the Director General of the fact and advise whether the vacancy should be filled by promotion from within or recruitment from outside.

Internal Promotion

Where the Head of a Department/Division recommends an internal promotion of an employee serving in the Department/Division in which the post exists, he/she shall furnish the Director General the reasons for doing so.

Advertisement

Application for appointment to vacant posts will be invited by public advertisement in the press or the job may be internally advertised.

Application for Employment Form

All applicants for employment for posts in the Authority permanent establishment must, before engagement, complete the prescribed form of Application for employment. The applicants must account for the whole period of any previous employment held which must be supported by satisfactory documentary evidence.

Shortlisting and Interviews of Candidates

The Human Resource Department in consultation with Heads of Divisions and Departmental Managers concerned shall carry out short listing of candidates. Shortlisted candidates shall be interviewed by relevant committee of the Authority which will make the final selection and submit a list of successful candidates to the Advisory Board for approval. However, the Advisory Board may delegate approval authority to the Director General or Management Committee for recruitment of certain categories of staff.

Regret Letters

Applicants who are unsuccessful at the interviews will be so advised in writing while those not shortlisted for interviews will be advised in the advertisement to treat their applications as unsuccessful if no response is received after a specified period.

OFFER OF EMPLOYMENT

Probationary Period

All newly appointed employees of the Authority will be required to undergo a probationary period of six (6) months.

During the probationary period, the Head of Division or Departmental Managers shall submit progress reports on a prescribed format, indicating the employee's performance. Based on the Head of Department's recommendations, the Human Resource Unit will advise the Director General whether the probationary period ought to be extended or the appointment terminated.

If the period of probationary service has been unsatisfactory, it may be terminated or extended once for a period of three (3) months.

If the period is extended, the individual's performance shall be reviewed again to determine whether or not performance has improved.

The holder of a probationary appointment who has completed the normal or extended period of probation satisfactorily shall be confirmed in the post. If the probationary service is unsatisfactory after the extended period, the appointment shall be terminated.

A staff member whose performance and conduct fully demonstrates that he/she meets the high standard of efficiency, competence and integrity and has also been proved to be medically fit will have his/her appointment confirmed after the probationary period.

Letter of Appointment

The Director General will sign the letter of appointment for all employees. The letter of appointment for the Director General will be signed by the Chairman of the Advisory Board or the Permanent Secretary.

The letter of appointment must be acknowledged by the employee through his/her signature before or on the date of engagement and a copy filed in his/her personal file.

The letter of appointment to an employee on first appointment shall be made in duplicate, and shall contain the following details:-

1. Employee's name
2. Date of appointment
3. Period of probationary

4. The post and grade to which the candidate is appointed
5. Department in which he/she will serve
6. The terms of appointment after probation e.g. permanent, contract etc
7. The salary scale and amount payable as basic salary
8. Benefits applicable e.g. medical
9. Leave entitlement
10. The house and other allowances payable
11. The period of notice required on termination of service by either party.

Date of Appointment

An appointment made from within Kenya will take effect from the date of assumption of duty. An appointment made from outside Kenya will take effect from the date of departure for Kenya

Medical Examination

Every candidate whom it is proposed to employ shall be required to undergo a medical examination conducted by a doctor recommended by the Authority or any other Government Medical Practitioner. Employees of the Authority will also be required to undergo regular medical check-ups.

Particulars of Next of Kin

An employee shall be required to complete the particulars of the next of kin form; and

Notify the Human Resource unit of any change in name and address of the next of kin for updating of the records.

Official Secrets Act Declaration

On appointment and on termination of service, every employee shall be required to sign a declaration of Secrecy Form under the Official Secrets Act Cap. 187.

The Authority's Employment Card

Every employee shall be issued with the official employment card by the Authority.

In the event of loss of the employment card, an employee shall apply for a replacement upon payment of a specified fee. If a replacement of the card is as a result of change of designation or marital status, no fee shall be charged.

On termination of appointment, the employee shall be required to surrender his/her employment card to the Director General.

Certificate of Service

A Certificate of Service will be issued to an employee upon retirement, resignation, dismissal or termination of appointment. The certificate shall contain a fair assessment of the employee and will be signed by the employee's Head of Department/Division and countersigned by the Director General.

Clearance Certificate

An employee will be required to obtain a Clearance Certificate on resignation, dismissal, termination of appointment or retirement. In case of death, the next of kin shall obtain the Clearance Certificate.

SALARIES AND MERIT INCREMENTS

Salary and Salary Scale

The salary and salary scale of every employee shall be shown in his letter of offer or letter appointing him to permanent and pensionable or contract terms. Where an employee has been promoted or demoted to a particular grade, his new salary and salary scale shall be shown in the letter advising him of the promotions or demotion as the case may be.

Salary Scales

The Authority's salary structure consists of 7 salary scales as indicated below:

Scale	Job
1	Director General
2	Director
3	Manager
4	Officer
5	Assistant
6	Senior Support Staff
7	Support Staff

Calculation of Salary

Salaries will be stated in Kenya Shillings on monthly basis. Every employee shall continue to earn uniform monthly salary every twelve (12) months until the anniversary of incremental month or other change advice thereto. The computation for a broken period of a particular month will be made with reference to the number of days in the month in question.

Hourly Payment

Where remuneration is paid on an hourly basis, the hourly rate will be used only for the number of hours actually worked. No remuneration will be payable for meal time or other absences from duty

Date of payment of salary on first appointment

On first appointment, an employee will be paid full salary from the date of assumption of duty.

Payment of Salary

Locally

Salaries will be paid monthly in Kenyan currency. Employees, except those serving on casual terms, are required to open bank accounts through which their salaries will be remitted.

Outside Kenya

Employees who are outside Kenya on training, attachment or secondment may have their salary or part thereof paid outside Kenya through arrangements which the Authority may have with the external agencies or through money transfer. Such payment will be subject to the country's Exchange Control Regulations.

Salary on Promotion

If an employee is promoted from one grade to another and his/her salary on the effective date of promotion is less than the minimum of the salary scale of the new grade, he/she will receive the minimum of the salary scale attached to the new grade.

Salary on Promotion in Overlapping Scales

Where over-lapping Scales are involved, officers will be awarded one (1) annual increment on promotion.

