

SPECIAL ISSUE

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LEGAL NOTICE NO. 1

THE PUBLIC FINANCE MANAGEMENT ACT

(No.18 of 2012)

IN EXERCISE of the powers conferred by section 116 of the Public Finance Management Act, 2012, The County Executive Committee Member for Finance, Kericho County, establish county public fund, herein, known as KERICHO COUNTY HEALTH SERVICE MANAGEMENT FUND, with the following Regulations—

THE PUBLIC FINANCE MANAGEMENT (KERICHO COUNTY HEALTH SERVICE MANAGEMENT FUND) REGULATIONS, 2017

1. These Regulations may be cited as the Public Finance Management (Kericho County Health Services Management Fund) Regulations, 2017. Citation.
2. In these Regulations, unless the context otherwise requires— Interpretation.
 - “Committee” means the respective Committee established under regulation 5;
 - “financial year” means the period of twelve months ending on the 30th June, in each year;
 - “Fund” means Health Service Management Fund established under regulation 3;
 - “Health Unit” means a health facility, designated public health unit, CHMT unit or a health program unit.
 - “hospital” means gazetted level 4 and 5 hospital including registered faith based equivalent hospitals;
 - “County Executive Committee Member (CEC)” means the County Executive Committee Member for the time being responsible for matters relating to either Health Services or Finance;
 - “Officer administering the fund” means the Chief Officer, Health Services
 - “User charges” means cost-sharing charges including public health levies.
 - “Grant” monies given for specific project or purpose to be utilized in accordance with Public Finance Management Act, 2012
 - “Donations” gifts given for specific charitable cause.

“Procurement” means the acquisition by purchase, rental, lease, hire purchase, tenancy, franchise or by any other contractual means of any type of works, assets, service or goods.

“County Health Management Team” means a technical team in charge of health service delivery in the County.

3. (1) There is established a Kericho County Health Service Management Fund to consist of—

Establishment of the Kericho County Health Service Management Fund.

- (a) monies received as user charges and public health levies;
- (b) income generated from the proceeds of the services;
- (c) grants or donations.

(2) The expenditure incurred by a health unit on the services shall be on the basis of Authority to Incur Expenditure (AIE).

(3) The receipts, earnings, accruals and the balance of the money at the close of each financial year shall not be paid into the Consolidated Fund but shall be retained by the respective health unit for the purpose for which the money is established as revolving funds.

4. (1) Each health facility and the promotive and preventive health unit on authorization of County Treasury opens and operates a bank account in a commercial bank for the safe keeping of all approved funds as per the Public Finance Management Act, 2012 Section 119 (1).

Bank Account.

(2) The signatories of the account shall be—

- (a) chief Officer in charge of Health Services
- (b) an officer nominated in writing from Finance Department by County Executive Committee Member in charge of Finance.
- (c) an officer in charge of the respective health units

(3) The officers referred to in sub regulation 3 (2) shall be mandatory signatories.

5. The objects and purposes of the fund are to—

The Objects and Purposes of the Fund.

- (a) enable health unit better access to resources under them for efficient planning and responsive service delivery;
- (b) improve the quality of health care services in all health units in the county;
- (c) provide financial resources for medical supplies, rehabilitation and equipping of health facilities in the county;
- (d) support capacity building in management of hospitals;
- (e) Support the preventive and promotive health care by at least 5% of the fund.

6. (1) There are established County Hospital Management Committees, Sub-County Hospital Management Committees and Health facility Committees whose composition and functions are as specific in the schedule.

Health Facilities Management Committees.

(2) The Committees established under paragraph 3 of the schedule shall exercise their specified in the schedule relation to such health units or as may, from time to time, be gazetted by the County Executive Committee Member for Health Services.

7. The County Executive Committee Member for Health Services may from time to time gazette new health facilities, the busy dispensaries that are being upgraded to Health Centers, the Health centers being upgraded to Sub-County Hospitals or any of the health facilities that need to be upgraded based on the existing norms and Standards. Gazetting of Health Facilities.

8. The fees payable as user charges under the cost-sharing program and public health levies, which shall be notified in the Gazette, shall be reviewed from time to time by the health facility committees in consultation with the County Health Management Team with approval from the County Treasury. Fees.

