



COUNTY ASSEMBLY OF KISUMU

**IMPREST MANAGEMENT
POLICY**

MAY, 2022

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FORWARD

The management of financial resources by the department of Finance of the County assembly of Kisumu, requires a policy framework that provides financial procedures and processes in conformity with the PFM Regulations, the PFM Act and the financial provisions in Chapter 12 of the constitution of Kenya, 2010

The finance department coordinates the management of finance for all departments to ensure equity in the implementation of the county assembly budget where all programmes are running without hindrances. The department undertakes this work by synchronizing departmental priorities with budgetary provisions, and cash flows that will be available to pay the scheduled activities through imprests which are used for official journeys and operations of offices through floats.

Imprest Management Policy provides ethical values of operations including; professionalism, accountability and transparency in the management of funds of the county assembly and the procedures that the finance department shall apply to ensure strong financial controls. The policy provides detailed procedures that shall be used in imprest management from the initial stages of planning of activities, requests for cash advances in form of imprests, the implementation of the programmes until surrenders are made. These will be useful to the finance department in the improvement of the internal control system of the county assembly when managing imprests.

The policy will support the finance department in guiding other departments ,and employees in ensuring they use the policy provisions in understanding procedural issues involving imprests, the requirements on making requests for imprests, providing adequate supporting documents, offences and penalties for non- compliance or mismanaging imprests, need for timely surrenders and submission of reports on imprests.



FELIX OWUOR
PRINCIPAL FINANCE OFFICER

PREFACE


The County assembly of Kisumu makes policy that supports responsible and prudent financial management as provided by Article 201 (d) and (e) of the Constitution of Kenya, 2010. Imprest Policy will guide the county assembly in ensuring that the use of public resources based on imprest payments is controlled and well regulated to achieve the County assembly mandate.

The PFM Act, 2012 Sect. 152 provides that, an accounting officer for a county government entity may authorize payments of cash advances to public officers employed in the entity to be used to enable those officers to make payments for the county assembly or in the course of their duties and to account for the use of the advance within a reasonable time. The cash advances in form of imprests are provided to individual employees or members who spend the disbursements and must ensure that they are spent in lawful programmes and for the purpose to which the funds were paid.

The policy provides for the procedures for request of imprests, the various categories of the imprests, the limits of disbursements and surrender procedures. It also guides on the recording and reporting processes, sets out responsibilities for management of imprests and offences and penalties for non- compliance with the policy provisions, the PFM Regulations and PFM Act.

Internal control system and risk management are key components that require the support of a strong policy frame work that sets out the procedures, the mode of operations, in the financial management system. It is on this basis that the county assembly has developed an Imprest Management Policy that shall enhance the ICS mechanisms and safeguard the County assembly financial resource use in the form of imprests.

The Imprest management policy is one of the most effective means of achieving desired programme outcomes as provided in Sect. 22 of the PFM Regulation (Legal No. 35) of 2015. The policy shall apply to all county assembly employees and members and within the jurisdictions where any county assembly financial resources are in use. The policy shall provide reference point in disbursement of resources through imprests for the programmes and activities of the County assembly in order to strengthen the management of its finances.


OWEN OJUOK
COUNTY ASSEMBLY CLERK

ACRONYMS AND ABBREVIATIONS

CASB	County Assembly Service Board
A.I.E	Authority to Incur expenditure
CASB	County Assembly Service Board
CBK	Central Bank of Kenya
COB	Controller of Budget
CO	Chief Officer
COK	Constitution of Kenya
CRA	Commission on Revenue Allocation
IB	Internet Banking
ICS	Internal control System
ID	Identification
FO 17	Financial Order Number 17
FO 20	Financial Order Number 20
FO22	Financial Order Number 22
IFMIS	Integrated Financial Management Information System
JG	Job Group
MCA	Member of County Assembly
PFM	Public Finance Management
SRC	Salaries and remuneration Commission

1.0 INTRODUCTION

1.1 Background

The County Assembly of Kisumu manages financial resources in the best interest of public service and to ensure efficiency and effectiveness in service delivery. The management of public resources require legal and policy frame work that guide the public officers in the pursuit of prudent financial management. The Principles of Public Finance in Article 201 of the Constitution of Kenya 2010, makes provisions for openness and accountability including public participation in financial matters; use of public money in prudent and responsible way; and that financial management shall be responsible and fiscal reporting clear.

In effort to ensure realization of the Constitutional provisions of prudent financial management under Article 201 of the COK 2010, the County Assembly of Kisumu has developed Imprest Management Policy to ensure that Imprests are accounted for, documented, reported and used in a responsible manner that achieves the functions and programmes of the County Assembly.

