



# AGENT PROCEDURES MANUAL

Version 3

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## ABBREVIATIONS

IIED	-	International Institute for Environment and Development
CA	-	Christian Aid
CCF	-	Climate Change Fund
PCV	-	Petty Cash Voucher

## **CHAPTER 1: INTRODUCTION**

### **1.1 Purpose of the Manual**

- These procedures are necessary for ADA Consortium Members, IIED & Christian Aid, County Agents and Sub-Agents to administer and disburse operational funds, design project proposals, procure and contract contractors and to report to donors on the use of DFID CCF funds.
- This manual will be used to support in county Climate Change legislation while upholding DFID financial accountability rules that do not allow for DFID funds to be transferred to government structures in Kenya at this time.
- This manual contains two parts:
  - a) Finance procedures for the Operational Fund, which will be used solely to meet administrative expenses of agents and Sub-Agents; and
  - b) Procedures for designing and monitoring projects to be funded from the Project Fund

### **1.2 Key Definitions**

- i) IIED/Christian Aid – IIED and Christian Aid are the main CAF funding source and control the fund implementation on behalf of Dfid
- ii) ADA Secretariat – Is the office acting on behalf of IIED and Christian Aid in monitoring and capacity building during implementation of the CAF.
- iii) County Agents – Are partners of IIED and Christian Aid implementing activities of the CAF in the various Counties where CAF is implemented.
- iv) Sub-agents – Are described below at 2.2.3 and may include WAPCs, CAPCs and other entities partnering with County Agents in implementation of the CAF.

### **1.3 Users of the manual will include:**

- The IIED & Christian Aid as ADA Consortium members in implementing and monitoring the work of county agents.
- ADA Secretariat in coordinating the activities of the Fund.
- County Agents who manage the overall CCF funds on behalf of IIED/CA in each county, and are responsible for supporting the entire project cycle in its entirety and reporting to IIED/CA as needed.
- County government or CAF management mechanism (CAPC or otherwise)
- Sub-agents (may also be described as WAPC and CAPC in this manual and other county procedures manuals) who are involved directly in the implementation of the project cycle, the collection and processing of financial data, procurement, contracting and who will ensure conformity to the laid down procedures.
- Auditors (Internal / External) in establishing compliance and suitability.

### **1.4 Manual Review and Update**

- The manual shall be periodically reviewed and updated to take into account new developments. The proposals to change shall be made to the IIED from the following sources:
  - a) ADA Consortium members
  - b) County Agents
  - c) Subagents
  - d) Other stakeholders
- The process for updating the manual is:
  - a) The Sub-agents will note proposals on possible changes to the manual and process (self-generated or other stakeholders) and submit these proposals to the County agent in their County,
  - b) Other stakeholders will note proposals on possible changes to the manual and process and submit these proposals to the County agent in their County or IIED/CA (whichever is convenient)
  - c) County Agents will review all submissions in (a) and (b) above and submit a written recommendation and request for review to the IIED which should contain the following criteria:
    - ✓ The specific rule or procedure that the recommendation relates to, with reference to the relevant part of this Procedure Manual if relevant,
    - ✓ An explanation of why the procedure should be changed with reference to specific events or examples,
    - ✓ The alternative arrangement recommended.
  - d) IIED should consider the recommendation and provide written approval where it accepts the recommendation or rejection stating the reasons for rejection.
  - e) IIED should advise all County agents (who will in turn advise all subagents and the stakeholder(s) who submitted an amendment request) of the approved change.
  - f) Where necessary, the IIED will make the relevant changes to the CCF Manual and a new copy of the manual provided. Otherwise issue an addendum to the manual detailing the revision.
  - g) Where proposed changes to the manual are urgent and critical with the aim of preventing fraud, correcting mismanagement, removing an illegality, correcting an inconsistency or as an adherence to an approved donor contract, the changes should be provisionally approved by the County Agent Manager, and in 30 days be submitted to IIED for approval and annexed to the manual.

## **CHAPTER 2: ROLES AND RESPONSIBILITIES TO THE CCF PROCESS AND PROCEDURES**

### **2.1 Introduction**

This section highlights the roles of the County Agents, Subagents and ADA Secretariat.

### **2.2 Roles and responsibilities**

#### **2.2.1 ADA Secretariat**

The roles of the ADA Secretariat are:

- a) Monitoring of financial transactions of County Agents and flagging any issues to IIED in a timely manner.
- b) Financial management capacity review and development within the project (where appropriate, in partnership with the County Agents)
- c) Consolidation of financial reports for transmission to IIED, Christian Aid and other users
- d) Other coordination of financial activities of the project as needed.
- e) The ADA Secretariat shall also provide general advice to agents, including on: -
  - ✓ Proposal development;
  - ✓ Budgeting;
  - ✓ Procurement;
  - ✓ Accounting and Financial Reporting;
  - ✓ Follow up on the progress of work carried out by Service Providers or other third parties; and
  - ✓ Final project report on fulfilment and impact.

#### **2.2.2 County Agents**

The roles of all County agents are:

- a) Manage the finances of the DFID funded CCF acting as an agent on behalf of the County climate fund management structure.
- b) Participate in budgeting and budget monitoring for activities funded by the fund.
- c) Enter into and monitor sub-agreements and MoUs with sub-agents and other implementers e.g. County and National Governments.
- d) Participate in proposal development (and additionally, approval of sub-agent proposals)
- e) Participate in procurement and contracting (including by sub-agents)
- f) Support the CCF management committee to monitor the work of Service Providers
- g) Disburse payments for both the project funds and the operational fund and ensure the procedures, as laid out in this manual, for doing so are followed by all.
- h) Discussion and approval of subagent financial reports
- i) Recommending improvements to the operation of the financial and project cycle framework.

#### **2.2.3 Sub-agents**

Sub agents are those entities at both County and Ward level who partner with County Agents to implement activities under the fund (see 1.2 also for definitions).

County Agents shall facilitate establishment of CAPCs that will include members from WAPCs in the County and other stakeholders whose main role shall be to coordinate County wide activities, approve WAPCs proposals and propose/develop County based projects.

Sub agents must meet the following main conditions: -

- a) Organizations legally registered as separate entities or a membership consortium created by these registered entities e.g. the CAPCs.
- b) Organizations established and have their main office in the Ward where the activities shall be implemented and for CAPCs at the County level.
- c) Not under any government control in decision making, management and representation. The only government control should be regulatory.

The key roles of sub-agents are:

- a) Participate in proposal development
- b) Implement project activities as per the MoU
- c) Contract all service providers who will be paid on the sub-agents behalf by the County Agent.
- d) Monitor service providers under their sub grant
- e) Keep proper record of all transactions under their sub grant
- f) Report to the County agent as required in the MoU
- g) Review and approval of proposals (only by CAPCs)
- h) CAPCs shall develop County wide proposals and coordinate County wide activities under the fund.

#### **2.2.4 Service Providers**

‘Service Provider’ refers to anyone contracted by County agents and sub-agents to implement the projects under the Fund.

#### **2.2.5 Technical Specialist**

A ‘Technical Specialist’ refers to anyone who is engaged to assist with the design of proposals and Bills of Materials, both during the tender and/or monitoring process.

#### **2.2.6 County and National Government**

County Agents will enter into MoUs with the Government to support and or implement a project(s) or agreed activities under a government project that supports climate change/adaptation and is allowable under the fund. Funds under this arrangement shall be kept and managed by the County Agent who will disburse directly to the service provider as per the MoU (see 5.2 for detailed procedures).

### **2.3 Distinguishing between Operational and Project funds**

Where applicable, Agents shall be allowed to award two separate types of funds to sub-agents and in the case where they are working with government, manage the funds:

- **Operational Funds:** Are funds awarded to sub agents or paid on behalf for activities under MoU with government for administrative costs of managing the fund e.g. office expenses, communication, travel and the expenses of holding meetings at the County or Ward level. Procedures of management of these funds are detailed in this chapter.



- Project Funds: Are funds awarded by IIED or Christian Aid through a grant to the County agent, The County agent will pay Contractors and Service Providers for works, providing services and goods to the project directly, on behalf of the Sub-agents contracts with those parties. Procedures of management of project funds are detailed in chapter 5.

## CHAPTER 3: ACCOUNTING PROCEDURES BY AGENTS

### 3.1 Accounting for the CCF Funds

- All County agents will be required to keep proper records of all funds awarded to them and submit accountabilities and reports to IIED/Christian Aid as required in the agreements held with either IIED, Christian Aid.
- County Agents shall in addition to requirements in this manual apply adequate and sound accounting policies and procedures in accounting for CCF funds.
- During record keeping, disbursement and reporting, all funds shall be separated between operational and project funds. For County agents using computer accounting software, the fund transactions shall be recorded by use of distinct codes to separate project and operational funds.
- Where the County agents do not record their accounting data using a computer accounting system/software, a separate double entry system that records receipts and expenditure and includes cash and bank books, bank reconciliations shall be kept for the fund.

### 3.2 Cash and Bank Management

#### 3.2.1 The bank account

- a) Each County Agent will operate a separate bank account opened in a bank authorised by IIED/Christian Aid for the CCF Fund.
- b) The account shall be operated by at least three signatories. At least two signatories must sign any cheque payment with the overall manager (CEO/Director) of the agent a mandatory signature.
- c) The bank account shall be reconciled every month and reconciliation reports checked and approved by the Manager of the County Agent.

#### 3.2.2 Receiving deposits, bank transfers or other payments

- d) All transfers of funds to County Agents from IIED and Christian Aid shall be by EFT and deposited directly to the CCF designated account.
- e) Other receipts and refunds that may arise during implementation of activities such as work advance refunds, balance of unspent CCF funds and other miscellaneous receipts shall be banked **intact** directly to the designated CCF account.
- f) For CCF funds from IIED and Christian Aid, the accountant will raise a transfer acknowledgement and send it to IIED/Christian Aid as confirmation of receipt of funds. The acknowledgement shall include the foreign currency received, the translated local currency amount and the date of receipt.
- g) The accountant will then file the documents in chronological order.

#### 3.2.4 Disbursements from the bank account

All disbursements from the CCF bank account shall be made using the following procedures:

##### 3.2.4.1 Expenditure Requisition

- a) An expenditure requisition, on a proscribed form, shall be raised for all payments before they are made.
- b) Before start of implementation, a requisition form is made and approved by the supervisor in charge of the requesting department after checking that the activity is in the approved plan. The requisition **must** include:
  - i) the budget code to be charged.
  - ii) description of the activity
  - iii) amount (detailed per activity and total)
  - iv) implementation plan
  - v) name of payee
  - vi) type of fund to be charged (operational or project)
- c) For expenditure under an MoU with the Government (**see 5.2 below for procedures on MoU contracting**), the requisition must meet the above criteria and signed by the Government accounting officer approved in the MoU.
- d) The finance officer checks the requisition against the budget to ensure that the proposed expenditure is within budget and adheres to the CCF expense policy and signs the requisition.
- e) The requisition is then approved by the Manager of the County Agent and returned to finance for disbursement of funds.