Merit Increment

A merit increment is an increase of salary of specified amount, determined by the Authority which is granted at regular intervals. Merit increments will be performance linked hence the name which means that the employee has to perform satisfactorily to earn it.

An employee whose performance of duties is unsatisfactory will not be granted merit increment until he improves. For purposes of convenience, award of merit increment will be synchronized with the performance appraisal cycle and, in this connection, all merit increments will be granted and implemented from one calendar date i.e. 1st July

The employee's performance will be appraised and rated annually for the purpose of merit increment. An employee whose performance is unsatisfactory will not be granted the increment for the period under review.

For new employees, one will need to have been confirmed in appointment and worked satisfactorily for a minimum of three months, after confirmation, to be eligible for the first merit increment.

Withheld Increment

When an increment is withheld for reasons of unsatisfactory performance, the employee would be advised the reason in writing and requested to improve performance on areas of shortfall, within a specified period not exceeding six (6) months. Another performance review would be done after completion of the period and if performance is satisfactory the increment should be awarded. If the performance is still unsatisfactory the increment for that year would be stopped altogether.

Stopped Merit Increment

When an increment is stopped it means that the employee's performance for the period under review is critically below standard and a matter of concern to the Authority. Consequently, the employee will be warned in writing that persistent unsatisfactory performance will jeopardise his/her employment and/or career with the Authority.

Procedure for withholding or Stoppage of Increments

Increments should not be withheld or stopped unless the employee's performance has been appraised against set performance targets agreed with the employee and documented accordingly. The process of performance appraisal is outlined elsewhere under performance management.

BONUS

Bonus is granted when the collective performance of all employees result in achievement of Performance Contract targets agreed with the Ministry of Finance. When the bonus is granted, each employee will be paid proportionately to his contribution reflected by individual performance rating in the performance appraisal for the period under review. This will ensure that those who perform better get appropriate reward as an incentive for continuous performance improvement.

ALLOWANCES

Allowances are payable to the employees of the Authority as appropriate and at such rate as will be determined by the Advisory Board from time to time. The following allowances will be in force at the rates shown below:-

Acting Allowance

An employee may be appointed in an acting capacity, in a higher post, for a period of thirty (30) days or more, if he/she meets the necessary qualifications for the job.

During the acting appointment, acting allowance will be paid at the rate of the full difference between the employee's salary and the minimum salary of the Job Group assigned to the higher post, or in case where an employee has attained the minimum salary assigned to the higher post,

the full difference between his/her basic salary and the salary point at which an employee would have entered the higher post had he/she been promoted.

An employee who is appointed on acting capacity will be eligible during the tenure of his/her acting appointment for travelling privileges and other related allowances such as hotel or accommodation allowance for the higher post but not leave or house allowances.

Special Duty Allowance

Where an employee does not possess all the necessary qualifications but is appointed to perform the duties of a higher post, for a period of thirty (30) days or more, the employee will be granted a Special Duty Allowance at the rate of 10% of the an employee's substantive basic salary.

Accommodation Allowance in Kenya

An employee who travels outside the duty station on official duties and is required to stay overnight and makes his/her own arrangements for boarding and lodging, will be paid a non-accountable allowance at the rates shown below:-

	MALINDI MOMBASA KSHS.	NAKURU, NYERI, ELDORET, EMBU, KERICHO, KISUMU KAKAMEGA KSHS.	ALL OTHER AREAS) KSHS.
JOB GROUP	KSH. PER DIEM	KSH. PER DIEM	KSHS. PER DIEM
1	10000	10000	10000
2 & 3	6000	4000	3000
4 & 5	4000	2500	2000
6 & 7	2500	2000	1500

Meal Allowance

When an employee is traveling on duty and is not required to spend a night away from his/her permanent station, he/she shall be eligible for an allowance for lunch and dinner at 15% and breakfast at 8% of the respective per diem rates given above.

Leave Allowance

After continuous working for several months an employee requires leave from his/her duties to allow rest and to recuperate energies before resumption of duty. To facilitate this process leave allowance will be paid to all regular employees of the Authority over a year at the rate of one Month's equivalent of the employee's current basic salary.

OVERTIME

Eligibility for Overtime

Employees in the executive, management and officer grades will not be entitled to overtime pay since staff members in this category are normally called upon to perform duties of a supervisory nature and this factor is taken into account in determining the rate of their remuneration.

However, in exceptional circumstances, where an employee is engaged in special duties of which he/she is required beyond working hours and he/she cannot be given time off in lieu, consideration will be given by the Advisory Board for the grant of honorarium which will be determined on the merit of each case.

Overtime will be paid to employees in support grades in cases where they work for more than the official normal working time of forty (40) hours per week.

Overtime Rates

Overtime will be paid at the following rates:

1. One and a half (1½) times the standard hourly rate for overtime worked during normal working days.
2. Two times the standard hourly rate for work done on weekends and designated public holidays.

Overtime will be paid in units of 1 complete hour. To qualify for overtime payment, an employee must work continuously for a period of not less than one hour unit in a single overtime session. However, the total amount should not exceed fifty (50) percent of the monthly basic salary.

Approval of Overtime

The budget holder for the specific projects/department will be responsible for approving overtime before it is incurred. The manager or officer concerned will authorize payment of overtime allowance, when he/she is satisfied that the task at hand has been completed as assigned.

Employees claiming overtime must complete an overtime form. The form shows dates for which overtime is being claimed, nature of work, number of hours worked and authority. The form will be forwarded to the Finance Manager for processing and payment.

The Finance Manager will monitor the use of overtime. In cases of excessive overtime, the Human Resources Manager together with the budget holder will review the work allocation and deployment of staff and make recommendations for alternative work allocation methods or use of temporary staff.

Time off in Lieu (TOIL)

Time off in lieu (toil) only applies to staff who are not eligible to claim overtime. Work which involves travelling or working over weekends or designated public holidays, will be compensated by TOIL for each weekend or holiday worked or travelled.

TOIL must be approved by the head of division and Human Resources Manager and will be equivalent to the number of days worked.