Imprest is a cash advance or float which the accounting officer authorizes to the MCAs and staff of the County assembly who in the course of their duty are required to make payments which cannot conveniently be made through the Cash office or bank account. The County Assembly of Kisumu has programmes and activities on the core mandate areas of oversight, legislation and representation which requires financing both at procurement and through imprests. The financing through imprests requires a policy that guides its management to ensure accountability for any public finances that may be entrusted to MCAs and Staff for use in carrying out the official duties of the County assembly.

The policy interventions will be on the procedures of requests, documentation and supporting of imprests, compliance with the policy, regulations and existing legislations on Public finance management, disciplinary measures, internal controls on imprests, surrender procedures. The policy also provides guidelines on reporting of imprests, budgetary and liquidity provisions on imprest programmes to ensure that all imprests payments are as per the programmes in the budget and there is adequate cash flows for its payments.

Imprest shall be a cash advance for official programmes to be surrendered on completion of the activities or journeys and not a loan given to staff or MCAs. The management of imprests shall require strong internal check mechanisms through supervision and approvals both at departmental level and by the accounting officer, internal audit reviews, and regular reports in order to ensure sound management.

1.2 Aims/ Purpose of the Policy

The purpose of the imprest policy is to guide the County assembly of Kisumu on prudent, efficient, effective and timely management of imprest with a view to achievement of the County assembly's mandate of legislation, representation and oversight to the public.

The policy shall ensure that public resources disbursed in form of interest are surrendered in time, used for county assembly business and that the internal control environment in the management of imprest is enhanced.

1.3 Objectives of the Imprest Management policy.

The objectives to achieve in the development of the imprest policy by the county assembly of Kisumu shall constitute:

- i. Outline the principles guiding the management of imprests
- ii. Ensure adequate recording of imprests
- iii. Ensure timely disbursement and surrender of imprests
- iv. Ensure timely submission of imprest reports
- v. Ensure that imprests are used for official business of the County assembly
- vi. Prescribe offences and penalties for non - compliance with the policy and PFM provisions
- vii. Outline the basis through which the staff and members qualify for imprests
- viii. Outline the categories of imprests and the procedure of management of each category
- ix. Ensure timely disbursement of imprests for programmes and activities
- x. Ensure that imprests are processed based on budgetary allocations
- xi. Ensure that cash flows are available and are provided before approval of imprest requests
- xii. Ensure coordinated approach with all departments in imprest management
- xiii. Ensure accountability, transparency in the management of imprests
- xiv. The policy shall provide training, reference and capacity building to staff, members on imprest management

1.4 Ethical Values applying in the policy

The County assembly shall be guided by the following ethical values when managing imprests:

- a) Involvement of all departments in coordination and programming of imprests payments
- b) Fairness and justice to all in the administration of imprests
- c) Integrity in the imprest management, where bribery is prohibited
- d) Timely processing of imprests to all departments, staff and MCAs of the County assembly
- e) Equity and equal accessibility of imprests by all in the county assembly
- f) Accountability by all staff and MCAs on the imprests paid to them
- g) Transparency and openness in the management of imprests
- h) Disciplinary actions for non-compliance with imprests policy and PFM laws
- i) Timely communication and information in imprest management
- j) Non-discrimination in imprests payments
- k) Accuracy in recording and reporting of imprests
- l) Professionalism in management of imprests
- m) Adaptability to accept cash flow challenges, new technology and changing circumstances for proper management of imprests
- n) Flexibility in designing programmes and activities that require imprest financing
- o) Lack of coercion by the applicant or the departmental head

1.5. Administration and Scope of the Policy

The policy shall be administered within the county assembly of Kisumu and its environment and its applicability and enforcement applies to MCAs, Staff, and government officials that are in engagement with the County assembly in official capacity and imprest payment may be necessary to facilitate their work in the service of the county assembly mandate.

In the determination of the scope of imprests, it shall be a disbursement prior to the activity which must be surrendered on the completion of the programmed activity, the official journey. It shall be distinguished from salary advance and any loan to which the scope of imprest does not apply. The imprests shall be recognized as expenses on surrender through surrender vouchers and in circumstances on non-compliance, they remain outstanding liability on the individual to whom the imprest was paid.