#### **3.2.4.2 Disbursement of Work Advances**

- a) Work advances may be necessary during implementation of activities. These are funds given to officers of the Agent or the Government (where activities are implemented under an MoU) to facilitate disbursements in the field such as per diems, accommodation, transport, meals and other payments.
- b) For work advances, the disbursement shall be made to the payee named in the requisition including those under an MoU with the Government. Work advances under the Government MoU shall not be transferred to a government account.
- c) Work advances shall be disbursed for activities that require payments to be made in the field while implementing such as;
  - i) participant allowances
  - ii) communication
  - iii) stationery
  - iv) facility costs
  - v) transport
  - vi) facilitation and community mobilization
- d) Work advances shall be accounted for as per procedures in 3.2.5 below.
- e) The Accountant will then file the requisition and supporting documents in a file in chronological order.
- f) Advances to government officers must be within the rules and limits of government for advances and CCF policies and procedures and must be accounted for under procedures 3.2.5 in this manual. No salaries shall be paid to Government Officers.

#### **3.2.4.3 Disbursement of Project Funds**

- a) All the disbursement shall be made to the payee named in the requisition in 3.2.4.1 above including those under the MoU with the Government.

- b) All payments to contractors and service providers under the project fund shall be made by the County Agent based on contractual agreements made between the sub agent and service providers.
- c) A payment requisition shall be raised by the Finance Officer of the County Agent and supported by the following documents;
  - i) An approved requisition in 3.2.4.1 above
  - ii) For payments under project funds, complete documentation as per the procedures in Chapter 5 below shall be required.
  - iii) For payments under the Government MoU, a request for payment signed by the government accounting officer supported by documents in (v) below shall be used.
  - iv) For sub-agents, the payment request shall be signed by the accounting officer/manager/officials (Chairperson, secretary and treasurer for CBO sub agents) accompanied by signed minutes and supported by documents in (v) below shall be used.
  - v) Payments to contractors must be supported by monitoring reports, invoices, purchase orders, delivery notes, work completion (or partial completion) certificates/reports or proof of deliverables approved by the overall manager of the sub agent.
- d) Prepayments, staggered payments or advance payments to contractors shall be made as per approved payment schedules in the contract.
- e) Payment requisitions shall be approved by the County Agent manager. After approval, the cheque is raised and signed by the approved signatories in 3.2.1 above.
- f) The Accountant will then file the payment requisition, supporting documents and the contact details of the payee in a file in chronological order.

#### **3.2.4.4 Disbursement of Operational Funds to Sub-agents**

- a) The sub-agent shall on a quarterly basis prepare a budget for its operational and administrative costs based on the project activities in chapter 5 below. The budget shall include operational activities such as stationeries, transport and communication, facility and facilitation costs, community mobilization among others.
- b) For sub-agents registered as CBOs e.g. WAPCs and CAPCs, the members shall discuss the budget and the secretary shall provide approved minutes before the budget can be passed and agreed with the County Agent. These discussions shall be in consultation with the County Agent whose representative must be present to provide consultation and relevant guidance and capacity.
- c) The budget shall be agreed and approved by the County Agent's overall manager/CEO and sent to IIED/Christian Aid for final approval.
- d) Sub-agents shall raise a request for operational funds based on agreed budget which shall be checked by the County Agent's CCF project supervisor and approved by the overall manager/CEO of the County Agent.
- e) The funds will be disbursed to the CCF designated account of the subagent.
- f) The Accountant will then file the payment requisition, supporting documents and the contact details of the payee in a file in chronological order.

#### **3.2.5 Accounting or Work Advances**

- a) The work advances for County Agents' staff shall be accounted for within procedures of the County Agent and as per the agreed CCF budget, work plan and requisition in 3.2.4.1 above.
- b) Advances under the MoU with government shall be accounted for by the recipient of the advance in 3.2.4.3 (a) above and shall be in line with the following requirements;
  - i) Accountability of the advance be done on an form approved by the County Agent

- ii) Be submitted within 10 days after completion of activity
  - iii) Be supported with original receipts for all payments except for policy fixed costs that are unaccountable for e.g. per diem
  - iv) The accountability form shall be approved by the Government Accounting Officer before submission to the County Agent.
- c) Overspend without prior approval may not be eligible unless under emergency or remote areas that lack communication to facilitate prior approval. Post expenditure approval in this case shall be justified in writing.

### **3.3 Reporting expenditure and requesting an instalment for additional funds**

- i) The County Agent will be required to report on both operational and project budgets as detailed in their agreements with IIED/Cristian Aid.
- ii) The County Agent will require all sub-agents to report on their funds (*see Chapter 4 below*) in time to enable them to consolidate and compile reports for IIED/Christian Aid. This timetable will be agreed through an MoU.
- iii) IIED/Christian Aid will only disburse funds as requested by the County Agents after submission of Grant Reports as per the agreements
- iv) All reports shall be in formats agreed with IIED and annexed to the agreements. The County Agent must follow these steps to request an instalment from IIED/Christian Aid:
  - a) The Accountant will monitor the CCF bank balance and prepare a request for funds when an additional instalment is needed.
  - b) The request for funds will be reviewed and signed by the Manager and submitted to the IIED/Christian Aid together with the following items:
    - i. The completion of the FACE form on a quarterly basis (See Annex S)
    - ii. The grant reports for both the operational and project funds (in an excel spreadsheet provided by IIED).
  - c) IIED/Christian Aid shall review the above request and documents. If not satisfied, raise issues for the action of the County agent.
  - d) The transfer of funds shall be made after reviewing and approving the above documents and reports.

**Note: It may take up to three weeks for IIED/Christian Aid to pay an instalment so the County Agent will need to request funds in advance.**

### **3.4 Requesting additional allocations for operational funds or changes to the expense policy**

Due to the variability of activities and projects, and seasonal conditions, the level of funds required by County Agents may vary greatly to initial requests. Follow these steps if a County agent believes it requires additional funds or a change to the expense policy:

- a) The agent will make a written request to IIED/CA for the increased funds specifying whether it is for project, operational funds or changes to the expense policy. The request should include the following:
  - ✓ The reason additional funds are needed and description of how they will be spent
  - ✓ A demonstration of how the amount requested was calculated
- b) The request should be signed by the Manager of the Count Agent.

- c) IIED/CA will consider the request based on the information provided and communicate the decision to the County Agent no later than 10 days after receiving the request.
- d) If the additional funding is approved, the County Agent may make a request for an additional payment by following the steps outlined in Section 3.3.

## CHAPTER 4: ACCOUNTING PROCEDURES BY SUB-AGENTS

### 4.1 Introduction

- a) These procedures shall only be applied by Sub-agents (e.g. WAPCs and CAPCs) in cases where the County Agent is implementing CCF activities as described in 5.2 (iii) below.
- b) The procedure will not apply in accounting for funds under MoU with Government.

#### 4.1.1 Accounting for the CCF Funds

- All sub-agents will be required to keep proper records of all funds awarded to them and submit accountabilities as required in the agreements held with the County agents.
- Sub - Agents shall in addition to requirements in this manual apply adequate and sound accounting policies and procedures in accounting for CCF funds as detailed in this chapter.

#### 4.1.2 The bank account

Each sub-agent will operate a separate bank account for the CCF Fund operated by at least three signatories to the account. At least three signatories (for WAPC and CAPCs or CBOs, the Chairperson, Treasurer and Secretary) must sign a cheque payment with the Chairperson being a mandatory signature.

### 4.2 Accounting for CCF Operational Funds

- a) After receiving funds under section 3.2.4.4 above Sub-Agents will be required to have two types of transactions under each of the Operational Fund:
  - a) Bank Transactions
  - b) Cash Transactions (Petty Cash)
- b) The four key documents associated with these two Funds are;
  - a) Bank Cash Book
  - b) Petty Cash Book
  - c) Cash Receipt Book
  - d) Petty Cash Voucher

#### 4.2.1 'Bank Cash Book' and the 'Petty Cash Book'

The Bank Cash Book and Petty Cash Book are used to record all the individual transactions in the bank account and petty cash. An example of a cash book is at Table 1.

**Table 1: Sample Bank and Petty Cash Book**

Date	Description	Receipt No.	Payments (IN)	Payments (OUT)	Balance	Signature Preparer	Signature Checking
<b>Total</b>							

The columns on this book are:

- ✓ Date: enter the date of the transaction

- ✓ Description: Describe as clearly as possible the reason for the received or paid amount, the person being paid to, and the project or meeting to which it relates.
- ✓ Receipt No.: Indicate the document number that provides evidence of the transaction. A Cheque number for bank payments, a Petty Cash Voucher number for petty cash payments and a receipt number for amounts received.
- ✓ Payments (IN): this is the column where you enter all receipts or deposits or interest (money in).
- ✓ Payments (OUT): this is the column where you enter all payment, withdrawals or bank charges (money out).
- ✓ Balance: this is the column that shows balance in the bank or petty cash after each transaction is recorded. It is calculated every time a transaction is entered in the Cash Book.
- ✓ Signature Preparer: the signature of the Treasurer preparing the cashbook
- ✓ Signature Checking: the signature of the Senior Accountant checking the recording

#### **4.2.2 Receiving deposits, bank transfers or cheque payments “IN” to the bank account**

Follow these steps to receive a deposit into the bank account

- a) The preferred method of receiving money into the bank account is by direct bank deposit, either electronically or in person. In such cases, the accountant shall obtain a hardcopy of the deposit notice or bank statement.
- b) If the deposit is in the form of a cheque, the accountant shall receive cheque from the payer and shall complete a receipt from the **Cash Receipt Book**.
- c) The Treasurer will then record the payment as an “IN” in the **Bank Cash Book or as a debit to the cash ledger in the accounting system**.
- d) For CCFF funds from the County Agent, the Treasurer will raise a transfer acknowledgement and send it to the County Agent as confirmation of receipt of funds. The acknowledgement shall include the amount and the date of receipt.
- e) The Treasurer will then file the documents in chronological order.

#### **4.2.3 Authorizing and paying “OUT” cheques or cash from the bank account**

Follow these steps to make a payment from the bank account:

- a) Check the budget to ensure that the proposed expenditure is within budget and adheres to the expenses policy at Appendix I.
- b) If the withdrawal is for Petty Cash, skip to step (f) below. If the payment is a bank transfer to another account or business, proceed to step (c).
- c) For any purchase below Ksh50,000, only one quote is needed. For any purchase of Ksh50,000 multiple quotes must be sought in accordance with the Procurement Procedures in Chapter 5.
- d) The Treasurer must check that the payee can provide a supporting document (e.g. invoices, receipts, signed contract etc. as applicable).
- e) The Treasurer will record the name, signature, ID number and telephone number of the payee on the supporting document, or another piece of paper.
- f) The Treasurer shall then enter the payment details in the **Bank Cash Book**.
- g) The Secretary and Chairperson will then check the supporting documents and, if satisfied, approve the payment by signing the Bank Cash Book.
- h) If the transaction is a cheque, the Treasurer will then write the cheque to the Payee, and the Treasurer, Chairperson and Secretary will all sign the cheque.