HOUSING

House Allowance (Amounts to be advised)

Job Group	Job Category	House Allowance Kshs Per Month
1	Director General	
2	Director	
3	Manager	
4	Officer	
5	Assistant	
6	Senior Support Staff	
7	Support Staff	

LEAVE

There will be various categories of leave as outlined below:

- (a) Annual Leave;
- (b) Compassionate leave;
- (c) Unpaid leave;
- (d) Study Leave;
- (e) Special leave for sportsmen/women;
- (f) Maternity Leave; and
- (g) Sick/Convalescent Leave.
- (h) Compulsory Leave
- (i) Pre-retirement Leave

Annual Leave

An employee will be eligible for annual leave at the commencement of a “leave year” except in the case of a newly appointed employee who will be required to complete a minimum of three months’ service before being granted annual leave. For this purpose, a “leave year” will commence on 1st January and end on 31st December.

Annual leave which excludes Saturdays, Sundays and public holidays will be granted as follows:

Job Group
1 to 5
6 & 7

Days per Year
30 days
24 days

Annual leave is not accummable. Hence, leave earned shall be taken within the leave year it falls due. However, an employee may, if he/she so wishes, carry forward from one leave year to another not more than one-half of his/her annual leave.

Where leave is nonetheless accumulated due to exigencies of work and is duly authorized and the accumulation approved by Director General, arrangements may be made to commute a portion of the leave for cash.

Annual leave must be taken within the leave year it falls due or be forfeited. Deferment of annual leave from one leave year to another shall not be permitted except in very exceptional circumstances with prior approval of the Director General.

An employee may utilize his/her annual leave at any time during the "leave year", but shall not be eligible for such annual leave if he/she is not returning for further service for a minimum period of three (3) months. This condition does not, however, apply to an employee who resigns from Advisory Board employment at the end of a calendar year after having utilized his/her annual leave

Compassionate Leave

When an employee has exhausted his/her leave days within the year, he/she may be granted compassionate leave of up to five (5) days, under exceptional circumstances, e.g. attending a funeral. In granting this leave, the Director General shall take into account the frequency of such absences by the employee and the effect of such absences on his/her work.

The employee requesting for compassionate leave shall furnish his/her immediate supervisor with sufficient and acceptable proof or documentary evidence in support of such request.

Unpaid Leave

Unpaid leave may be granted, at the discretion of the Director General, to an employee who has exhausted leave earning, on the grounds of urgent personal business or proven cases of exceptional hardships. Unpaid leave when granted shall not exceed 30 days.

An employee on unpaid leave shall continue to discharge his/her liabilities to the Authority in respect of any financial advances during the period of absence.

The period of unpaid leave will not count for retirement benefits hence the Authority will not make any contribution or remittance on behalf of the employee during this period

Study Leave

The Authority shall have absolute discretion to accept or reject an application for study leave. Study leave shall only be granted on the basis of the needs of the Authority and in the interest of staff development. The leave may be of any duration as the Authority may determine and subject to such conditions as may be laid down.

Special Leave for Sportsmen/Women

The Director General may grant an employee, who is selected to represent Kenya in national, regional or international fixtures, special leave with full pay for the necessary period of training and subsequent participation in the sports. This special leave shall not be included in the employee's annual leave entitlement.

Maternity Leave

Female members of staff who are required to be absent from duty on account of confinement, shall be granted maternity leave with full pay for a maximum period of sixty (60) working days which is inclusive of the annual leave due for the year.

An application for maternity leave should be submitted to the Director General thirty (30) days before the expected date of confinement. In addition, it should be supported by a medical certificate indicating the day of delivery.

Should it be necessary to extend maternity leave beyond the prescribed period of sixty (60) working days such extension shall be regarded as unpaid leave.

The unpaid leave will not count for retirement benefits hence the Authority will not make any contribution or remittance on behalf of the employee during this period

Sick/Convalescent Leave

Sick/convalescent leave is a period of absence of an employee granted on recommendation of a qualified medical officer for the employee's treatment and recuperative purposes. A medical certificate by the medical officer must be submitted to the Director General through the supervisor or immediate senior officer within two days of absence.

An employee on sick leave is entitled to full pay for the first 3 months (60 consecutive days) and, in exceptional circumstances, for a further 3 months (60 consecutive days) on half pay.

If, after the last three months with half pay, the employee has not recovered he or she may be asked to utilise accrued leave days or proceed on unpaid leave.

In cases of continued period of ill health beyond one year, an employee shall be examined by a medical board to determine such employee's physical and mental fitness to continue in Authority's employment.

Annual leave entitlement and other benefits based on service continue to accrue during periods of sick leave.

Notwithstanding the aforesaid an officer who by virtue of the definition of “workman” qualifies for sick leave on half-pay, in terms of the workmen’s Compensation Act (Cap 236) may be granted such leave in accordance with the Law.

Sick/Convalescent leave arising from employee’s negligence or misconduct

In the case of sick/convalescent leave rendered necessary by the employee’s own negligence or misconduct, his/her full salary may be forfeited for the whole period of absence from duty.

Compulsory Leave

If in the interest of the service, it is considered necessary to keep an employee away from his duties for some time, the Director-General may approve that an employee be sent on compulsory leave under the recommendation of a Head of Division/Department. The period of such compulsory leave shall not exceed 30 continuous calendar days.

Pre-retirement Leave

An employee proceeding on retirement will be granted 3 calendar months leave inclusive of annual leave. This shall run concurrently with a notice of retirement.

MEDICAL BENEFITS

Medical Scheme

The medical scheme is intended to assist an employee and his/her family in maintaining good health since a healthy employee is an asset to the Authority.

For the purposes of this section, the term “family” means the spouse and children of the employee who are under the age of 22, and are undergoing an approved full-time education or are wholly dependant on the employee.

The Authority will provide medical cover to permanent and contract employees, spouse and 4 dependent children less than 22 years of age. However, employees will meet the cost of covering dependants in excess of the specified number of children. The details of the medical scheme will be communicated to staff separately.

INSURANCE

The insurance covers taken by the Authority shall not in any way affect any personal insurance policy that an individual employee may have taken out for himself. The Authority shall undertake to provide the following insurance covers for its permanent and pensionable employees:

Workmen's Compensation Insurance

The Authority will take insurance cover against accidents to employees arising out of and in the course of their employment under the terms of the Workmen's Compensation Act, Cap. 236

Group Personal Accidents Insurance

The Authority shall have a group Personal Accidents Insurance Policy to cover employees against accidents in the course of duty.