1.6. Principles of Imprest Management

The management of imprest will be guided by the following principles to ensure sound use of financial resources:

- i. The payment for which imprest is applied must be lawful and authorized
- ii. Imprest must be applied for within a specified period of time. The county assembly shall not accept imprest which have no time frame for activity or programme.
- iii. Accounting officer shall be the approving officer, who shall evaluate the applications and intended use. He/she may have discretion as the approving officer to reject imprest which he/she considers not to meet the standard requirements for imprest application and use.
- iv. Imprest requests must be in official imprest warrants from the government printers or the official imprest warrants for the county assembly.
- v. In determination of imprest requests, there must be proof of adequate cash flows to meet the expenditures
- vi. Imprests applied for must fall within the vote lines provided for in approved budget of the county assembly or any supplementary budget provisions.
- vii. The vote book balances must be ascertained before any imprest is requested and confirmation made that there is adequate vote book balance that can sustain the imprest .
- viii. The imprest payment must fall within imprest categories provided for in this policy or as may be provided for in PFM Act and PFM Regulations as amended from time to time.
- ix. Imprests shall be for the County assembly functions and programmes and not for personal activities.
- x. Imprest requests in terms of amounts, responsibilities and expenditure use shall conform to the provisions made in the policy
- xi. Surrenders of imprest must be within the period specified in the policy or the PFM Regulations or PFM Act as may be provided for from time to time.
- xii. In circumstances where imprest is declined, the respective department should be notified in time for alternative decision making
- xiii. Coordination and communication should be enhanced between the departments when administering imprest as the accounting officer or departmental head
- xiv. Imprests shall be cash advance to the applicant to be surrendered and shall not be accounted for as a direct payment
- xv. Imprests advanced to staff and members of the county assembly must be supported on surrender during accounting as a payment
- xvi. Individual shall not be forced, coerced to apply for imprest against his/ her will. Individuals

forced to apply for imprests shall notify the accounting officer for rejection of the said imprest

- xvii. Imprest records shall be maintained and custody of records of imprest shall be safely kept in the county assembly
- xviii. The reporting of imprest disbursements, surrenders and outstanding balances shall be made regularly; probably weekly, monthly, quarterly and annually.

2.0. PRECEDURES FOR MANAGEMENT OF IMPRESTS

2.1 Imprest payment planning

The county assembly has competing financial priorities both for Imprest and those that require procurement that can only be addressed through proper payment planning system. The county assembly may use the following payment planning procedures in management of imprests :

- The finance department shall be responsible for payment planning of the county assembly in consultation with other county assembly departments
- The heads of other departments shall submit the activities to be financed through imprests three weeks before the date of the scheduled programmes. This shall include approximate costs to be spent in each activity.
- Finance department shall review the submitted programmes, the cost involved and their validity in supporting the beneficial interest of the county assembly
- The finance department may decline programmes which are not lawful or those not aligned with county assembly functions
- The finance department may review the budget and vote books to determine the availability of budgets on the expenditure budget lines and advice on the same
- Finance department will determine the available cash flows against competing financial requirements as a basis of providing guidance on the use of cash resources
- The finance department will then set priorities based on the available cash flows, giving preference in order of; Salaries, Statutory deductions, utilities, debts and pending bills, contractors and suppliers, and office operations (imprests).
- In order to enhance coordination, openness and transparency, finance may invite others departments to share the payment priorities with the cash flows
- On the finance departments judgment or in agreement with other departments, the finance department may advice and set limits on the amounts each department may process in terms of imprests
- The departments will be required to review their activities based on the cash flow ceiling provided by the finance department
- The finance department will advise the accounting officer on the available cash flows, the payment priorities, the possible ceilings for departmental operations in form of imprests and submit the same in form of prepared cash flows to accounting officer
- The accounting officer may use full discretion on the payment planning priorities or he may communicate or hold meetings with the departments to explain the same. The discretion on management of financial resources and cash flow shall be the sole responsibility of the accounting officer
- Finance department will then advice the departments to process imprests expenditures based on the ceilings that it provides to the departments.

2.2 Request/ Application procedures

The following processes shall guide the county assembly when submitting requests for imprests

- The activity to which the request is submitted must be within the budget
- Request shall be made by staff or MCAs through their departmental heads or liaison persons
- Imprests must be through signed Memos by the individuals and approved initially by the departmental head or liaison officer
- Imprest request shall be made in official imprest warrant of the county assembly or warrants supplied by the government printers
- Imprest application shall be made in four copies, where the applicant shall obtain the original during surrender, second copy filed in the imprest file of the county assembly, third copy used for surrender of imprest and fourth copy to remain in the imprest warrant booklet
- Imprests shall be paid only to employed or government officials with Personal Employment numbers
- Imprests for activities shall not be paid to staff and MCAs exhibiting financial distress, drug abuse or those in rehabilitation centers
- The activities to which imprest requests are made must be lawful
- The Accounting officer shall have discretion on imprest requests approval considering cash flow payment of the County assembly
- All imprests paid shall be committed in the vote book of the department and the vote book in IFMIS. No imprest shall be paid unless there is a commitment of the expenditure in the vote book in IFMIS or manual vote book in department

2.3 Basis of qualification for imprest

The staff and members of the County assembly are entitled to be facilitated with imprests to enable them to discharge their functions. There are however circumstances when they may not qualify to be given imprests and the following circumstances may necessitate this:

- The employee is undergoing bankruptcy proceedings or has been declared bankrupt
- The employee has disciplinary procedure that may cause termination of employment
- The employee or member has mental instability as confirmed by doctors, the work situations that may inhibit prudent management of imprest
- The employee or member has outstanding imprest that has not been surrendered and the employee shows no sign of immediate surrender
- The member or employee is undergoing criminal or civil proceedings that may impact negatively on his/her financial capacity to handle imprest on the best interest of the County assembly
- The applicant for imprest is in debt distress and disbursement of imprest to the applicant may cause loss to the county assembly
- The applicant for imprest has had history of drug and alcohol abuse which in the judgment of the accounting officer or departmental head may lead to misuse or non-surrender of imprest

- The applicant has tendency of stealing, has had disciplinary procedures on these and payment of imprest may be detrimental to the county assembly.

2.4 Imprest Categories

The Categories of imprests that will be applied for by the county assembly officials shall constitute:

a. Temporary imprests

The temporary imprests shall be paid for official journeys by the county assembly officials including staff and MCAs and any government officer who has been officially invited by the county assembly to carry work on its behalf but has not been facilitated by the government entity where he is an employee.

The journeys recognized for payment of imprests shall be outside the working station of Kisumu town and to MCAs, the journeys must be outside the wards they represent and wards that are atleast 10kms from their wards

The journeys must be approved by the Clerk for staff and Speaker for MCAs. The imprest applicant shall have surrendered all previous imprests before new request is approved.

The imprests shall take care of travels and transport, accommodation, taxi expenses and others sundry expenses occasioned by the official duties like; photocopying of official documents to be submitted, carriage of heavy county assembly luggage,

The travels for payment of temporary imprests shall be for seminars and workshops, bench marking tours, learning, committee works, oversight, invitations by County assembly stakeholders like CRA, COB The National Treasury, The National Assembly, and County assemblies registered forum, National government agency or entity for the purpose of furtherance of the work of the County assembly.

Temporary imprest shall be paid as per the Job group (JG) , Grade, Salary Scale or any grading system that may be issued by Salaries and remuneration Commission(SRC), County Assembly Service Board or government agency recognized by law to issue salary structure in the civil service.

Request for temporary imprest shall be made on confirmation that there is adequate budget line for the payment of the imprest together with the activity to be carried out during the journey.

The applicant shall attach documents including copy of ID number, copy of current or previous month's payslip. This will support examinations officer in determination whether the officer qualifies for imprest applied for.

b. Standing Imprest

Standing imprest is issued as office float or specific amount to carry out an activity or programme of the county assembly within a specified period. Once issued, payments from standing imprest shall be made on activities which are not subject to procurement process.

Considerations for standing imprest

- The applicant for standing imprest shall be required to have one third of salary not committed for ease of recovery in case of default in surrender.
- The applicant must attach current or previous payslip, copy of ID or any form of identification of the imprest applicant.
- The imprest applied for shall not exceed one months estimated expenditure on the intended purpose
- The imprests shall be for running the activities of the departmental head or recognized leadership of the elected representatives who are in the position of leader of majority, minority, speaker
- The departmental head or leadership of the county assembly to whom standing imprest is issued, may assign the secretary/administrative officer, clerical officer, accountant in the department to apply for standing imprest on his behalf. This shall be done in writing by the departmental head to the Accounting officer.
- The departmental head shall assess the officers he/she assigns to handle standing imprest by ensuring that officers who are in financial distress through bankruptcy, loans, or inability to pay obligations shall not be made responsible for standing imprests.
- Officers who are habitual drunkards, drug addicts shall not be equally assigned to apply for standing imprests.
- The officers and applicants shall be personally liable for the standing imprests and shall be subjected to disciplinary process on their own capacity as individuals who applied for the standing imprests.
- The departmental head shall ensure full recovery of imprests issued to the assigned officer in his department
- On transfer or exit of employment, the standing imprest shall be surrendered to the incoming officer or another existing staff in the department. This shall be the imprest outstanding, amount used together with supporting documents, the balance of cash, signed reconciliation of imprest, and the memorandum cash book of the standing imprest
- The department or the assigned imprest applicant shall not hold two standing imprests at a time and no new imprest shall be issued before full surrender of the previous outstanding imprest.
- The activities to which the departments shall use the standing imprest include :
 - i. Delivery of office documents by office assistants within Kisumu town, sub-counties, ward offices using public transport, motor cycles not fueled by county assembly

- ii. Entertainment snacks for visitors except meals that are supplied by hotels and businesses providing catering services.
- iii. Office tea preparation items that are not subject to frame work contracts or other forms of contract
- iv. Courier and postage of letters where there is no contract with a courier or postage service provider.
- v. Internal Office cleaning including detergents and materials that are specific to the respective departmental office

2.5 Limits and thresholds for imprests

The PFM Regulations (Legal Notice No. 35) Section 92(1) provides that accounting officer or AIE holder shall approve the establishments of imprest facility including maximum amount for a specific purpose.