**Note:** No alterations shall be made on the cheques whatsoever. In case of mistakes, errors or other causes, it must be cancelled and reasons for the cancellation indicated on the face of the cancelled cheques. This shall then be filed alongside the other cheque counterfoils in its order. They shall not be discarded.

If the transaction is a cash withdrawal, the Treasurer will proceed to the bank to withdraw the cash.

- i) The Treasurer will then file the supporting documents and the contact details of the payee in a file in chronological order.

#### **4.2.4 Monthly reconciliation of the Bank Cash Book with bank statements**

At the beginning of each month, the Treasurer will check the Bank Cash Book transactions of the previous month against the monthly statement from the bank. This is to ensure that the records maintained by the bank agree with the records maintained by the subagent.

Follow these steps to prepare a bank reconciliation:

- a) The Treasurer will get a copy of the bank statements for that month.
- b) The Treasurer will then compare the 'IN' and 'OUT' columns of the Bank Cash Book with the transactions on the statement.
- c) The Treasurer will then compare the closing balance on the bank statement with the Bank Cash Book balance at that date.
- d) If the amounts are not the same, the Treasurer will investigate the cause. Possible discrepancies are:
  - i. Deposits or withdrawals that have not yet appeared on the statement.
  - ii. Bank charges
  - iii. Bank interest
- e) The Treasurer will seek corrections from the bank or make changes to the Bank Cash Book. If the Treasurer needs to make a change to the Bank Cash Book, both the Treasurer and the Chairperson must sign the change.

**Note:** At the end, the two balances MUST agree.

For agents and sub agents using the bank cash book in 4.2 above, once the amounts and transactions on the statement and the Bank Cash Book are the same, the Treasurer should write the word 'reconciled' the last line for that month, in the far right hand column of the Bank Cash Book, and the Treasurer and Chairperson should sign.

Agents and subagents using the accounting system should have the bank reconciliation printed and signed by the Treasurer and the Chairperson.

- f) Monthly reconciliations must be submitted to ADA Secretariat.

## **4.4 Petty Cash Transactions**

### **4.4.1 Petty cash**

To manage cash transactions, the agent and subagents shall follow these procedures:

- a) The Treasurer shall withdraw and hold petty cash from the bank account. Only the Treasurer shall be the custodian of petty cash and petty cash documents.
- b) The Treasurer shall not hold more than Kshs. 50,000/= in cash at any one time (this is the Petty Cash Float Limit).
- c) Payments made out petty cash must be authorised by the Treasurer.

- d) Petty cash shall only be used where cash payments must be made.
- e) Payments made out of petty cash shall only be so done after a fully filled and signed Petty Cash Voucher (PCV) is completed as below;

#### 4.4.2 Receiving cash payments “IN” to petty cash

Follow these steps to receive cash:

- a) The Treasurer shall withdraw cash from the bank or receive a cheque from a payer and shall complete a receipt from the **Cash Receipt Book**.
- b) The Treasurer will then record the payment as an “IN” the **Petty Cash Book**.
- c) The Treasurer will then file the documents in chronological order.

#### 4.4.3 Authorising and paying “OUT” cash from petty cash

Follow these steps to make a payment from petty cash:

- a) The Treasurer must check the budget to ensure that the activity/service/good being paid for is within budget and adheres to the expenses policy at Appendix I.
- b) For any purchase below Ksh50,000, only one quote is needed. For any purchase of Ksh50, 000 at least 3 quotes must be sought in accordance with the Procurement Procedures and lowest price selected.
- c) If the payment is reimbursement for expenses, the Treasurer must check that the payee has provided a supporting document (e.g. invoices, receipts, signed contract etc. as applicable).

**Note:** Where there are no receipts to support payment, the spending payee must record this on the **Petty Cash Voucher** along with all details of expenditure. Such payments must adhere to the expense policy at Appendix I. An example is below.

#### Example of Petty Cash Voucher where no receipts are available

Petty Cash Voucher		Date:25/02/2013	
For what required		Amount Ksh	
[INSERT FULL NAME]			
Community Meeting Wajir 25/02/2015			
No receipt because the transport company does not issue receipts to traveller			
Travel from xxxxx to xxxx		1500	
Travel from xxxx to xxxx		1500	
TOTAL		3000	
Signature: [SIGNATURE OF RECIPIENT]			
Passed by:[NAME OF TREASURER]			

- d) If the payment being made is an advance, the Treasurer must record this in the description column of the **Petty Cash Book** (see below).
- e) The Treasurer will record the name, signature, ID number and telephone number of the payee on the supporting document, or another piece of paper.
- f) The Treasurer shall then enter the payment details in the **Petty Cash Book**.

- g) The Senior Treasurer will then check the supporting documents and, if satisfied, approve the payment by signing the **Petty Cash Book**.
- h) The Treasurer will then file the documents in chronological order.
- i) If the payments is an advance, the Treasurer must follow up with the payee and ensure that the payee provides receipts for expenditure and returns any unspent cash (see next section). Receipts for advances should be noted in the **Petty Cash Book** and documents should be filed.

#### **4.4.4 Monthly reconciliation of the Petty Cash Book with bank statements**

Each month the Treasurer should check that the actual cash available in the cash is the same as the balance in the Petty Cash Book.

Follow these steps to prepare a cash reconciliation:

- a) The Treasurer should count the cash in the petty cash.
- b) The Treasurer should compare the balance of the petty cash to the balance in the Petty Cash Book.
- c) If the amounts are not the same, the Treasurer will investigate the cause.
- d) If the Treasurer needs to make a change to the Bank Cash Book, the Treasurer and the Chairperson must sign.  
**Note:** At the end, the two balances **MUST** agree.
- e) If the amounts are the same, the Treasurer should write the word 'reconciled' next to the last line in the far right hand column of the Petty Cash Book, and the Treasurer should sign.
- f) Monthly reconciliations must be submitted to County Agent.

## **CHAPTER 5: PROJECT FUND FINANCIAL MANAGEMENT AND PROCUREMENT**

### **5.1 The Project Cycle**

- a) The Climate Change Fund Project Cycle involves a series of nine stages as charted in table 1 below. IIED and Christian Aid will only fund activities under the CCF if the processes stages detailed in the project cycle have been followed and approved as per the CCF policies and procedures.
- b) County Agents must ensure that the project cycle forms the basis of planning and implementation of government before they can enter into an MoU for funding activities under the CCF.
- c) The Ward Adaptation Planning Committee (WAPC) as used in the cycle is interchangeable with Sub-Agents and other similar titles as applied in implementation provided the roles as provided for in this manual are similar.
- d) These nine stages in the cycle are further described in table 1 below;
- e) The procedures for project development are designed with the sub-agent as the primary developer of proposals and budgets with the County Agent providing capacity, coordination, supervision and approval of the proposal development.
- f) For CCF projects not involving the Government, Sub agents are organisations that meet the criteria set out in 2.2.3 above and take the formation of a CBO registered with officials as Chairperson, Treasurer and Secretary whose roles and responsibilities are clearly detailed in the constitution of the sub-agent.
- g) Before launching the process below, the County Agent is required to consult the County Government planning (or County budgets) to avoid duplication of activities or look for ways of collaboration on activity implementation. Planned activities by County government should not be duplicated during proposal development.

**Table 1: CAF project cycle with interim role for an “agent” acting for county government to disburse Ada Consortium funding**

Steps in the Cycle	Tools and Inputs	Responsibilities	Documentation	Interim role of “agent”
1. Prioritisation of investments at ward level	<ul style="list-style-type: none"> <li>Resilience assessments</li> <li>Resource mapping</li> <li>Climate information - seasonal forecasts, longer term trends and risks</li> </ul>	<ul style="list-style-type: none"> <li>WAPC consults community, prioritises investments against criteria and designs proposals</li> </ul>	<ul style="list-style-type: none"> <li>Written record of consultations</li> </ul>	<ul style="list-style-type: none"> <li>Provides support to WAPCS as necessary (e.g. ensuring access to and use of tools/inputs, proper documentation)</li> </ul>
2. Development of proposal and draft budget	<ul style="list-style-type: none"> <li>Proposal guidelines</li> <li>Criteria for funding guidelines</li> <li>Support from county technical staff and/or local NGOs</li> </ul>	<ul style="list-style-type: none"> <li>WAPC writes proposals and draw up draft budgets</li> </ul>	<ul style="list-style-type: none"> <li>Proposal, draft budget and written record of meetings.</li> </ul>	<ul style="list-style-type: none"> <li>Attends WAPCs meetings to provide advice/support as necessary (e.g. ensuring application of process, proper documentation, presence of technical support)</li> </ul>
3. Proposal documents presented at Inter-Ward meeting and modified as necessary.	<ul style="list-style-type: none"> <li>Community Workshop</li> <li>Following up WAPC meetings as necessary</li> </ul>	<ul style="list-style-type: none"> <li>CAPC (or designated management body at county level ) to facilitate in consultation with WAPCs</li> <li>WAPCs to take part</li> <li>Mutual endorsement and amendments agreed and implemented</li> </ul>	<ul style="list-style-type: none"> <li>Record of meeting</li> </ul>	<ul style="list-style-type: none"> <li>Attends Inter-WAPCs meetings to provide advice/support as necessary (e.g. ensuring application of process, proper documentation, presence of technical support)</li> </ul>
4. Approval of proposal and draft budget	<ul style="list-style-type: none"> <li>CAPC meeting</li> <li>Criteria for funding guidelines and evaluation forms</li> <li>Technical personnel to provide advice</li> </ul>	<ul style="list-style-type: none"> <li>WAPC submits final proposal &amp; draft budget to CAPC (or designated management body at county level)</li> <li>CAPC (or designated management body at county level) meets to approve or agree support to <b>strengthen</b> proposal</li> <li><i>N.B CAPC do not have the power to veto WAPCs proposals as long as they meet the criteria (See under Figure 1)</i></li> </ul>	<ul style="list-style-type: none"> <li>Records of meetings</li> <li>Written CAPC proposal approvals and comments</li> </ul>	<ul style="list-style-type: none"> <li>Attends CAPC meeting to ensure application of process</li> <li>Endorses CAPC decisions (approvals and deferrals pending additional support)</li> </ul>
5. Public procurement process	<ul style="list-style-type: none"> <li>Call for Proposals</li> <li>Tender documents</li> </ul>	<ul style="list-style-type: none"> <li>WAPC (or designated management body at county level ) review tenders</li> <li>WAPC finalise proposal budget</li> </ul>	<ul style="list-style-type: none"> <li>Quotes from tenders</li> <li>Record of WAPC decision</li> <li>Final budget</li> </ul>	<ul style="list-style-type: none"> <li>Attends WAPCs meetings to provide advice/support as necessary (e.g. ensuring application of process, proper documentation)</li> <li>Endorses WAPC decisions</li> </ul>
6. Contracts established with Service Provider	<ul style="list-style-type: none"> <li>Service Provider contract</li> <li>Initial payment under contract</li> </ul>	<ul style="list-style-type: none"> <li>WAPC Secretary (or designated management body at county level) issues contract</li> <li>In context of Ada funding, WAPC (or designated management body at county level):</li> </ul>	<ul style="list-style-type: none"> <li>Quotes</li> <li>Written Committee recommendation</li> <li>Service Provider</li> </ul>	<ul style="list-style-type: none"> <li>Reviews and endorses contract with Service Provider</li> <li>Keeps copies of all contracts at the agent office and ensures all documentation is in</li> </ul>