Group Life Assurance

The Authority shall take Group Life Assurance Policy for its employees to cover death in-service. This includes funeral cash provision for the life assured and eligible dependants.

TRANSPORT AND TRAVELLING

Traveling in Own Car on official duty.

An employee who owns a car and is travelling on official duty may seek prior permission of the Director General to make use of his/her car.

Where such permission is granted, the employee will be entitled to a mileage allowance at the pegged to the prevailing Automobile Association (AA) of Kenya. The following rates shall apply:

Engine Capacity	Shs. Per. Km.
Over 2600	70.70
2301 – 2600	52.55
2001 – 2300	44.55
1851 – 2000	34.20
1651 – 1850	32.75
1451 – 1650	27.05
1351 – 1450	24.45
1251 – 1350	22.35
1051 – 1250	20.35
1050 and below	18.35

The mileage rates payable in respect of any motor vehicle, are based on the cost of running such vehicles fully loaded and no additional allowances shall be payable for the conveyance of passengers in such a vehicle. The allowances are inclusive and no payments shall be made for spares or labour used on any motor vehicle renewals, breakdowns, depreciation or any other charges in connection with such motor vehicle.

Traveling in Authority's Vehicle

An employee travelling on duty will be granted permission by the Director General or an officer authorised by him/her to use the Authority's vehicle.

The Authority's vehicles are intended for official purposes only, and should not be used for private purposes. An employee who makes improper use of the Authority vehicle shall render himself/herself liable to disciplinary action.

Whenever, Authority's vehicle is used, it is compulsory that the details of the journey be indicated in the work ticket. Any driver (or any other employee for the time being authorised to drive the vehicle) found operating without a work ticket authorizing the journey in question, or found carrying unauthorised passengers or goods, shall be subject to disciplinary action. The Government Vehicle Check Unit is empowered to stop and check any Authority's vehicle and prefer charges where appropriate against the driver/officer.

Traveling on Termination of Appointment or Retirement

On termination of appointment, or on retirement, an employee and his eligible family members, shall be provided with free transport to his/her home place in Kenya, provided that such transport is claimed and taken within three (3) months of his cessation of duty. This privilege does not apply to an employee who resigns his/her appointment, or who is dismissed from service with loss of all benefits.

Transportation of the Deceased Employee for Burial

If an employee dies while in the employment of the Authority, the Authority shall provide a coffin at a cost of Kshs. Fifteen thousand (15,000/=) which is non accountable and transport to take the body to its final burial place, and provide transport for immediate family members.

On the death of a spouse or a child below twenty two (22) years of age, who have been a dependant to the employee for duration of not less than three (3) months, the Authority shall provide transport for the immediate family members. In exceptional cases, the Director General at his/her discretion may provide any other assistance deemed necessary.

5. Commuter Allowance

This allowance is payable to members of staff on salary scales 6 and below. This allowance will be paid at a flat rate as provided for in the Authority's Circulars issued from time to time.

PROVIDENT FUND (PF)

The authority will operate a contributory provident fund of which employees shall be members. The details will be set out in the trust deed and scheme rules which will be made available by the Human Resources and Admin Manager.

STAFF PERFORMANCE APPRAISAL

The Authority's success is dependent on its ability to recruit high calibre staff and to empower them to reach their full potential through a focused, stretching, and rewarding career. In this regard, a continuous process of monitoring and evaluating staff's performance and development of competencies will be adopted.

The key success factors in this process will include:

- (a) Formulation of the Authority's annual business plan and budget
- (b) Developing the Authority's Performance Contract
- (c) Setting "SMART" performance targets for individual employees
- (d) Undertaking a continuous review of performance against the set performance objectives.
- (E) Reviewing performance staff development needs and carry out career planning.
- (F) Recognizing and rewarding achievements.

The Authority's Business Plan and Performance Contract provide the basis upon which the Director's Performance Contract is derived. This is then translated into work plan for the year for Authority, cascaded down to heads of division/departments, and thereafter to the rest of the employees as performance targets.

Annual Performance Review

This is the annual process of setting performance targets and concurrently carrying out appraisal against the previous year's performance targets. This will be done by both the employee and the employee's supervisor at the beginning of each performance review period.

Performance Targets

The performance targets will be derived from the Authority's work plan for the year. A performance target is a short specific written statement which describes what an individual should achieve and how and when. Performance targets must be achievable, realistic and measurable so that performance can be reviewed against them.

Performance appraisal

This is a formal discussion held between an employee (appraisee) and the supervisor (appraiser) with following primary objectives:

- (a) To review how the employee has performed against the performance targets.

- (b) To identify areas which need improvement through training, change in work methods, etc, will be identified and appropriate recommendations made.
- (c) To discuss the future career path for the employee, including opportunities for promotion.
- (d) To recommend training and development programme for the year aimed at enhancing the employee's performance in their current jobs, help them achieve.
- (E) Future objectives and develop them to progress along their career paths.

The supervisor will be required to monitor, discuss and record the employee's performance throughout the year. The employees are encouraged to keep a documented record of their achievements/shortcomings. .

Training and development will be specific and should detail what action is required to satisfy the need, e.g. Formal training course, mentoring, secondment, etc. The human resources manager will be responsible for ensuring training and development takes place and is evaluated.

Annual Staff Performance Appraisal Report

Annual staff appraisal reports in respect of all employees shall be submitted by those in authority over them.

The reports shall indicate the standard of performance in the employees' profession or skill as well as general conduct.

The aim shall be to obtain a comprehensive and objective assessment with the full knowledge and understanding of the employees' job contents and performance in that job.

The report will indicate the appraisees training needs as well as potential for advancement.

The main objective of the appraisal report is to enable the Authority gauge the employee's performance. It is therefore important that reports be accurate, realistic, and as informative as possible.

The appraisal report form shall be completed by the employee's immediate supervisor (reporting officer) and reviewed and countersigned by the Reporting employee's immediate supervisor.