9. The existing Public Financial and Procurement Regulations and procedures shall apply in the administration of the Fund. Application of the Financial and Procurement Regulations.

10. (1) The Chief Officer in charge of Health Services shall administer the fund and shall prepare appropriation accounts for the fund for each financial year showing— Administration of the Fund.

- (a) the services for which the money was spent;
- (b) the amount actually spent on each service;
- (c) a statement of the entity's debts that is outstanding at the end of the financial year;
- (d) a statement of the entity's assets and liabilities as at the close of the financial year in respect of;
 - (i) funds and deposits and
 - (ii) Each vote clearly identifying between recurrent and development.

(2) Not later than three months after the end of each financial year, submit financial statements relating to those accounts to the county auditor in a form that complies with relevant accounting standards prescribed and published by the Accounting Standards Board from time to time and deliver a copy to the County Treasury.

(3) Present the financial statements to the County Treasury.

(4) Ensure that at no time is the health facility accounts overdrawn.

(5) Furnish such additional information as he/she may be required that is proper and sufficient for the purpose of examination and audit in accordance with the provisions of the Public Audit Act.

(6) Approve annual distribution of resources to health units.

(7) If he/she thinks fit, impose conditions on the use of expenditure authorized by him/her or on his/her behalf and may impose

any reasonable prohibition, restriction or other requirement concerning such use of expenditure including delegated management of a health unit by another.

(8) Institute prudent measures for the proper utilization for monies deposited in the Fund using suitable internal controls and appropriate mechanism for accountability including audit of accounts by internal auditors of the department responsible for matters relating to finance;

(9) Cause to be kept proper books of accounts and records relating to all receipts, payments, assets and liabilities of the Fund and to any other activities and undertakings financed by the Fund.

(10) Appoint in writing the accounting officers for the funds in the health unit as a delegated responsibility to them.

(11) Provide quarterly statements in relation to expenditure against approved budgets to the County Treasury.

11. The officer administering the fund in relation to receipt of revenue shall— Receipt of Revenue.

(a) provide quarterly statements in relation to revenue collected and received.

(b) at the end of each financial year, a receiver of revenue shall prepare an account of the revenue collected, received and recovered by the receiver during that financial year.

12. In the event of winding up of the Fund—

Winding up of the Fund.

(a) The administrator of the fund shall pay any amount remaining in the fund into the County Exchequer Account; and

(b) While other assets of the Fund shall be transferred to the County department for the time being responsible to the matters relating to Health Services.

SCHEDULE

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COMPOSITION AND FUNCTIONS OF THE HEALTH MANAGEMENT COMMITTEE

HOSPITAL MANAGEMENT COMMITTEE

1. The total membership of the Committee shall be eleven members including the Chairperson. Membership.

2. (1) The Committee shall consist of—

Composition.

(a) a chairman nominated by the committee members and appointed by the County Executive Committee Member in charge of Health Services.

(b) the person in charge of a County hospital duly appointed by the officer administering the fund who, shall be the secretary;

- (c) the Chief officer in charge of health services who may delegate to the County public health officer or any other representative in writing.
- (d) the area Sub-County administrator or his/her representative who shall be an *ex-officio*.
- (e) the County commissioner or his/her representative who shall be an *ex-officio member*.
- (f) the following persons, who shall be residents of area of jurisdiction, appointed by the CEC in charge of Health Services—
 - (i) one person who shall have knowledge and experience in finance or administration matters;
 - (ii) one person to represent women.
 - (iii) One to represent the youth
 - (iv) One person to represent persons with disabilities
 - (v) One person who shall have knowledge in social services or health related matters.

(2) A person shall not be appointed as a member of the Committee under item (f) unless that person holds at least a diploma or its equivalent.

(3) A member of the Committee, apart from the *ex-officio*, shall hold office for a period of three years and shall be eligible for appointment for one further term.

(4) The Committee shall meet at least four times a year and shall maintain records of all its deliberations and file copies with the CEC in charge of Health Services.

(5) The quorum for the meeting of the Committee shall be seven of all the members including the secretary.

(6) The Committee shall be responsible to the officer administering the Fund.