Steps in the Cycle	Tools and Inputs	Responsibilities	Documentation	Interim role of “agent”
		<ul style="list-style-type: none"> <li>○ sends copy of contract to County ‘agent’;</li> <li>○ Requests ‘Agent’ to make initial payment against contract on their behalf</li> </ul>	contract	<p>place.</p> <ul style="list-style-type: none"> <li>● Transfers funds to Service provider at request of WAPC or designated management body at county level</li> <li>● Request funds from IIED/CA based on first instalments to service providers as contracted.</li> </ul>
7. Monitoring of implementation of project	<ul style="list-style-type: none"> <li>● Meetings and field visits,</li> </ul>	<ul style="list-style-type: none"> <li>● WAPC (or designated management body at county level) carries out field visits, reporting to CAPC (as appropriate).</li> <li>● Auditors and other independent evaluators conduct periodic visits/reviews</li> </ul>	<ul style="list-style-type: none"> <li>● Record of field visits</li> <li>● Service Provider progress report</li> <li>● Auditors’ reports</li> </ul>	<ul style="list-style-type: none"> <li>● Tracks M&amp;E process and contracts independent audits and spot-checks as necessary.</li> <li>● Keeps IIED/CA updated on findings of M&amp;E quarterly and highlights issues as they arise.</li> </ul>
8. Payments to Service Provider	<ul style="list-style-type: none"> <li>● Service Provider Budget Control report</li> <li>● Progress report</li> <li>● Letter requesting payment to SP approved by WAPC</li> </ul>	<ul style="list-style-type: none"> <li>● Service Provider sends report (plus receipts) to WAPC (or designated management body at county level).</li> <li>● WAPC reviews Service providers’ reports/receipts and completes Budget Control report and sends to CAPC (or designated management body at county level) for information.</li> <li>● WAPC (or designated management body at county level) approves next tranche of funding to Service Provider.</li> <li>● In context of Ada funding, WAPC (or designated management body at county level) requests ‘Agent’ to make next payment to Service Provider, providing copies of all relevant paperwork as needed.</li> </ul>	<ul style="list-style-type: none"> <li>● Budget Control reports</li> <li>● Invoices</li> <li>● Progress reports</li> </ul>	<ul style="list-style-type: none"> <li>● Reviews and endorses Budget Control reports (including checking receipts)</li> <li>● Transfers funds to Service provider at request of WAPC or designated management body at county level</li> <li>● Maintains all financial records and sends IIED/CA quarterly reports of progress.</li> </ul>
9. Assessment of project completion	<ul style="list-style-type: none"> <li>● Fulfilment report</li> <li>● Independent completion evaluation</li> </ul>	<ul style="list-style-type: none"> <li>● Service provider sends completion report to WAPC (or designated management body at county level).</li> <li>● WAPC (or designated management body at county level) checks Service provider report and manages independent technical review and approves final payment to Service Provider.</li> <li>● In context of Ada funding, WAPC (or designated management body at county level) requests ‘Agent’ to make final payment to Service Provider.</li> </ul>	<ul style="list-style-type: none"> <li>● Fulfilment report</li> <li>● Independent completion evaluation report</li> </ul>	<ul style="list-style-type: none"> <li>● Reviews and endorses completion report and independent technical review report.</li> <li>● Transfers funds to Service provider at request of WAPC or designated management body at county level</li> <li>● Sends IIED/CA final report of completion.</li> </ul>

## Step 1: Sub-Agent consults community and designs proposals.

For consultation with the community, follow these steps:

- a) Sub-Agent consult the community and government officers, and uses the climate resilience assessments and resource mapping, to find possible projects for funding.
- b) The Sub-Agent's Secretary keeps a **written record** of all consultations and meetings.

## Step 2: Sub-Agent writes proposals and budgets

### ▪ Writing a draft proposal

The Sub-Agent should follow the instructions in the 'CCF Proposal Template' (Appendix II) to write its proposals. The proposals must:

- ✓ follow the Proposal Guidelines (see Box 1 below)
- ✓ meet the proposal funding Criteria (see Box 2 below)
- ✓ have a written record of the community consultation attached to the proposal
- ✓ refer to any technical documents by name
- ✓ include a clear 'project implementation plan' identifying which actors will implement each part of the project, including implementation of activities and management/receipt of funds
- ✓ include a clear project monitoring plan and indicators
- ✓ Include detailed and clear budget

#### Box 1. Proposal Guidelines

1. Explain the problem that project will address
2. Describe project activities and how they meet the funding criteria
3. Explain the results, benefits or changes you expect the project to achieve
4. How will you measure whether you have achieved your results?
5. Explain approximately how many people will benefit from this project
6. How much will the project cost? (Budget breakdown by activity)

#### Box 2. Approval Criteria

1. Must benefit many people
2. Must support economy, livelihoods or important services on which most people depend on
3. Must be relevant to building resilience to climate change
4. Must encourage harmony, build relations and understanding
5. Must have been developed after consultation with all potential stakeholders
6. Must be viable, achievable and sustainable
7. Must be cost-effective and give good value for money
8. Must meet the 70/20/10 Rule of funding (minimum 70% of total fund to direct project investment to Wards, minimum 20% to County wide direct project investment and maximum 10% on operational/administration costs)

▪ **Review by Technical Specialist, development of bills of quantities and estimate of project cost**

After writing the draft proposal –the Sub-Agent should have their proposal reviewed by a Technical Specialist<sup>1</sup> to do the following things: 1) advise on the design and implementation plan, including health and safety issues; 2) to develop an accurate bill of quantities<sup>2</sup> (BQ); and 3) help estimate the cost of the project.

The Sub-Agent should follow these steps:

- a) The Sub-Agent should agree with the County agent on a suitable Technical Specialist to assist with the proposal.

**N.B.** The first preference is for the Technical Specialist to be a technical officer with County Government, otherwise a private specialist may be engaged.

- b) Where there are costs to engage a Technical Specialist, the Sub-Agent should ask for a quote and may **fund this from the Sub-Agents project budget**<sup>3</sup>. To engage the Technical Specialist, the Sub-Agent should complete the 'Technical Services sub-contract' at Appendix III and send the signed contract along with an invoice to the ADA Secretariat.

**N.B.** Where the specialist is a salaried officer of County Government, the Sub-Agent should only pay for expenses. **Salaried County Government Officers should not be paid any fees.**

- c) The Sub-Agent should consider the comments of the Technical Specialist and include the Bill of Quantities in a revised proposal including a revised budget.

▪ **Budgeting**

Next, the Sub-Agent should develop a high-level indicative budget including all project costs, all Technical Specialist costs (including any costs already incurred in proposal design) and any Technical Specialist monitoring costs.

To make a budget, follow these steps (see Table 3 for an example):

- a) Based on the BQ developed by the Technical Specialist, list the types of activities and resources needed to complete the project in the activity column. To do this, information should be gathered from one or several of these sources:-

- ✓ Quotes from possible Service Providers
- ✓ Other previous recipients of similar services
- ✓ Checking at credible shops and supermarkets
- ✓ Consultation with relevant government offices, NGOs and other organizations with similar interests.
- ✓ Invitation of an expert in a certain field during planning and budgeting meetings

**Note:** No 'contingency' should be provided for in the budget. All activities should have costs attached to them.

- b) Include in the activity column the costs of specialists for the development of the proposal and design of BQ (even if already incurred).
- c) Include in the activity column the costs of any Technical Specialists for monitoring (e.g. Quantity Surveyors)

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<sup>1</sup> A technical specialist is someone who is qualified – though a recognised professional body - to give an informed and independent opinion about a technical issue

<sup>2</sup> A Bill of Quantities is a document used in the construction industry which materials, parts, and labour (and their costs) are itemized.

<sup>3</sup> Where a Technical specialist has been engaged in good faith using proper procedures, the cost will be refunded by the Agent, even if the project proposal may be rejected or delayed.



- d) For each activity enter the total cost in the Kshs 'Total' column.
  - e) For each activity enter the explanation of how the figure was calculated in the 'Explanation' column.
  - f) Where the cost is based on a quote or BQ, this should be attached to the proposal.
- N.B.** It is **highly important to include a detailed explanation of how the total was calculated**, so that the Agent can see and calculate it for themselves. Unclear explanations may result in additional questions from the Agent and **may delay approval of the proposal**.  
No expenses for the sub-agent's travel or expenses for any meetings should be included in this budget.

**Table 3: Sample Budget**

**Bibi Water Plan Budget for Desiltation**

<b>Activity</b>	<b>Total (Kshs)</b>	<b>Explanation</b>
<b>Project Costs</b>		
Fencing materials	50,000	Based on BQ
Desilting	400,000	Based on BQ
Inlet / Outlet Repair	50,000	Based on BQ
Repair of trough	100,000	Based on BQ
Fencing	100,000	20 casuals for 10 days, based on past project
Official Opening / Launch	50,000	100 people, based on quote from business
<b>TOTAL</b>	<b>750000</b>	

**Budget Notes**

1. Fencing (Code 1.6) shall be done using a combination of live hedge and barbed wire

**Step 3: Proposal documents presented at Inter-Ward meeting**

The County Agent will organise an inter-ward meeting to discuss and refine the proposals. The Inter-Ward meeting should review proposals and check each proposal against the 'self-assessment checklist' at Appendix IV.

The County Agent will take a written record of the meeting.

- **Finalizing proposal**

After the Sub-Agent has amended the proposal with comments from the Inter-Ward meeting the Sub-Agent should complete the final version of the 'self-assessment checklist' at the front of the CCF Proposal Template as a reflective exercise and to ensure that all criteria have been met.

**Step 4: Comments and approval by CAPC**

The approval by CAPC will follow these steps:

- a) After the proposal is approved by the WAPC, the WAPC will send an electronic copy to the CAPC Secretariat.