The appraisal should be confined to the evidence on performance or non- performance of the employee against the agreed set performance targets and the behaviour of the employee that has bearing on his/her performance at work.

Continuous Assessment of Staff

The Authority's employees bestowed with supervisory responsibilities should regard appraisal as a continuous process. Whenever an employee displays weaknesses in his/her work, the supervisor must attempt to assist him/her overcome these weaknesses there and then. Whenever

an employee produces outstanding performance, his/her supervisor must commend him/her on the spot in order to reinforce that behavior.

Employees must be advised by their supervisors, whether verbally or in writing, of any faults or shortcomings, the remedying of which may reasonably be supposed to be within their power as soon as these become apparent.

Performance Rating System

1	Excellent	Exceptional performance against indicators. The appraisee clearly exceeds the job requirements and frequently performs tasks beyond his/her position.
2	Very good	Appraisee has met performance requirements and made above average contributions for the employee's level and experience.
3	Good	Appraisee has met all the performance requirements as expected for the employee's level of level and experience.
	Fair	Appraisee falls short of meeting some performance indicators and requires improvement via remedial action/training.
	Poor	Appraisee falls short of many of the indicators and therefore does not meet job requirements.

Preparation for Appraisal

A meaningful and affective performance appraisal requires adequate preparation that would involve the following two steps:

Step 1: Self-appraisal

In preparation for an appraisal, every employee should review his/her own performance against objectives and performance indicators/competencies agreed for the appraisal exercise. For annual appraisals the employee should identify objectives for the next year and his/her training and development needs.

By conducting self appraisal, the employee takes the initial responsibility for representing his/her achievements to his/her supervisor and has the opportunity to consider own performance, training and development needs and career path. This also provides him/her with a communication channel to the supervisor and on the overall he/she becomes involved in evaluation of own performance and career progress.

Step 2: Appraisal interview

The next step is the appraisal interview, during which the supervisor will review and discuss self-appraisal and make his/her evaluation. Each employee will have an opportunity to discuss his/her performance with his/her immediate supervisor in terms of his/her job description and all specific objectives and tasks set for the period. In addition, the appraisal process provides both the supervisor and the employee with an opportunity to reflect on changes in the job vis-à-vis the job description, e.g. Changes in scope, responsibility, etc.

The appraisal interview will give the employee a chance to find out how his/her performance is being assessed and to receive guidance on how to improve it. It is also an opportunity to discuss career aspirations.

The appraisal interview is a two-way process and both parties should have full opportunity to air their views as part of a constructive dialogue. The appraisal interview should be a positive validation of employee's contribution to the organisation, and should not be judgmental or victimising in any way.

At the interview, employees must be shown what has been written about them, including recommendations on training or future career development. These recommendations will be discussed and the record of the interview signed by the appraiser and the appraisee.

A copy of the completed evaluation form, after the Human Resources Manager has commented on it, will be given to the employee for his/her record.

TRAINING AND DEVELOPMENT

General Policy

The Authority recognizes the need for training and development of all its employees. It is, therefore, imperative for the Authority to offer training opportunities to its entire staff in order to improve their work performance and personal development.

More particularly, the training and development of staff shall be directed towards achieving the following objectives:

Enhance the organizational performance by helping all employees to improve on their efficiency and effectiveness;

Assist each employee gain competence and skills in preparation for more responsible positions within the Authority and to help each employee prepare for changes as the Authority develops to meet changing needs; and

Ensure that sufficient trained human resource is available to meet the Authority's requirements in future by identifying those requirements and providing appropriate training and development opportunities for its staff.

Encourage staff development and as a way of motivating them, the Authority will offer free training to its employees for courses mounted by the Authority.

Sponsorship for Educational and Professional Training

Subject to availability of funds, the Authority shall endeavour to assist employees acquire additional qualifications relevant to their jobs through sponsorship for various courses.

The Authority shall undertake training needs assessment and prepare yearly training projections for all its employees.

Staff shall be considered for sponsorship provided they are on permanent and pensionable terms of service and those they have rendered satisfactory service for a minimum period of two (2) years.

A Staff Development Committee shall be responsible for selection of suitable employees based on the training projections for various training sponsorships both locally and abroad. The Staff Development Committee shall be chaired by an appointee of the Director General. The members shall be the heads of departments, with the head of Human Resource Unit as its secretary.

CONDITIONS APPLICABLE TO EMPLOYEES ON TRAINING

An employee will be subject to the terms and conditions of service outlined in his/her contract of employment and in this manual.

Salary

An employee attending any course will be deemed to be on duty and all regulations pertaining to his/her employment will be applicable.

Provided that his/her study and conduct report is satisfactory, an employee shall be eligible to receive annual increments.

Allowances

An employee travelling to attend a course of training outside his/her duty station shall be deemed to be travelling on duty and shall be re-imbursed any travelling and subsistence expenses incurred.

Leave

An employee on a fulltime course of study at an academic/professional institution and who is granted the student's vacation may be required to resume duty during vacation provided that he/she enjoys a minimum of one (1) month's vacation in a year. Such an employee will not be eligible for any additional leave in respect of the period of the course.

Progress Report

The Authority shall require the training institutions to submit progress reports on sponsored employees. The frequency of such reports shall depend on the individual courses undertaken.

Resumption of Duty

The employees shall resume duty immediately upon the expiry of their approved period of training.

Examination Grants

An employee who, through his/her own initiative and in his/her own time, embarks on a course relevant to his/her duties with the prior approval of the Director General, may be reimbursed 50 % tuition and examination fees in respect of the course provided it is established that:-

- (a) The course is directly related to the nature of his/her substantive post or the post he/she may occupy on completion of the course
- (b) The course shall improve the employee's work performance and also enhance his/her potential for additional responsibilities
- (c) The employee has completed the course registered for.

Service Bond

An employee sponsored for a course lasting a year and above, both abroad and in local institutions, shall be required to sign a service bond prior to leaving for the course. The amount of bond shall be equal to the amount of direct expenses incurred on the employee by the Authority that is tuition fees, book allowance, and related expenses, during the period of training.

The employee shall be required to serve the Authority for a period equivalent to the duration of the course.