The limits and threshold for imprests shall be based on the category of imprests and the grades and scales of staff.

Limits and threshold for standing imprests based on responsibilities

The persons whose offices shall be issued with standing imprest but the responsibility remaining with individual assigned to apply include:

Office head	Amount
i. Speaker	60,000
ii. Leader of Majority	40,000
iii. Leader of Minority	40,000
iv. Majority Whip	40,000
v. Deputy Majority whip	40,000
vi. Liaison Chair	40,000
vii. Clerk of the Assembly	60,000

The provisions may be revised as fluctuations in prices in Kenyan economy are experienced.

Imprest for functions/ activities/ programmes

The county assembly may apply for imprest for carrying out the following activities and the threshold is provided as under:

Activity	Amount
Public participation	Not exceeding Kshs 3,500,000
Seminars and workshops	Not exceeding Kshs 2,000,000
Meetings with stakeholders	Not exceeding Kshs 2,000,000

2.6 Expenditures not subject to imprest

- Private travels and journeys that do not relate to the county assembly business
- Payment of meals that could be the employees personal expense in the normal course of duty
- When the applicant is working in the station where he has been allocated duties
- Salaries and other employee remunerations shall not be done using imprests
- Purchase of goods and services above Kshs. 50,000
- Acquisition of assets including; furniture and fixtures, Computers and printers, buildings and building renovations, machinery and equipment shall not fall within imprest payment
- Expenditures on social gatherings where the applicant has attended on a personal capacity
- Fundraising and donations

2.7. Surrender of imprests

The procedure for surrender of imprest shall involve:

- The applicant shall have individual responsibility to surrender imprest paid to him/her by the county assembly.
- The applicant shall take the original copy of imprest, second copy filed in the county assembly imprest file, third copy attached to payment voucher and fourth copy to remain in the imprest warrant booklet.
- Imprest surrenders shall be made within seven (7) days on return from the journey or completion of the activity to which the imprest was paid
- Surrenders shall be made in county assembly vouchers from government printers or vouchers designed by the county assembly
- The respective departmental clerical officer and accountant shall assist staff in the department in surrender of imprests by preparing vouchers. The vouchers used for surrender of imprests shall be FO22 for travels and FO20 for operational expenses other than travel and journey expenses
- The vouchers for surrender of imprests and other payments shall be supported by appropriate documents; including approved Memo for initial request, bus and air tickets, taxi receipts, receipts for meals and accommodations, expenses incurred in stationery, photocopying and printing, Attendance schedules duly signed by attendees, invitation letters and other necessary documents to support the activities and travels.
- In the absence of supporting documents, the imprest will be held to be un surrendered and the applicant shall be required to provide necessary documents
- Imprest paid back in installment shall be converted to advance to be deducted in payroll or salaries of the applicant
- All imprest surrenders must be cleared by the vote book department to reverse the commitment in the vote book, by examination unit for completeness, cash office for distribution of copies of the imprest warrant and recording of the expenditure in the cash book and by the imprest accountant for recording of disbursement, surrenders and balances.
- The departmental head shall endorse and approve the surrender in his/her department for tracking and sound imprest management

- The imprest vouchers after determination of completeness by the vote book, cash office, examination and imprest accountant shall be submitted to the accounting officer for approval. The accounting officer shall have discretion to refer back imprest vouchers which are not complete or adequately supported to the department that incurred the expenditure for correction.
- The imprest shall undergo appropriate posting and clearance in IFMIS once approved by the accounting officer.
- Imprest outstanding for more than seven days shall attract interest at the Central Bank of Kenya (CBK) rate existing at the time the imprest is outstanding
- Imprest to which the applicant has not surrendered shall attract disciplinary procedures according to human resource policy and shall be submitted to the salaries/payroll department for recovery.

2.8 Refund of Imprests

Imprests are paid to staff and members on beneficial activities that support county assembly functions. There are circumstances when the departmental head, Accounting officer, or responsible person may demand refund of imprest. These include:

- When the imprest was diverted for an intended purpose by the applicant
- The imprest was used for personal gain or personal commitments which do not fit in the county assembly programmes
- The programme or activity to which the imprest was requested has been overtaken by events whether natural cause, accidental, impossibility of implementation due to change in circumstances, law, and other supervening events
- Time period for which the activity was to be carried out has elapsed or the end of period has necessitated the lapse of the expenditure.
- The function/activity has been postponed and continuous holding of the imprest payment may lead to loss or misuse
- The imprest has been recalled by the accounting officer or departmental head as the initial use of the imprest has been improper, unlawful and prejudicial to the county assembly
- The officer to whom imprest was paid has been terminated, suspended or interdicted and the continued holding of the imprest may not benefit the county assembly
- The previous imprest has not been surrendered and the applicant is not willing to surrender the imprests outstanding