- b) At the next CAPC meeting, the Ward representative will present the proposal to the rest of the CAPC.
- c) The CAPC will consider if the proposal should be endorsed based on the Criteria for Funding by completing the 'CAPC Approval Checklist' (See Appendix V). Approvals should be signed off by the CAPC Chairperson
- d) Where the CAPC asks for amendments, the WAPC will edit the proposal and resubmit to the CAPC Secretariat.
- e) The CAPC Chairperson will consider if the amendments are sufficient, and if satisfied, will sign the final section on the 'CAPC Approval Checklist'.
- f) The CAPC Secretariat will send the proposal with the 'CAPC Approval Checklist' to the County Agent by email.
- g) County Agent will consider the proposal and call a meeting between the County Agent and the CAPC.

### **Step 5: Comments and approval by County Agent and IIED**

The subagents may receive additional two rounds of comments on their proposals (one from the County Agent and one from IIED/CA) before submitting a final proposal for funding.

The approval by the Agent and IIED/CA follows is in accordance with the following steps:

- a) After the proposal is received from the CAPC the County Agent will consider if the proposal should be endorsed based on the Criteria for Funding by completing the 'Agent Approval Checklist' (See Appendix V). Approvals should be signed off by the County climate advisor and the Manager of the County Agents.
- b) Where the County Agent asks for amendments, the Sub-Agent will edit the proposal and resubmit to the County Agent.
- c) The Agent will consider if the amendments are sufficient, and if satisfied, will sign the final section on the 'Agent Approval Checklist'.
- d) The Agent will send the proposal with the 'Agent Approval Checklist' to IIED/CA by email to review and to check that it meets the criteria set for funding and is adequately supported and raise any comments in the 'IIED/CA Approval Form' (See Appendix VI).
- e) IIED/CA Will sent the comments to the County Agent, after which the County Agent will edit the proposal in consultation with the Sub-Agent and resubmit to IIED/CA.
- f) IIED/CA will consider if the changes have been made and, if satisfied, will provide final approval by signing the 'IIED/CA Approval Form' and advise the County Agent that the proposal has been approved.
- g) The County Agent will advise the subagent of the approval and put in place a schedule of implementing the approved budget.

### **Step 6: Procurement and contracting Service Providers by Sub-Agent**

- **Advertising tenders and receiving bids**

After receiving approval on the revised proposal in step 5 above, the Sub-Agent must get quotes for a company or organisation (a Service Provider) to implement the project by sending out a **Call for Proposal** notice. Bigger projects will require a greater number of quotes as per Table 5.

**Table 5: Procurement Thresholds**

<b>Cost of Good/Service (Kshs)</b>	<b>Number of Minimum Quotations</b>	<b>Approach to Seeking Quotation</b>
1 – 49,999	1	Direct purchase (single sourcing)
50,000 – 99,999	2	Targeted invitations to already known or new suppliers, not widely circulated
100,000 – 249,999	3	Targeted invitations to already known or new suppliers, not widely circulated
250,000 – 499,999	4	Targeted invitations to already known or new suppliers, widely circulated
500,000 – and Above	At least 5, where possible	Open Tender, widely circulated

Follow these steps to find supplier with a **Call for Proposal** (a ‘Service Provider’):

- The Subagent should discuss possible Service Providers and agree on how to get quotes. The Secretary should take a record of the discussion.
- The Sub-Agent should write a **Call for Proposal and Tender** invitation using the templates at Appendix VII.
- The Call for Proposal should be publicised in order to get the required number of quotes. Possible advertising methods include:
  - ✓ Posters in the market, shops, public halls and recreational centres
  - ✓ Radio
  - ✓ Public / Chief’s “barazas”
  - ✓ Relevant National Government offices
  - ✓ Provincial Administration Offices
  - ✓ County Government Offices
  - ✓ Other Relevant NGOs’ offices
  - ✓ Targeted invitations to known Service Providers
- The Sub-Agent should nominate a location for the ‘Tender Box’ where tenders will be sent. The **Tender Box should not be opened until after the due date** of the Tenders. The **Tender box should be sealed** in a way that any unauthorised access would be evident. For example, each Sub-Agent could use numbered seals, and meet to seal the box, record the seal numbers in the Journal, and on tender opening day the seals can be confirmed before breaking them.
- The Sub-Agent should then allow two weeks (14 days) for possible suppliers to return a written quote. The quote should include a detailed breakdown of costs, and the name, address and phone number of the supplier.
 

**Note:** If a close relative, friend or business associate of a Sub-Agent staff or member, wishes to submit a quote for the work, the staff or member must sign the ‘Declaration of Interest’ at Appendix VIII, and may not participate in choosing Service Providers. This means he or she should not be present in the meeting discussing the choice of service provider, or attend meetings with service providers including the tendering opening day meetings and other meetings with technical specialists or the Agent.
- **Applicants are to submit two sets of completed tender documents:**
  - The original set shall be enclosed in plain sealed envelopes marked with Tender Name and Reference Number and deposited in the Tender Box;

- A copy of all documents shall be enclosed in a plain sealed envelope marked with Tender Name and Reference Number and posted to the County Agent.
- The Sub-Agent shall record in the Journal (*see chapter 6 below*) the name and phone number of all potential service providers who submit a bid, in order to help with inviting them to the tender opening day.

▪ **Opening tenders**

- a) After the due date, the Sub-Agent should invite all service providers that have applied to attend the tendering opening day, as well as other government planning officers who are involved or interested in the process.
- b) After the due date the seal on the Tender Box should be broken in the presence of the officials of the Sub-Agent and the candidates or their representatives who choose to attend, and each of the tender envelopes opened.
- c) A Sub-Agent Official shall open all envelopes one at a time and read out aloud: the name of the tenderer, the number and title of each document submitted; and the Tender Price.  
**Note.** If at this point it becomes evident that a close relative, friend or business associate of a Sub-Agent member, wishes to submit a quote for the work, the member must sign the 'Declaration of Interest' at **Appendix VIII**, and may not participate in choosing Service Providers.
- d) A Sub-Agent Official shall note in the meeting minutes the tenderer, the number and title of each document submitted; and the Tender Price.
- e) The Sub-Agent procurement officer or Secretary will take custody of the documents for presentation at the Tender Evaluation meeting of the Sub-Agent.

▪ **Choosing a Service Provider**

- a) The Sub-Agent should consult with the Agent to identify a suitable Technical Specialist to review and advise on the tenders. The Technical Specialist is only present to provide advice and does not get to vote on the tenders. The Sub-Agent may override the advice of the specialist with justification. The Technical Specialist should declare any conflicts of interest (for example, if they or a close friend or relative has made a bid).
- b) After the deadline, the Sub-Agent should consider the quotes of the bidders  
**Note:** The Sub-Agent should seek to receive the minimum number of quotes as per Table 5. If this is not possible, the Sub-Agent should make a written explanation to send to the County Agent, who will submit the same to IIED/CA.
- c) The Sub-Agent should meet to evaluate the quotes using the Tender Evaluation form at Appendix IX. The Sub-Agent may also discuss issues or problems with choosing providers. Some problems and possible solutions are:
  - a. Quotes are above the Approved Budget. Possible solutions are:
    - ✓ Renegotiate with the supplier
    - ✓ Redesign the project
    - ✓ Raise funds from other donors
  - b. Conflict of interest: a close relative, friend or business associate of a Sub-Agent member has submitted a quote for the work. Possible solutions are:
    - ✓ If the Sub-Agent member that submitted the application has declared a possible conflict of interest by signing the 'Declaration of Interest' at Appendix VIII, the Sub-Agent may consider the quote, but the Sub-Agent member who submitted the quote may not participate in choosing Service Providers.

- ✓ If the Declaration of Interest form has not been completed, the Sub-Agent may vote and agree that the application be set aside. The Secretary should note the decision in writing.
- d) The Sub-Agent will make a decision to endorse the best quote.  
**Note:** Before notifying the successful Service Provider the Sub-Agent must seek the County Agent's approval of the quote and the subcontract (see next step).
- e) The Sub-Agent will submit to the County Agent the completed Tender Evaluation form

## Step 7: IIED/Christian Aid approval and contracting of Service Providers

The following steps should be followed before the successful Service Provider is notified:

- **Drafting Service Provider subcontract, checking of tender documents and IIED/Christian Aid approval**
  - a) The Sub-Agent, with the support of the Agent, should draft a contract using the **Service Provider Subcontract** template at **Appendix X**.
  - b) The County Agent should then submit to IIED/CA:
    - a. The Tender Evaluation form
    - b. A draft Service Provider subcontract
    - c. Work plan
    - d. Payment plan
  - c) IIED/CA will check the Tender Evaluation form against the copy of documentation sent to its Office.
  - d) If there are inconsistencies between the documentation recorded in the Tender Evaluation form and the documentation sent to its Office, IIED/CA will seek an explanation from the County Agent.
  - e) If the documentation is ok, IIED/CA will consider the documents and notify the County Agent.
  - f) All Sub agents MUST ensure that all contracts for works (e.g. constructions) that require a time lapse before durability of the work done is confirmed include the terms of 10% retention of contract price before full payment is made. The retention period must not be less than three (3) and a maximum of six (6) months
- **Final Approval of Service Provider**
  - a) After IIED/CA approves the contract, the Sub-Agent can then offer the successful applicant a contract. The Manager or Chairperson should sign the contract on behalf of the Sub-Agent with the provider also signing.
  - b) The Secretary or Accountant shall file the original contract and send a copy to the County Agent who will keep the file on behalf of IIED/CA.
  - c) Where a deposit is required, the Service Provider shall raise an invoice. The Secretary or Accountant shall file a copy of the invoice and send the original to the County Agent for payment.

## Step 7: Sub-Agent monitors progress and directs the County Agent to make payments

The Sub-Agents should implement the monitoring plan approved in the project proposal and complete Project Monitoring Reports.

Where the Service Provider is judged to not be meeting the conditions of the contract, the Sub-Agent shall:

- ✓ Advise the Agent of any suspected misappropriation or diversion of funds or possible fraud or corruption relating to projects using telephone, physical visit, email or any other available communication means.
- ✓ Take measures to ensure that the Service Provider meets the terms of the contract.
- ✓ If the Service Provider continues to fail to meet its obligations, terminate the contract and seek to recoup the disbursed funds.

#### ▪ **Payment to Service Providers**

Where the Sub-Agent has completed the project monitoring in accordance with the project proposal, the Sub-Agent should direct the Agent to make the payment by following these steps.

- a) The Sub-Agent should request an invoice from the supplier in accordance with the next payment based on the contract terms.
- b) The Sub-Agent should check the invoice to make sure it adheres to the payments outlined in the contract.
- c) The Sub-Agent should send to the Agent the following:
  - ✓ The supplier invoice to be paid
  - ✓ All monitoring progress reports in accordance with the monitoring plan in the project proposal
  - ✓ A written approval of the payment signed by at least two of the Sub-Agent officials.
- d) The Agent will check the documents and review the documentation and, where the documentation is in order, process payments. Agent will advise the Sub-Agent when such payment has been made.