In case of default over the service bond, legal action shall be taken against the defaulting employee to make good the bond amount which shall be paid on the unexpired period on a pro-rata basis.

Expenses to be met by the employee

The employee shall be meet relating to passport fees, laundry, refreshments, recreation, entertainment, voluntary subscriptions and any other personal expenses.

EMPLOYEE CONDUCT AND DISCIPLINE

Introduction

It is the Authority's policy that disciplinary action should be appropriate to the nature of the offence that has been committed; fair and consistent with set precedents, within the provisions of the human resources policies; subject to the terms and conditions of the employee's contract of employment and ; recorded and placed on the employee's file for future reference.

In all disciplinary cases employees will be allowed to make their representations and will have the right to appeal, after the disciplinary decision has been conveyed to them

Discipline Advisory Committee

The Director General shall establish a Discipline Advisory Committee (DAC) which will advise him on disciplinary cases involving employees.

The DAC shall be composed of heads of departments as members. The Director of Finance & Administration shall be the Chairman while the Manager of Human Resource and Administration shall be the Secretary to the Committee.

GRIEVANCE PROCEDURE

Where an employee has an individual problem or grievance not being a matter of discipline, he/she should in the first instance approach the immediate supervisor with a view to solving it.

The immediate supervisor shall carefully consider any submissions made and endeavour to settle the matter, counsel the employee or indicate what other action he/she proposes to take.

If the employee is not satisfied with the decision proposed, he/she may appeal to successive higher authorities, and if necessary up to the Director General. In such a case, the employee shall inform the immediate lower authorities that he/she intends to appeal to the next higher authority.

Where the aggrieved employee indicates his/her intentions to appeal, he/she shall request for permission which should neither be denied nor delayed and shall be required to make an appointment with the next higher authority.

DISCIPLINARY PROCEDURES

Investigations

It is important to give the employee a fair and just hearing and treatment on matters brought against him/her. It is therefore necessary for the supervisor or those in authority to do thorough investigation on the matter at hand to ensure that decisions are based on facts and not unfounded suspicions and/or perceptions.

Due Process of Disciplining

When an employee is deemed to have committed an offence his/her immediate supervisor shall institute an investigation, taking into account whether the employee is a habitual offender or a first offender or whether there were extenuating circumstances that occasioned the commission of such an offence.

Counselling

Where circumstances indicate that there is no need to resort to the formal procedures, the immediate supervisor should talk over the matter with the employee. If it becomes obvious the matter is more serious, discussions should be adjourned and the formal disciplinary procedure invoked.

CLASSIFICATION OF OFFENCES

In order to maintain consistency in the application of discipline a list of offences, which is by no means exhaustive, is given below for reference:

Minor offences

Punishment for minor offences ranges from caution to warning (oral or written). Examples of minor offences include, but are not limited to, the following:

- (a) Continued lateness to work.
- (b) Absence from duty for 2 days without permission.
- (c) Idling and loitering during working hours.
- (d) Avoiding work on account of feigned sickness.
- (e) Pecuniary embarrassment.
- (f) Causing unnecessary commotion in the premises, client organisations or in public places.
- (g) Contravention of traffic laws while using organisation vehicles.
- (h) Any other offences deemed to be against proper conduct.

Major offences

Punishment for major offences ranges from severe reprimand to dismissal/termination of appointment or even prosecution in a court of law. Examples of major offences include, but are not limited to, the following:

- (a) Absence from work for a period of 3 to 10 days without permission or acceptable excuse.
- (b) Entering into any other employment/occupations.
- (c) Breach of standing regulations.
- (d) Misuse of Authority's equipment.
- (e) Repetition of minor offences.
- (f) Sexual harassment.
- (g) Misuse of Authority's vehicles.

Gross misconduct offences

Punishment for gross misconduct offences may result in summary dismissal or even prosecution in a court of law. Examples of gross misconduct offences include, but are not limited to:

- (a) Absence from work for a period of more than 10 days without permission.
- (b) Repetition of major offences.
- (c) Willful neglect to perform official duties or to carelessly and improperly performing any work which is in one's line of duty.
- (d) Insubordination.
- (e) Willful misuse/damage of the organisation's property.
- (f) Physical violence on self or other employees.
- (g) Soliciting, giving or accepting bribes or commissions.
- (h) Accepting or giving gifts/presents and failing to declare such gifts/presents to the Authority.
- (i) Misappropriation and theft of Authority's property. This includes collusion with other staff or outsiders to secure personal monetary or material rewards.
- (j) Fraud and obtaining money by false pretence.
- (k) Writing or publishing any official information which has not been cleared for publication by the Director General.
- (l) Divulging information to unauthorised persons.
- (m) Use of abusive language or behaviour deemed inappropriate to both the Authority and the public.
- (n) Being under the influence of alcohol or harmful drugs in the workplace.
- (o) Being convicted of a criminal offence with a custodial sentence.

DISCIPLINARY MEASURES

Verbal Caution/Warning

The supervisor will involve counsel the employee against the undesirable behaviour in question. A note will be made on the employee's personal file.

Written Warning

In the case where an employee has been cautioned previously over a breach of discipline, and where no improvement has been noted thereby, or the offence is such that it constitutes misconduct, the immediate supervisor shall issue a written warning to an employee.

At this stage a "show cause letter" will be addressed to the employee, a copy of which should be furnished to the next level supervisor. A "show cause" letter shall form part of an employee's disciplinary record.

If an employee is deemed to be guilty of committing the offence not amounting to serious misconduct, he/she shall be given a written warning which must be acknowledged by the employee and a copy duly signed thereof, filed in the employee's personal file.

The letter of warning will spell out that more severe penalties, including. Dismissal, on the continued breach of regulations may be resorted to.

Where in the opinion of the immediate supervisor, the employee's disciplinary case is such that it constitutes a gross misconduct, major or serious offence, he/she shall write to the next level supervisor detailing the nature of the offence committed and the history of the case.

In cases of serious misconduct where dismissal or termination of service is likely and where interdiction or suspension from duty is deemed necessary to facilitate full investigation into the case, a show cause letter will be written to the employee on the recommendation of the Head of Department, to the Director General. The employee will remain suspended or interdicted until the disciplinary matter in dispute has been fully investigated and reported to the Discipline Advisory Committee.