Procedure of Imprest refund/recovery

The county assembly shall use the following procedure alongside others for refund, accounting for refund and recovery of imprests:

- The officer may be informed verbally on the outstanding imprest and the need to refund the imprests due to misuse, contravention of policy or lawful provisions , termination,or other non- compliance reasons
- A letter may be written to the officer on the outstanding imprest and the need to act on the purpose of the letter
- All the refunds and recoveries of imprests shall be deposited at a commercial imprest bank account or operations bank account of the county assembly
- Refunds and recoveries of imprests shall be done through FO 17 which must be signed by the applicant, head of the department and the accounting officer.
- The imprests recovered shall be recorded in the imprest refund register, commitment cleared in vote book and IFMIS
- Imprests recovered through deductions in the payroll may be accounted for as revenue if it had been cleared fully as commitment in. vote book and IFMIS through disciplinary procedures. The recoveries shall be deposited in the revenue account of the county assembly.
- Refunds and recoveries shall or may be made with interest at CBK rate for the period the imprest has been outstanding.
- Where the applicant is not cooperating and not showing willingness to refund outstanding imprest which the county assembly feel was not properly used, the county assembly may apply debt distress mechanisms or court process where deems suitable.

2.9 Responsibilities for Imprest management

2.9.1 Accounting Officer

The role accounting officer will play in the management of imprest may include:

- Approval of imprest requests and surrenders upon advice on validity and completeness from Director of finance and staff involved in the processing of imprest
- Ensure adequate measures and internal controls to prevent fraud and losses resulting from imprest payments
- Initiate imprest refund and recovery measures in circumstances where the applicant has not used imprest for the intended purpose
- Ensure adequate planning, prioritization and programming of activities based on the available cash flows
- Ensure existence of accurate records for all imprest disbursements, surrenders and the balances outstanding at a given time period
- Ensure timely processing of imprests to meet the departmental requirements and time schedules for activities
- Coordinate the management of imprest in all the departments, units and entities of the county assembly

- The Accounting officer will be the final Approver of imprest in IFMIS and Internet Banking (IB) in the County assembly
- Ensure that all departments and units of the county assembly are preparing weekly, monthly, quarterly and annual reports
- Ensure that departments have assigned, submitted the names and details of imprest holders in their respective departments for his approval
- The accounting officer may form a committee that comprises the finance department and other county assembly department to be in charge of advising on imprest management
- Ensure that imprests have budgetary allocations before they are processed

2.9.2 Director of Finance

The role of the Director of finance in imprest management shall constitute:

- Advising the Accounting officer on the position of cash flows for payment of imprests in the county assembly
- Reviewing imprests before they are approved by the accounting officer in terms of validity of the requests, supporting documents and lawfulness
- Decline and submit back to the departments imprests that do not meet threshold of processing and those that have not been done procedurally
- Ensure that there is adequate vote book balances for the imprests applied for before they are processed
- Ensure that imprests being processed and requests for imprests made have budgetary provisions and that the requests fall within certain budget item lines
- Training and capacity building of the accounting staff to equip them with knowledge and experience for prudent management of imprests
- Advise the accounting officer on the staffing requirements for management of payment system and imprests
- Ensure refund and recoveries of imprests which have not been surrendered or used in a proper manner
- Ensure that all procedures of voucher initiation, vote book, examination, validation are undertaken
- Take adequate measures to prevent losses that may result from imprest payments
- Institute measures that guarantee strong internal controls that prevent errors and fraud in imprest management
- The director of finance will be an approver of imprest in IFMIS and Internet Banking (IB) of the County assembly
- Supporting staff on technicalities in processing of imprests
- Coordinate reporting of imprests and ensure regular reporting of imprests to the accounting officer

2.9.3 Departmental Heads/ A.I.E Holder

The role of departmental heads in imprest management include:

- Assigning imprest applicants in their respective departments in writing to the accounting officer
- Institute strong internal controls for management of imprests in their respective departments to prevent fraud and malpractices in imprest management
- Take appropriate disciplinary measures on staff in the respective departments in instances where those entrusted with imprests have not used them properly
- Recommend to accounting officer the imprest which are overdue or unsurrendered for refund, recovery or appropriate disciplinary measures
- Ensure regular reporting of imprests to the accounting officer
- Ensure that imprest payments for his/her department are used prudently, responsibly and that all imprests are accounted for
- Ensure that staff in his department have adequate record of imprests
- Coordinate with director of finance and accounting officer on scheduling of activities that need imprest payments based on the available cash flows
- Ensure that imprest requests and payments in his department have budgetary allocations and adequate vote book balances.
- Approves imprest applications in his/her department before they are processed or submitted to Accounting officer for approval