### **Step 8: Sub-Agent completes budget report and directs Agent to make final payment**

After the final instalments (payment made after work is complete even where the 10% retention applies) have been paid to Service Providers, the Sub-Agents shall prepare a budget report on expenditure against the original proposal budget .To do this:

- a) The Accountant/Treasurer will draw the budget report table (See Table 4). See Appendix XI for example.
- b) The Accountant/Treasurer will then enter the budget amounts from the Approved Proposal Budget in the 'Budgeted' column.
- c) The Accountant/Treasurer will check invoices paid by County Agent and enter the actual amounts spent in the 'Actual Costs' column.
- d) The Accountant/Treasurer will then calculate the total actual expenditure and deduct this from the total budget to find the Project Balance.
- e) The Accountant/Treasurer will then calculate the variance by deducting the actual amount from the budget amount and inserting the result in the 'Variance' column.
- f) The Accountant/Treasurer will insert a 'Comment' where there is any variance in the report. These should be as clear as possible.
- g) The Accountant/Treasurer will then present the report for Sub-Agent discussion. If while monitoring the budget it is found that project costs are above the Approved Proposal Budget, the Sub-Agent should make a written explanation.

- h) The Sub-Agent will then provide signed minutes approving the financial report and send the report to the County Agent.

**Table 4: Sample Budget Control Report**

Report Date: __/__/__ to __/__/__				
Activity	Budgeted (Kshs)	Actual Costs (Kshs)	Variance (Kshs)	Comments
<b>TOTALS</b>				

### **Step 9: County Agent reports to IIED/Christian Aid on fulfillment and impact**

On the completion of the set up or construction phase of the project, the Sub-Agent will meet with the County Agent to discuss next steps and any immediate impact of the project, including any ongoing monitoring. The County Agent should compile and submit a written report to IIED/CA who may request an independent evaluation of the project.

### **5.2 Implementing projects with the Government**

- a) County Agents may enter into partnership with government to implement activities under the CCF. However, the County Agents shall ensure that the requirement in 5.1 (b) above is met and that the Government activities are in line with CCF requirements; and satisfy the processes described in 5.1 above.
- b) After the above conditions are assessed to have been met, the County Agent will send a justification proposal that includes the complete government plan and budget and an annexed proposal of identified activities, a budget and funding plan to the ADA secretariat for review. The secretariat may ask for revisions and after satisfactory review, will forward the proposal to IIED/CA for consideration and approval.
- c) The proposal’s funding plan shall specify the type of partnering as described in ( ) below.
- d) IIED/CA may request for revisions and after satisfactory review, approve the proposal.
- e) IIED/CA will consider partnering with the Government (both National and County Governments) to implement climate adaptation activities through;
  - i) Joint activities / project implementation (planning and implementation)
  - ii) Selected projects / activities under the government plan
  - iii) Independent implementation where the government has not set up adequate structure and plans (implementation by County Agents and sub agents as detailed in Chapter 5 of this manual)
- f) IIED/CA will implement activities (i) and (ii) through County Agents who will enter into a Memorandum of Understanding (MoU) with the Government detailing;
  - i) Description of the action
  - ii) The period of implementation

- iii) detailed programs, projects and activities to be undertaken
- iv) the financial obligation of both parties
- v) accounting and procurement procedures
- vi) applicable policies and procedures and reporting procedures
- vii) detailed work plan
- viii) financial budget
- ix) conditions on custody and disposal of any assets funded by IIED/CA
- x) dispute resolution mechanisms
- xi) applicable laws
- xii) the agreed responsibilities,
- xiii) financing modalities
- xiv) monitoring and evaluation
- xv) financial records and reporting
- xvi) audits
- xvii) accounting officers and contact persons for both parties

- g) The proposed MoU will be sent to the ADA Secretariat for review and after satisfactory review the Secretariat will forward to IIED/CA for approval.
- h) Once approved, the MoU will be signed by both parties (the County Agent and the Government Agency).
- i) The County Agent will be the accounting agent for all transaction and funds under the MoU arrangement and will be responsible for disbursement for activities / projects / programs agreed upon as specified in Chapter 3 above.
- j) The County Agent shall review the capacity of the government agency to implement activities under CCF and where it determines that there is lack of adequate capacity, the County Agent shall avail such capacity and this role must clearly be documented in the MoU. Such capacity may include direct implementation of identified activities, weak accounting systems and weak procurement capacity.
- k) The MoU shall be signed before any activities can commence. Any revisions to the MoU must follow the procedure in (g) and (h) above.



## CHAPTER 6: THE 'JOURNAL' AND PUBLIC ACCOUNTABILITY

Writing and storing written and visual documentation (i.e. photos) is integral to the success of the CCF process. The benefits of good documentation include:

- Transparency of agent and subagent decisions and activities, and accountability to the community, County Government and sub-county actors;
- Building of lessons learned and developing good practice on devolved planning and finance; and
- Demonstrating due diligence and value for money to funders (including government actors and donors).

'Minuting' is the process of writing down and storing the details and decisions from a meeting or discussion. Minutes can be for formal meetings (for example the proceedings of meetings of the Sub-Agents and County Agent) as well as informal discussion and interactions (for example, discussions with service providers or other members of the community). For the CCF project cycle, the key times for minute-taking are:

- During community consultation
- Any formal meetings of the committee, including tender evaluations and inter-ward meetings
- Negotiations with service providers
- Discussions with service providers during the implementation of projects
- During informal and formal monitoring of projects

Each of the Agent and Sub-agent will be provided a **Minutes Journal**. The Manger / Secretary will have custody of the Journal and will be responsible for keeping it updated and safe. The Journal cannot be borrowed or physically removed from the Secretary's custody but is a public document that should be made available for members of the public to view and copy when requested (including community members, county government and any other actors). There are three parts to minute taking for which the designated Secretary is responsible, and the process of making the documents available to the community.

### Taking minutes in the Journal

To take the minutes of a meeting or discussion, follow these steps:

- a) Make new document for current minute and if using a journal book, draw a line under the last entry in the Journal
- b) Write the time, date and location
- c) Write a short explanatory title for the meeting (for example, discussion with Service Provider X, or Consultation with X Community)
- d) Write the names of who is attending the meeting
- e) Write a brief explanation of what was talked about (for example, an agenda)
- f) Write any conclusions that were agreed on, or decisions that were made
- g) Write any 'action points' from the meeting (for example, things that need to be done next)

## **6.1 Approving minutes in the Journal**

The Journal should be presented at each formal meeting which should review and approve the minutes. To do this, follow these steps:

- a) The Designated Secretary should present to the rest of the Committee the minutes recorded since the last time the Committee approved the minutes. This could be done by either letting Committee members read the Journal or the one of the Committee Members could read the minutes aloud.
- b) The Committee should vote on whether the minutes provide an accurate record of proceedings.
- c) Where amendments to the minutes are made, the Secretary should:
  - i. draw a line under the last entry of the journal and write an explanation of the amendments, referencing the date of the previous entry being amended;
  - ii. write a note next to the previous entry being amended to indicate that it has been updated.
- d) The approval of the minutes should be recorded in the Journal itself, and the Committee Chair, Secretary and one other member should sign to approve the minutes.

## **6.2 Copying and storing the Journal**

The Subagent/CAPC's Secretary should regularly photocopy new entries to the Journal and send copies to the County Agent as appropriate. The Meeting Secretary should keep the Journal in a safe place, free from moisture or anything that will damage the document (e.g. a ring binder in a filing cabinet).

## **6.3 Making the Journal publicly available**

The Journal is a public document and should be made available to the public when requested. The Journal cannot be borrowed or physically removed from the designated custody but the subagent/CAPC is obliged to allow members of the public to view the journal, and to allow members of the public to request for a photocopy any part of the Journal. Members of the public may also send requests directly to the County Agent for copies of the Journal minutes sent to and stored by the County Agent.

## **6.4 Other accountability measures**

In addition to the Journal, the Agent may agree to implement other accountability measures, such as a designated official presenting on and receiving feedback through public radio broadcasts and barazas.

## **6.5 Complaints process**

Where community members have a formal complaint against the conduct of the Sub-Agent, CAPC, one of its members or any organisation involved in the CCF process there are two avenues for complaint.

### **▪ Addressing public complaints with Sub-Agent directly**

Where the complainant wishes to address their complaint directly with the Sub-Agent/CAPC, the process is as follows:

- a) The complainant should notify the Chairperson that they wish to present a complainant.

- b) The complainant should be given an opportunity to present their complaint in either written or verbal form to a meeting of the Sub-Agent/CAPC. The complaint should include the following information:
  - ✓ Contact details in case any clarification or explanation is required relating to the complaint
  - ✓ If the complaint is in relation to particular person or organisation, identify the focus of the complaint.
  - ✓ Explain the complaint with reference to particular events, providing as much information as possible, including any documentary evidence or witnesses, so that the complaint is properly understood and verified.
- c) Sub-Agent/CAPC should be given an opportunity to ask clarifying comments from the complainant.
- d) The Sub-Agent/CAPC should consider the complaint and may vote to consider the matter in private.
- e) The Sub-Agent/CAPC should publicly present their response to the complainant, along with any rectifying actions.
- f) The Subagent designated Secretary should document the meeting and its outcome in the Journal.
- g) Where the complainant is not satisfied, they may lodge a complaint with the County Agent (see below).

▪ **Addressing public complaints by appealing to the County Agent**

Complainants may appeal to the County Agent directly where they do not wish to present their complaint directly to the Sub-Agent/CAPC or where they are not satisfied with a Sub-Agent's or CAPC's response to a complaint. The process is as follows:

- a) The complainant should contact the County Agent to notify them that they wish to present a complaint.
- b) The complainant should submit their complaint in writing. Where this is not possible, the complainant should make their complaint verbally and the County Agent should document the complaint in detail. The complaint should include the following information:
  - ✓ Contact details in case any clarification or explanation is required relating to the complaint
  - ✓ If the complaint is in relation to particular person or organisation, identify the focus of the complaint.
  - ✓ Explain the complaint with reference to particular events, providing as much information as possible, including any documentary evidence or witnesses, so that the complaint is properly understood and verified.
- c) The County Agent should immediately forward a copy of the complaint to IIED/CA.
- d) At a meeting of the County Agent, the complaint should be presented and considered. A County Agent Committee which shall comprise of the Senior Management with the County Climate Advisor as the Secretary. The committee may vote to consider the matter in private. The resolution shall be signed by all members.
- e) The County Agent should publicly present their response to the complainant, along with any rectifying actions.
- f) The County Agent should document the response to the complaint and send a written response to the complainant and copy to IIED/CA.

g) Where the complainant is not satisfied by the response of the County Agent, the complainant may seek other legal recourse.

▪ **Agent's monitoring of complaints**

The County Agent should have a standard communication channel where Sub-Agents/CAPC report any complaints considered by them and any actions taken to satisfy the complaint.

▪ **Informing the public of accountability and complaints processes**

The County Agents, CAPC and Sub-Agents should agree and undertake measures to inform the public of the Journal process and the formal complaint process.