Validity of Warning

Any warning letter issued shall remain valid for a period of twelve (12) months from the date of the committal of the offence.

Interdiction

The Director General or an officer deputed by him/her may order the interdiction of an employee, having committed a serious or grave offence. Such employee must cease forthwith to exercise the powers or duties of his position. The case will then be referred to the Discipline Advisory Committee for final decision.

During the period of such interdiction, which shall not normally exceed two (2) months, proceedings will be instituted against him/her to establish the facts of the case which may lead to his/her dismissal, or otherwise, from service.

An employee who is interdicted shall be eligible to payment of half of his/her basic salary, and full house allowance entitlement.

During interdiction, the employee may not leave his/her duty station without permission of the head of department, or an officer deputed by him/her in this regard, but must stay away from the office premises unless otherwise required.

Where disciplinary or criminal proceedings have been taken against an employee under interdiction, and such employee is not dismissed from service, the whole of any salary withheld under paragraph (c) above, will be restored to him/her, upon the termination of such proceedings.

Suspension

Where an employee has been charged with a criminal or grave offence, the Board may order his/her suspension from the exercise of his/her duties, pending consideration of the case.

An employee who is suspended may not leave his/her duty station without the permission of the Board or of an officer who is empowered to give such permission on his/her behalf.

While an employee is thus under suspension, he/she will not be entitled to any salary, but the Board may grant such a suspended employee a **sustenance allowance** as it may deem appropriate, depending on the merit of the case.

An employee on suspension will be eligible to payment of full house allowance.

Powers to Issue Warning

For the purposes of these regulations, the following categories of offences will be dealt with as outlined here below:

Minor Offence – Supervisor

Major and Gross offences – The Director General

Appeals against disciplinary action

An employee, to whom punishment has been meted, shall have the right to appeal to the appropriate superior officer, up to the Discipline Advisory Committee. Any such appeal must be made in writing within 14 days and will be heard and determined on as early as possible.

Forms of Punishment

The following are the punishment which may be meted out as a result of disciplinary proceeding:-

- (a) Surcharge or recovery of the cost or part of the cost of any loss
- (b) Termination of employment
- (c) Summary dismissal
- (d) Reduction in rank or seniority
- (e) Stoppage of increments
- (f) Withholding of increment
- (g) Deferment of increment
- (h) Reprimand

Surcharging of Staff

The amount of surcharge will be recovered from the employee's salary in monthly installments, subject to a maximum not exceeding 25 per cent of the basic salary for each installment.

The surcharge may be imposed on an employee who:

- (a) Has negligently or intentionally failed to collect any moneys due or belonging to the Authority the collection of which the Authority is responsible
- (b) Is personally responsible for any improper payment of Authority funds which are not vouched for
- (c) Is personally responsible for any deficiency of funds, damage to, or destruction of any other property of the Authority
- (d) Knowingly uses without authority stores, vehicles, equipment, buildings or any other Authority property or services provided for official purposes
- (e) Is personally and directly responsible for any additional expenditure or liability being incurred by the Authority.

Termination of Service

Where an employee has been found guilty of commission of an offence not amounting to gross misconduct, his/her employment may be terminated and he/she shall be eligible for payment of a salary as set out in the Terms and Conditions of Service, and also be paid any other benefits as due.

Summary Dismissal

An employee who is found guilty of committing a major or gross misconduct and due process of the disciplinary proceedings has been made may be liable to summary dismissal

ILLNESS OR DEATH AT WORK

Serious Illness of Employees

When an employee becomes seriously ill, the supervisor will inform the Head of Human Resource who should in turn ensure that the employee's next-of-kin is duly informed of the illness.

Death of Employee

When an employee dies, the supervisor must immediately inform the Head of Human Resource department who, apart from taking necessary action on the records of the employee concerned, must also ensure that the employee's next-of-kin are appropriately informed.

EMPLOYEES APPEARING IN COURT

As Witnesses and Assessors in Criminal Cases

An employee who is summoned to court as a state witness, in a criminal case, or as an assessor, will be regarded as travelling on duty and the Authority shall meet the relevant expenses. In this case, any expenses reimbursed by the court shall be credited to the revenue of the Authority.

Private Civil Cases

An employee who is summoned to court at the request of a private individual, and in connection with a civil case in which the Authority has no interest, will make his/her own travel and leave arrangements.

Cases against the Authority

An employee who is summoned to court by a private individual or individuals, taking action against the Authority, will be regarded as travelling on duty, and any expenses reimbursed by the private individual shall be credited to the Authority.

LEGAL PROCEEDINGS AGAINST EMPLOYEES ARISING FROM OFFICIAL DUTIES

Procedure to be followed:-

When a criminal prosecution or civil suit is instituted against an employee as a result of an act of omission by him/her in the course of his/her official duties, he may apply to the Board for assistance in his/her defence.

If the Director General is satisfied that the employee acted in good faith in the execution of his official duties, and that it is in the interest of the Authority that the employee should be defended, the Board may consider meeting expenses incidental to the case from the Authority's funds including the cost of hiring an advocate to defend the employee in the case.

If any fine or award of costs or compensation is ruled by the court, the Board may meet the expenses.

It is emphasized that employees against whom criminal proceedings are instituted as a result of the performance of their official duties and who desire the Authority to undertake or assist in their defense, must apply to the Board immediately they are arrested or served with summons. They must not themselves brief advocates in their defense and subsequently apply for assistance from the Board.

PUBLIC AND POLITICAL RESPONSIBILITIES

Newspapers and Publications

An employee of the Authority must not, except with the express permission of the Director General, act as an editor of any newspaper, or take part directly or indirectly in the management thereof, nor publish in any manner anything which may reasonably be regarded as being of a political or administrative nature whether under his/her own name, under a pseudonym or anonymously.

An employee may, however publish in his/her own name, matters relating to subjects of professional or general interest not involving public matters, politics, the Authority or Government affairs.

Publication of Articles and Public Address

An employee who wishes to publish an article or deliver a speech, the substance of which may subsequently be published, or the substance of which may reasonably be regarded as being of political or administrative nature, shall seek permission to do so from the Director General and a draft of the proposed article or speech submitted for approval.