2.9.4 Imprest Accountant

Role of imprest Accountant in imprest management include:

- Ensure regular recording of all imprests of the county assembly
- Follow up on imprest surrenders with the applicants and departments
- Report to the director of finance and accounting officer on imprests on regular basis
- Take measures to prevent processing of imprests that may occasion loss to the county assembly
- Ensure timely refunds and recovery of imprests
- Ensure timely processing of imprests for departmental activities or programmes
- Coordinate with departments on preparation of imprest reports on daily, weekly, monthly, quarterly and annual basis

2.9.5 Imprest applicant/holder

Role of imprest holder shall be:

- Apply for imprest formally using right county assembly documentation
- Ensure that all necessary approvals are made before payment of imprests
- Generate memo to the departmental head for approval in that respective department before accounting officer's approval

- Ensure that imprest is used in lawful activities
- Ensure that imprest is used for intended purpose for which it was approved
- Ensure adequate and valid documentation to support application and surrender of imprests
- Ensure timely surrender of imprests
- Refund part of imprest which has not been used or whole of imprests if the departmental head or accounting officer has opinion that it has not been used rightly. The applicant or imprest holder shall also refund the whole imprests if he fails to surrender within time provided in the policy, PFM Act and PFM Regulations in place at time of holding the imprest.
- Ensure recording of imprest in memorandum cash book, the relevant filing and that the imprests paid to him/her is in records of the imprest Accountant and cash books and imprest registers of the county assembly
- Ensure he/she obtains imprests in a procedural manner
- Make good any loss which may occur for improper use of imprest or failing to take due care on the imprest paid to him/her.

2.9.6 County assembly service board (CASB)

Role CASB in management of Imprests

- Timely approval of programmes and activities of the county assembly departments that may require financing through imprests
- Ensure adequate budgetary provisions to finance county assembly operations
- Ensure availability of funds to finance operations of the county assembly with a view to achievement of the county assembly mandate
- Provide coordination role in the entire county assembly and ensure that the departmental imprests and activities are funded in time
- Ensure prudent and responsible financial management system that will ensure effective and efficient management of imprests
- Strengthen internal controls in the operations of imprest system and put measures to prevent fraud and malpractices within the county assembly
- Ensure adequate policies and procedures that provide guidance and support in the sound management of imprests
- Inculcate ethical values in the management of imprests and the entire public finance management system
- Ensure adequate training and capacity building to enhance knowledge and experience of staff in the management of imprests
- Provide motivation and incentives to improve employee morale and confidence for effective, prudent management of imprests.
- Undertake performance management systems that ensure achievement of set goals of the county assembly

2.10 Imprest records and documents

The county assembly of Kisumu shall keep proper records of imposts as part of its prudent and responsible use of public resources as provided in Article 201(d) of the COK 201.

The records of imposts in the county assembly shall include:

i. Imprest registers

The county assembly shall have departmental registers for recording imposts in the department, movement register to be signed at every stage of approval of registers. The finance department shall also keep its registers separate from the departments

There shall be registers of all imposts paid, impost surrenders, impost refunds with details of the impost applicant/holder, the impost warrant number, amount paid, date of payment, date and amount surrendered, date and amount of refunds and recoveries, the signatures of processing and authorizing officers

The county assembly shall keep separate registers for impost payments/disbursements, surrenders, outstanding imposts and refunds /recoveries

ii. Cash books

The county assembly shall keep main cash book in finance and memorandum cash books in the departments or with A.I.E holders.

Memorandum cash books kept by departments and A.I.E holders shall have amount of impost received, payments made, allocation, details of receipts and payments, Receipt and payment voucher numbers, dates and amounts paid.

The main cash books shall records receipts and payments together with all details of payee, source of receipts, and amounts

The cash books shall be checked for accuracy and endorsed by a responsible person who may include; departmental head, A.I.E holder, Director of finance, Principal finance officer or Accounting officer.

iii. Vote books

The departments, A.I.E holders and finance departments shall keep vote books showing allocations or budgets, any changes in the budgeted amounts through supplementary budgets, actual spending, and commitments made in form of imposts or payments and the balances outstanding at any time period

The vote books will guide the departments, A.I.E holders and finance to determine balances which may be used in payment of imposts. IFMIS vote books will be acceptable in recording payments and commitments.

Each department and A.I.E holders shall keep its own independent vote book showing amounts it has received, the corresponding expenditures and commitments, details and balances.

iv. Imprest ledgers

The county assembly shall maintain imprest ledgers showing imprests disbursements/ surrenders and amounts not surrendered. These shall contain the dates, names of all imprest holders/payees, details of the imprest disbursement/payments.