Likewise, the IIED and CA should identify specific measures on how to ensure that communities and other actors are sufficiently informed of the Journal process and the formal complaint process.

## CHAPTER 7: ASSET MANAGEMENT

### 7.1 Definition and General Guidelines

Assets are valuable items, including buildings, land improvements, furniture & fixtures, computers, equipment and vehicles used during implementation of the project. Assets are also final products of the project e.g. boreholes, Water pans, buildings etc. The Secretary or Accountant must keep a record of all assets that cost more than **Ksh130,000**.

### 7.2 Maintenance of assets and principles for managing portable assets

All assets purchased by the Sub-Agents and County Agents should have a clear plan for maintenance to ensure that the asset provides maximum benefit to the community over time. For stationary assets, such as fences or buildings, this simply requires a sustainable plan for funding of maintenance, which should be addressed in the proposal (see proposal template).

Where the asset is a portable asset (for example, motorbikes or some telecommunications equipment), a more thorough management framework is needed. The practicalities of managing portable assets will vary among projects, but all management plans should adhere to the following 10 key principles.

#### ▪ Ten Key Principles for managing portable assets

1. Where Project Funds have been allocated for the maintenance of the asset, these funds need to be paid to a local organisation or Service Provider by the County Agent and not Sub-Agent.
2. Assets should be kept in good working order in the long term.
3. Responsibility for the day-to-day management of assets must be given to an individual person, an 'Asset Custodian'. The Asset Custodian should be located where the assets are kept.
4. The assets should not be used for private use because private use will result in more wear-and-tear and shorten the life of the asset.
5. There must be sanctions for misuse of the assets developed by County Agents that can be reasonably enforced by the Sub-Agents.
6. All use of assets should be recorded in written form (a log book or similar), including the locations travelled and the name of the asset user.
7. Users of the assets should sign 'liability acceptance forms' accepting liability for any damage to the asset while they are using it.
8. All assets must be recorded in an 'asset register'. See below.
9. There must be written receipts for any expenditure on maintenance, fuel and driver costs that has been included in approved budgets and subsequently charged to the project.
10. Log books, liability acceptance forms, asset register and receipts should be stored in a secure location and made available to IIED/CA on request.

### 7.3 Asset Register

To keep a record of the assets, follow these steps:

- a) At the beginning of the project, the Secretary or Accountant should set up an **Asset Register** using the template at **Appendix XII**.

- b) When an asset is purchased for more than Ksh130,000, the Secretary or Accountant should enter in the asset register a description of the item, serial number, total purchase value, date of purchase, source of funding, location and a 'custodian' (the person responsible for taking care of the asset).
- Note 1:** Assets that are immovable and belong to the community may be considered to be under the custody of a nominated official of the Sub-Agent.
- Note 2:** Assets purchased with project funds by Service Providers to implement the project should be registered in the name of the Sub-Agent. The Service Provider will be responsible for the safety of the asset.
- c) The Secretary or Accountant should physically check assets at the end of every financial year to make sure that the asset register is accurate.

#### **7.4 Disposal of Property and Equipment**

There may be two reasons why the County Agent or Sub-Agent needs to dispose of valuable assets:

- ✓ The asset was needed for project implementation, but is not needed after implementation.
- ✓ The grant with a donor is coming to an end

To dispose of a valuable asset, follow these steps:

- a) Prepare a plan on how to dispose of the asset.
- Note:** For assets purchased by Service Providers with project funds to implement the project, the Service Provider shall have no role in deciding how to dispose of the asset.
- b) Submit the plan to the County Agent (for sub-agents) and to IIED/CA (for County Agents) for approval. Assets for disposal by Sub-agents shall be forwarded to IIED/CA by the County Agent for approval.
- c) After approval, dispose of the asset through either sale, transfers to other projects or donations to other parties.
- d) The assets register shall be marked DISPOSED, SOLD or DONATED upon disposal with clear reference to the sale documents.

## **APPENDIX I – OPERATIONAL EXPENSES POLICY**

Policies on e.g. per diem, travel reimbursements etc for agents and sub agents to be discussed and included here

## APPENDIX II PROJECT PROPOSAL TEMPLATE

**[INSERT SUB-AGENT NAME] PROJECT PROPOSAL**

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**TITLE:**

**[INSERT TITLE]**

**PROPOSAL SUBMITTED BY:**

**[INSERT SUB-AGENT NAME]**

**PROPOSAL SUBMITTED TO:**

**[AGENT NAME]**

**PROJECT DURATION: [INSERT PROJECT DURATION]**

**OVERALL PROJECT COST: [INSERT PROJECT COST]**

Sub Agent Contact name and contact details: **[insert contact person name and contact details]**

Technical Specialist Reviewer name and contact details: **[insert technical specialist contact person name and contact details]**



## SELF-ASSESSMENT CHECKLIST

*Please complete before submission to County Agent*

Criteria	Completed? <i>Please tick</i>
Does the proposal explain how it benefits many people?	
Does the proposal explain how it supports economy, livelihoods or important services on which most people depend?	
Does the proposal explain how it is relevant to building resilience to climate change?	
Does the proposal refer to technical documents by name (such as resilience assessments, resource mapping and other technical reports)?	
Does the proposal explain how it encourages harmony, build relations and understanding?	
Does the proposal refer to the consultation with all potential stakeholders?	
Is a <u>written record</u> of the community consultation attached to the proposal?	
Does the proposal explain the types of service providers and Technical Specialists that will be needed, and who will be sent the funds?	
Does the proposal consider health and safety risks to service providers and the community during and after the project implementation?	
Does the proposal explain how the outcomes of the project will be sustained after it is finished, and who will do this?	
Does the proposal explain how it is cost-effective and give good value for money?	
Has a Technical Specialist reviewed the proposal, designed any BQs and provided an estimate of costs?	
Is the name and contact details of the Technical Specialist included in the proposal?	
Does the proposal include a monitoring plan, including the use of Technical Specialists where necessary?	
Does the budget include a <u>high-level indicative budget</u> costs for these three items: 1) project activities; 2) Technical Specialists for proposal design (where necessary); and 3) Technical Specialists for monitoring (where necessary)?	

## 1. INTRODUCTION

*Write general background on the Ward*

### 2. The problem the project will address.

*Explain the problem by referring to:*

- a) Past events as a demonstration of the problem and its impacts*
- b) The written record of community consultation. A copy or excerpts of the written record should be attached to the proposal.*
- c) Any technical documents that demonstrate the problem including resilience assessments, resource mapping and other technical reports referred to by title*

### 3. What the project will do

*Explain:*

- a) How long the project is expected to take*
- b) Each of the key steps in the project from start to finish*
- c) How the assets or institutions from the project will be managed and sustained after the project is finished*

### 4. Results, Changes or Benefits project will achieve

*Explain*

- a) what changes will be caused by each of the activities explained under Section 3 including
  - a. improvements to the economy, livelihoods or important services on which most people depend*
  - b. building resilience to climate change*
  - c. encourages harmony, build relations and understanding**
- b) how these changes will address the problem outline in Section 2.*
- c) any extra benefits that the project will achieve*

*Are there any groups in the wider community that need special efforts to be involved in and benefit from the project?*

### 5. Project achievements and how to measure

*Explain:*

- a) Key indicators that will be measured during and after the project.*
- b) How these will be measured*

c) Who will measure them

d) When they will be measured

Summarise these in the table below

Indicator	How it will be measured	Who will measure	When it will be measured

## 6. Project implementation plan, health and safety, and project sustainability

Explain the types of service providers that will implement each of the activities identified in Section 3 and any other implementation issues, including:

a) The type of organization that will be sent the funds, to manage funds and buy any assets

b) The type of Technical Specialists that will be needed for design and monitoring

c) Any potential health or safety risks to service providers and the community during and after implementation.

d) How the outcomes of the project will be sustained after it is finished, and who will do this

Summarise these in the table below

Activity	Implementing actor	Who will receive and manage the funds from IIED?

## 7. Beneficiaries and value for money

Explain:

a) The number of people that will benefit from the project

b) The number of people that will have a better understanding of weather and climate information

c) The different groups of people among which the project will encourage harmony, build relations and understanding

## 8. Budget and Bill of Quantities

After consulting with a Technical Specialist:

a) Include the bill of quantities in the proposal

b) Draw a budget using the template from the CCF manual that includes:

- a. *The costs of project activities estimated by the Technical Specialist and the Sub-Agent*
- b. *Any costs of Technical Specialist during the design of the proposal*
- c. *Any Technical Specialist costs for monitoring*

### APPENDIX III CONTRACT FOR TECHNICAL SERVICES

Contract for technical services to **[insert Sub-Agent name]**

Lead specialist name: **[insert name]**

Project Name: **[insert project name]**

Scope of Work / Deliverables: **[describe the work and deliverables]**

Deadline: **[insert deadline]**

Fee Value: The fee is for a total of **[insert total fee]** in accordance with the attached quote **[attach quote]**

Payments: Payments are to be made according the following schedule **[insert instalments in to table below]**

Instalment number	Amount	When payment is due

Signed for Sub-Agent

Signed by lead specialist

.....  
Name:

.....  
Name:

**BANK DETAILS**

**Note: To be copied onto the organisation’s official letter heading (or stamped with the organisation’s stamp), completed and signed by an authorised person before being submitted.**

<b>Beneficiary Name:</b>	
<b>Beneficiary Address:</b>	
<b>Bank Name:</b>	
<b>Bank Address:</b>	
<b>Account Name:</b>	[ACCOUNT NAME MUST MATCH BENEFICIARY NAME]
<b>Account Number:</b>	
<b>Sort Code:</b>	
<b>IBAN No:</b>	[MANDATORY FOR EUROPEAN AND UK NON-GBP BANK TRANSFERS]
<b>Account Currency:</b>	
<b>SWIFT Code:</b>	
<b>ABA Routing No:</b>	[USEFUL FOR USA BANK TRANSFERS]
<b>Intermediary Bank name:</b>	
<b>Intermediary Bank Swift code:</b>	
<b>Reference to be used on transfer:</b>	[EXAMPLE CONTRACT CODE; INVOICE NUMBER, ETC.]

**I certify that the information provided above is accurate and correct and I have the authority to sign this on behalf of [insert name of organisation].**

**Authorised Signatory:**

**Name:**

**Position:**

**Date:**

Please ensure this section has been completed in full otherwise it may be returned to you which could delay payment being sent.