Interviews

An employee whether on duty or on leave, must not accept to be interviewed on issues affecting the Authority matters of public policy. The spokesperson of the Authority shall be the Director General or an officer duly authorised by him.

Political Views

An employee of the Authority is entitled to his own views on political matters, but is not permitted to express those views publicly.

Opinion on Foreign Powers

While it is not the desire of the Authority's management to interfere with the liberty of free speech, any lack of discretion on the part of any employee in expressing an opinion on the actions of a friendly foreign power that may embarrass the Kenya Government, may precipitate disciplinary proceedings being taken against the employee.

Disclosure of Information

An employee must not disclose any information concerning the affairs of the Authority or its employees, or show or release any official document to any person not connected with the Authority unless authorised by the Director General.

Official Secrets Act Declaration

An employee of the Authority is required to sign a declaration under the Official Secrets Act on entering and leaving the service of the Authority.

Code of Conduct

The Authority shall have a code of conduct which shall be signed by all employees on employment.

UNIFORMS AND PROTECTIVE CLOTHING

Uniforms and protective clothing may be supplied to employees as the Director General may from time to time determine and subject to availability of funds.

A permanent record shall be kept by the Procurement Section showing the receipt issues of the person issued with uniforms and their sections of work.

An employee may be required at any time to produce for inspection the uniform or protective clothing issued to him/her.

Wearing of Uniforms

Every employee who is supplied with a uniform and/or accessories must, when on duty, appear in such uniform neat and clean.

An employee when in uniform may not enter premises licensed to sell liquor, except when required to do so in the course of his/her duties.

Dress Code

Every employee shall be appropriately dressed at all times when he is on duty or when entering or leaving the Authority's premises. The Authority may, if it considers that the dress of an employee is inappropriate, order the employee to leave the Commission's premises and return when he is appropriately dressed.

ABSCONDMENT FROM OFFICE

If any employee absents himself from duty without permission for a continuous period of seven (7) days, he/she may be regarded as having forfeited his/her appointment with effect from the date of such absence.

If such employee subsequently presents himself/herself for duty, he/she may, if the circumstances warrant such a cause, be reinstated, subject to such disciplinary measures as may be taken against him/her.

An employee who is regarded as having forfeited his/her appointment will be deemed to have been dismissed.

HIV/AIDS PANDEMIC

The Authority takes cognizance of the fact that HIV/AIDS is not only a health problem but a serious economic and social problem, and as such the entire Kenyan nation has an active role to play in curbing the spread of epidemic and in the search for solutions to mitigate the suffering of those afflicted.

The Authority is equally aware that the spread of the epidemic could have an adverse effect on overall performance and productivity of the Authority and the nation at large through medical cost and loss of man hours.

The Authority shall therefore undertake an aggressive behaviour change sensitisation campaigns among the entire workforce in order to confirm the reality of HIV/AIDS and more so to stem the tide of the painful losses to HIV/AIDS pandemic.

The Commission shall provide care and support of both the infected and affected through guidance, counselling and linking them to the relevant experts in the field.

TERMINATION OF EMPLOYMENT

Resignation

Employees who intend to resign must give one month written notice or make payments in lieu of notice, equivalent to one month salary. The employee will be required to make payments in lieu based on gross salary for the portion of the notice period not served.

Leave cannot be taken as part of the notice period, except with the prior agreement of the Director General or the Human Resources and Administration Manager.

Outstanding annual leave entitlement earned at the time of separation will be paid together with other terminal benefits.

Termination of employment by the Authority

Employees will be notified of termination of employment by the Authority in writing.

Where full notice is not given, payment of gross salary will be made in lieu of the period of notice which cannot be serviced, except in cases of summary dismissal where no payment will be made in lieu of notice.

Summary dismissal

Employees whose termination is through summary dismissal will not be given notice or paid any salary in lieu of notice. They will also not be entitled to any benefits.

Retirement

The normal retirement age is 55 years and an employee's service shall terminate on attainment of this age or earlier where an independent medical opinion confirms that the employee is in poor health or otherwise unfit to work.

An employee's service may be terminated under early retirement rule on medical grounds, inefficiency and poor performance. In all retirement cases, the employee shall be given 3 months' notice.

Where it has been determined that an employees service is still needed beyond this age, the Authority shall draw up an agreement contract with the employee. Such contract will qualify for a gratuity at the rate of 31% of the basic salary on expiry of his contract.

Retirement in public interest

If the Director General after having considered every report in his possession made with regard to an employee, is of the opinion that it is desirable in the public interest that the service of such an employee should be terminated on grounds which cannot be suitably dealt with under any other provisions of these regulations, he shall notify the officer in writing, specifying the complaints by reason of which his retirement is contemplated together with the substance report or part thereof that is detrimental to the employee. The officer will be accorded a chance to show cause why he/she should not be retired in public interest. Based on a proven report concerning an employee's misconduct and the employee's defence, such an employee will be retired in public interest.

Redundancy

Redundancy should be treated according to the existing statutes and laws. Authority assumes responsibility for ensuring that its staff complement is at an optimum level at all times. In this regard, voluntary staff redundancy may be considered or the Authority may declare redundancies if the situation so warrants.

Exit procedure

The Human Resources and Administration department will complete a certificate of clearance. This form has been developed to ensure all termination administration procedures are conducted.

All employees leaving the employment of the Authority, for whatever reason, must complete a certificate of clearance (**Appendix xxxx**). The certificate will be completed in triplicate, one copy sent to the Human Resources and Administration, another copy to the Finance and the third one retained by the departing employee. It will certify that the employee has:

1. Completed all reports and other documents, and other tasks, which are necessary for the smooth transfer of responsibilities.
2. Cleared outstanding financial obligations to the Authority.
3. Returned all Authority's documents, equipment and any other property to the appropriate persons.
4. Final payment to the employee is dependent upon completion of the certificate of clearance.

Exit interview

Before leaving, the employee will have an exit interview with the head of department or the Human Resources and Administration department.

The departing employee will be required to undergo a retirement training and counselling session and complete a termination interview form before the exit interview takes place. Such employee will also sign the official secrets act form on leaving service. In the event of summary dismissal, there will be no exit interview.

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