This shall be for purpose of determining all imprests paid, level of surrenders and actions on the reasons or defaults for non- surrender of imprests and for preparation of financial statements.

v. Imprest reconciliations statements

The county assembly departments shall keep records of reconciliation statements of imprests for a specied time period. It is recommended that the finance department undertake monthly reconciliation of imprests

Imprest supporting documents

In order to process imprests from initiation, payments until it is surrendered, refunded or recovered, the following supporting documents shall be maintained by the county assembly:

- Approved Memos for request of imprests
- Travel tickets and receipts
- Invitation letters to the functions which are duly approved
- Purchase receipts on items not subject to procurement
- Attendance list/schedules for meetings and workshops
- Certificates awarded for attendance of conferences, workshops and trainings
- Prescribed rates for payments of imprests as issued by county assembly service board, SRC or any other government agency that is allowed by law to provide guidance on remuneration in the public service
- Imprest warrants with copies in files, payment vouchers
- Payment vouchers for surrender of imprests – FO 20 AND FO 22
- FO 17 for deposit of imprests refumds and recoveries
- Memorandum cash book copies attached to surrender of office floats and standing imprests
- Letters assigning approved imprest holders and A.I.E holders
- Specimen signatures of authorized officers
- Correspondences and communications on imprests

Preservation of Imprest records

Imprest recods shall be preserved for the following duration:

S/N	Type of document	Preservation period
a.	Imprest ledger	10 to 15 years
b.	Cash books	10 to 15 years
c.	Payment voucher	10 years
d.	Imprest warrants	10 years
e.	Electronic payments	10 years

The period apply, but the county assembly may keep the records for longer period in circumstances where external audit has not been concluded or where oversight by oversight institutions of the National Assembly, Senate has not been concluded. The records shall also be kept longer periods where investigations are still ongoing and conclusions have not been made.

The unresolved external audit process and ongoing investigations shall make the period of custody of imprest records to run for unspecified periods beyond the stated ones in the policy or any legislation.

2.11 Imprest reporting

The departments, A.I.E holder and the finance department shall be required to provide imprest reports to the accounting officer and the county assembly service board. This shall be on weekly, monthly, quarterly, half yearly and annual basis.

The imprest reports shall include:

- Imprests disbursed or paid during a certain period
- Surrenders made during any period provided in reporting of imprest
- Outstanding imprests during any reporting period
- Imprest refunds and recoveries
- Imprest reconciliation reports
- Follow up on imprest audit recommendations

2.12 Audit of Imprests

Imprests may be subjected to audit by the internal auditors of the county assembly or external auditors including; Office of the Auditor General or any external auditor appointed by the County assembly to review the position of Imprests

The imprest position may also be reviewed by the audit committee as a follow up on internal and external audit recommendations in order for the audit issues to be

2.13 Offences and penalties on Imprest

The following shall constitute offences in relation to imprest :

- Application of imprest for private use or for the use of a relative
- Failure to recover losses occasioned from imprest payments
- Failure to take disciplinary measures on imprest holders and staff/county assembly members who have misappropriated imprest
- Failure to pay into bank or refund imprest which has not been used
- Providing invalid or fake documents to support imprest requests and imprest surrenders
- Use of imprest for purposes other than the ones for which the imprests were requested or applied and approved
- Failure to record adequately record imprests in the imprest registers, imprest ledgers, cash books and other books for recording imprests of the county assembly

- Issuing imprests when there are no adequate funds in the vote book to pay such imprests or when the budget lines in the vote book is exhausted
- Making imprest request in form of salary advance or in form of loan to staff with a view to concealing that the imprest paid was not an imprest but a soft loan
- Concealing or wrongfully destroying information relating to imprest with a view to non - disclosure after the imprest has been paid
- Submitting imprest request with a view to sharing between the affected staff who are processing imprests
- Payment of imprests that do not have right approvals by authorized accounting officer or authorized officers of the county assembly
- Directing a county assembly officer to do an act that contravenes imprest policy, the PFM Act and PFM Regulations or the Constitution of Kenya
- Assisting or aiding an officer to take imprest and fail to surrender or refund the amounts taken unprocedurally
- Opening of unrecognized or false bank account and paying or using the false bank account to swindle money from the county assembly in form of imprests
- Making false records in the books of accounts for recording imprests of the county assembly in the ordinary course of duty by a public officer of the county assembly
- Obstructing or hindering a public officer from enquiring or finding justice or truth on imprests
- Engaging in manipulation of records, stealing, bribery to obtain imprest from the public finances of the county assembly

Penalties for mismanagement of imprests

The following shall constitute penalty for mismanagement of imprest

- The county assembly public officer or any person who commits the above offences in the policy shall be liable on conviction to a term of imprisonment not exceeding five years or
- The person shall also be liable to a fine not exceeding ten million shillings or both