3. The Committee shall—

- (a) supervise management of the funds allocated to the health unit;
- (b) open and operate a bank account at a bank to be approved by the County Treasury;
- (c) prepare work plans based on estimated expenditures for approval by the CEC in charge of Health Services or designee;
- (d) cause to be kept basic books of accounts and records of accounts of the income, expenditure, assets and liabilities of the health unit as prescribed by the officer administering the Fund;

Functions of the Committee.

- (e) prepare and submit certified periodic financial and performance reports as prescribed; and
- (f) cause to be kept a permanent record of all its deliberations.

SUB-COUNTY HOSPITAL MANAGEMENT COMMITTEE

1. The total membership of the Committee shall be eleven Membership.
members including the Chairperson.

2. (1) The Committee shall consist of—

Composition.

- (a) a chairman nominated by the committee members and appointed by the County Executive Committee Member in charge of Health Services;
- (b) the person in charge of the Sub-County hospital appointed by the officer administering the fund, who shall be the secretary;
- (c) the Chief officer in charge of health services who may delegate to the Sub-county public health officer or any other representative in writing
- (d) the area Sub-County administrator or his/her representative who shall be an *ex-officio* member;
- (e) deputy County commissioner or his/her representative who shall be an *ex-officio* member;
- (f) the following persons, who shall be residents of area of jurisdiction, appointed by the CEC in charge of Health Services:
 - (i) one person who shall have knowledge and experience in finance or administration matters;
 - (ii) one person to represent women;
 - (iii) One to represent the youth;
 - (iv) One person to represent persons with disabilities
 - (v) One person who shall have knowledge in social services or health related matters.

(2) A person shall not be appointed as a member of the Committee under item (f) unless that person holds at least a O-level/KCSE certificate of education certificate in any field from a recognized institution.

(3) A member of the Committee, apart from the *ex-officio*, shall hold office for a period of three years and shall be eligible for reappointment for one further term.

(4) The Committee shall meet at least four times a year and shall maintain records of all its deliberations and file copies with the CEC in charge of Health Services.

(5) The quorum for the meeting of the Committee shall be seven of all the members including the secretary.

(6) The Committee shall be responsible to the officer administering the Fund.

3. The Committee shall—

Functions of the Committee.

- (a) supervise management of the funds allocated to the health unit;
- (b) open and operate a bank account at a bank to be approved by the County Treasury;
- (c) prepare work plans based on estimated expenditures for approval by the CEC in charge of Health Services or designee;
- (d) cause to be kept basic books of accounts and records of accounts of the income, expenditure, assets and liabilities of a Sub-County or Sub-County hospital as prescribed by the officer administering the Fund;
- (e) prepare and submit certified periodic financial and performance reports as prescribe; and
- (f) cause to be kept a permanent record of all its deliberations.

HEALTH CENTRE OR DISPENSARY MANAGEMENT COMMITTEE

1. The total membership of the Committee shall be nine members including the Chairperson.

2. (1) The Committee shall consists of—

- (a) a chairman nominated by the Committee from among themselves and appointed by the CEC in charge of Health Services;
- (b) the ward administrator or his/her representative duly nominated by him/her in writing;
- (c) the Sub County Health Manager or his/her representative duly nominated by him/her in writing;
- (d) the person in charge of a health centre or dispensary, who shall be the Secretary;
- (e) the following persons, who shall be residents of the area of jurisdiction, be elected by the community and appointed by the CEC in charge of Health Services—
 - (i) one person who shall have knowledge and experience in finance or administration matters and shall be the treasurer;
 - (ii) One person representing women.
 - (iii) One person representing the youth
 - (iv) One person representing persons with disabilities

3. The Committee shall—

- (a) supervise the management of the funds allocated to the health centre or dispensary;
- (b) open and operate a bank account at a bank to be approved by the CEC in charge of Finance, whose signatories shall be the chairman, treasurer and the secretary. All the three signatories are mandatory;
- (c) prepare work plans based on estimated expenditures for approval by the CEC in charge of Health Services or designee;
- (d) cause to be kept basic books of accounts and records of accounts of the income, expenditure, assets and liabilities of the health centre/dispensary as prescribed by the officer administering the Fund;
- (e) prepare and submit certified periodic financial and performance reports as prescribed;
- (f) cause to be kept a permanent record of all its deliberations.

Dated the 14th June, 2017.

PATRICK MUTAI,

*County Executive Committee Member for Finance/
Head of County Treasury.*