## APPENDIX IV SELF ASSESSMENT CHECKLIST FOR INTER-WARD MEETING

Criteria
Does the proposal explain how it benefits many people?
Does the proposal explain how it supports economy, livelihoods or important services on which most people depend?
Does the proposal explain how it is relevant to building resilience to climate change?
Does the proposal refer to technical documents by name (such as resilience assessments, resource mapping and other technical reports)?
Does the proposal explain how it encourages harmony, build relations and understanding?
Does the proposal refer to the consultation with all potential stakeholders?
Is a <u>written record</u> of the community consultation attached to the proposal?
Does the proposal explain the types of service providers and Technical Specialists that will be needed, and who will be sent the funds?
Does the proposal consider health and safety risks to service providers and the community during and after the project implementation?
Does the proposal explain how the outcomes of the project will be sustained after it is finished, and who will do this?
Does the proposal explain how it is cost-effective and give good value for money?
Has a Technical Specialist reviewed the proposal, designed any BQs and provided an estimate of costs?
Is the name and contact details of the Technical Specialist included in the proposal?
Does the proposal include a monitoring plan, including the use of Technical Specialists where necessary?
Does the budget include a <u>high-level indicative budget</u> costs for these three items: 1) project activities; 2) Technical Specialists for proposal design (where necessary); and 3) Technical Specialists for monitoring (where necessary)?

## APPENDIX V CAPC APPROVAL FORM

<b>Ward name:</b>		
Project Title:		
Project budget:		
Duration:		
<b>CCF Project Criteria</b>	<b>Agent Comments</b>	<b>Actions for Sub-Agent</b>
1. How many people will the project benefit?		
2. How does it support the economy, livelihoods or important services on which most people depend?		
3. How is it relevant to building resilience to climate change?		
4. How does it encourage harmony, build relations and understanding? Are there any groups in the wider community that need special efforts to be involved in and benefit from the project?		
5. Have all potential stakeholders been consulted?		
6. Is the project viable, achievable and sustainable?		
7. How is it cost-effective and how does it give good value for money?		
<b>Project design criteria</b>	<b>Agent Comments</b>	<b>Actions for Sub-Agent</b>
1. Has a specialist been consulted to design the proposal and provide BQs?		
2. Are there clear indicators with a clear monitoring plan?		
3. Is it clear what type of organisations will receive funds to implement the project?		
<b>Other Issues</b> (e.g. cross-border implications, links to other initiatives, commitment from partners,...)	<b>Agent Comments</b>	<b>Actions for Sub-Agent</b>
<b>Decision of Agent at meeting</b>		
<b>Confirmation from Agent that Sub-Agent actions have been completed</b>		



## APPENDIX VI IIED/CA APPROVAL FORM



International  
Institute for  
Environment and  
Development

### [INSERT COUNTY NAME] CLIMATE ADAPTATION FUND PROJECT APPROVAL

<b>Sub-Agent/Agent Name</b>	
<b>Project Name</b>	
<b>Total cost</b>	
<b>Sub-Agent Contact</b>	
<b>IIED Grant Code</b>	
<b>CAF Project Code</b>	
<b>Date Final Proposal Received</b>	

<b>Proposal Development</b>	<i>IIED/CA Comments</i>	<i>Actions for Sub-Agents</i>
Steps in project cycle followed?		
Self-assessment checklist completed?		
Agent considered and approved? (review Agent approval comments)		
All Agent comments certified as addressed in final proposal?		

<b>Budget</b>	<i>IIED/CA Comments</i>	<i>Actions for Sub-Agents</i>
Budget clear and detailed		
Technical specialists and monitoring included?		
All budget items permissible		
Total cost within grant amount (including other projects)		

Other comments		
----------------	--	--

<b>Value for Money</b>	<i>IIED/CA Comments</i>	<i>Actions for Sub-Agents</i>
Administrative costs permissible (alpha ratio; target 15%)		
No. of people benefiting from project outcome	-	-
Lifetime of project benefits	-	-
Other comments		

<b>Implementation</b>	<i>IIED/CA Comments</i>	<i>Actions for Sub-Agents</i>
Clear work plan		
Clear implementation mechanism (project and financial management)		
Other comments		

**Additional IIED project manager comments**

**Sub-Agent Actions**

Does the Sub-Agent need to complete actions before final approval? Yes/No  
(If so, return this form to the IIED/CA)

**2<sup>nd</sup> review by IIED/CA**

Has the Sub-Agent completed the actions recommended by IIED/CA? Yes/No

**Final approval**

Signature for IIED/CA

Name:

Date:

## APPENDIX V TENDER INVITATION AND CALL FOR PROPOSAL DOCUMENTS

[insert Sub-Agent name]

### INVITATION TO TENDER

Insert an introduction.

The [insert Sub-Agent name] wishes to invite tenders from qualified and interested Service providers/Companies to bid for the following:

No	TENDER NO.	ITEM DESCRIPTION	CLOSING DATE	TIME
1	[Insert tender no.]	[insert project name]	[insert due date]	[insert due time]
2	[Insert tender no.]	[insert project name]	[insert due date]	[insert due time]
3	[Insert tender no.]	[insert project name]	[insert due date]	[insert due time]

Tender documents may be collected from the [insert location], Monday –Friday between [insert opening hours] or call the secretary through [insert phone number] upon payment of non-refundable fee of **Kshs 2,000**.

NB: Service providers/Contractors are allowed to apply for the tender in whole or in parts thereof.

Two sets of completed tender documents are to be submitted:

- The original set shall be enclosed in plain sealed envelopes marked with Tender Name and Reference Number and deposited in the Tender Box at [insert location of Tender Box] as to addressed to:

**The Manager,**  
[Insert Sub-Agent name],  
[Insert Sub-Agent address]

- A copy of all documents shall be enclosed in a plain sealed envelope marked with Tender Name and Reference Number and posted to the ADA Secretariat at [insert Office address]/

To be received on or before the dates and time indicated above.

Enquiries can be sent to email: *[insert Sub-Agent contact email]*

[insert Sub-Agent name] reserves the right to accept or reject all tenders either in whole or in part and is not bound to give reasons thereof.

**Manager,**

**[insert Sub-Agent name]**,

**[INSERT SUB-AGENT NAME]**

**TENDER NO: [INSERT TENDER NUMBER]**

**[INSERT TITLE OF PROJECT]**

**[INSERT MONTH/YEAR]**

**[Insert address of Sub-Agent]**

## **INVITATION FOR TENDER**

**TENDER REFERENCE NO: [INSERT]**

The [insert Sub-Agent name] invites sealed tenders for [insert project name]

- 1.2 Interested eligible candidates may obtain further information and inspect tender documents at [INSERT SUB-AGENT NAME] office [insert SUB-AGENT address] or the National Drought Management Authority (NDMA) (formerly Arid Lands office) office in Isiolo during normal working hours.
- 1.3 A complete set of tender documents may be obtained by interested candidates upon payment of a non-refundable fee of **Kshs. 2,000 (Two Thousand Kenya Shillings)** in cash payable to [insert sub agent name].
- 1.4 Prices quoted should be net inclusive of all taxes, must be in Kenya shillings and shall remain valid for 90 days from the closing date of tender.
- 1.5 **Two sets** of completed tender documents are to be submitted:
  - The original set shall be enclosed in plain sealed envelopes marked with **Tender Name** and **Reference Number** and deposited in the Tender Box at [insert location of Tender Box] as to be received on or before [insert due date and time]
  - A copy of all documents shall be enclosed in a plain sealed envelope marked with **Tender Name** and **Reference Number** and posted to the ADA Secretariat at [insert Office address]
- 1.6 The seal on the Tender Box will be broken and tenders will be opened immediately after the due date, in the presence of the officials of the [insert subagent name] officials and the candidates or their representatives who choose to attend at the above address, in the [insert room location where tenders will be opened]

**[insert SUB-AGENT Manager's name]**  
**Manager [insert subagent name]**

Note: The tenderer must comply with the following conditions and instructions and failure to do so is liable to result in rejection of the tender.

# PART I - GENERAL CONDITIONS

## 1. Definitions

(a) “**Tenderer**” means any person or person’s partnership firm or company submitting a sum or sums in the Bills of Quantities in accordance with the Instructions to Tenderers.

(b) “**Approved tenderer**” means the tenderer who is approved by the Employer.

(c) Any noun or adjective derived from the word “**tender**” shall be read and construed to mean the corresponding form of the noun or adjective “**bid**”. Any conjugation of the verb “tender” shall be read and construed to mean the corresponding form of the verb “bid.”

(d) “**Employer**” means [insert subagent name].

## 2. Eligibility and Qualification Requirements

- 2.1 This invitation to tender is open to all tenderers who are eligible as stated in the appendix.
- 2.2 The procuring entity’s employees, committee members, board members and their relative (spouse and children) are not eligible to participate in the tender.
- 2.3 To be qualified for award of Contract, the tenderer shall provide evidence satisfactory to the Employer of their eligibility and of their capability and adequacy of resources to effectively carry out the subject Contract. To this end, the tenderer shall be required to update the following information.

(a) Details of experience and past performance of the tenderer on the works of a similar nature within the past 2 years.

(b) The qualifications and experience of key personnel proposed for administration and execution of the contract, both on and off site.

(c) Major items of construction plant and equipment proposed for use in carrying out the Contract. Only reliable plant in good working order

and suitable for the work required of it shall be shown on this schedule. The tenderer will also indicate on this schedule when each item will be available on the Works. .

- 2.4 To qualify for contract awards, the tenderer shall have the following:
- a) Necessary qualifications, capability experience (e.g. certificate of work completion), services, equipment and facilities to provide what is being procured
  - b) Legal capacity to enter into a contract for procurement e.g. registration certificate, certificate of incorporation, tax compliance certificate/VAT clearance certificate, business license and pin certificate
  - c) Shall not be insolvent, in receivership, bankrupt or in the process of being wound up and is not the subject of legal proceedings relating to the foregoing.
  - d) Shall not be debarred from participating in public procurement.

### **3. Cost of Tendering**

3.1 The tenderer shall bear all costs associated with the preparation and submission of his tender and the Employer will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the tendering process.

3.2 The price to be charged for the tender document shall not exceed Kshs.2,000/=.

3.3 The procuring entity shall allow the tenderer to view the tender document free of charge before purchase.

### **4. Site Visit**

4.1 The tenderer is advised to visit and examine the Site and its surroundings and obtain for himself on his own responsibility, all information that may be necessary for preparing the tender and entering into a contract. The costs of visiting the Site shall be the tenderer's own responsibility.

4.2 The tenderer and any of his personnel or agents will be granted permission by the Employer to enter upon premises and lands for the purpose of such inspection, but only upon the express condition that the tenderer, his personnel or agents, will release and indemnify the Employer from and against all



liability in respect of, and will be responsible for personal injury (whether fatal or otherwise), loss of or damage to property and any other loss, damage, costs and expenses however caused, which but for the exercise of such permission, would not have arisen.

- 4.3 The Employer shall organize a site visit at a date to be notified. A representative of the Employer will be available to meet the intending tenderers at the Site.
- 4.4 Tenderers must provide their own transport. The representative will not be available at any other time for site inspection visits.
- 4.5 Each tenderer shall complete the Certificate of Tenderer's Visit to the Site, whether he in fact visits the Site at the time of the organized site visit or by himself at some other time.

## **PREPARATION OF TENDERS**

### **5. Language of Tender**

- 5.1 The tender and all correspondence and documents relating to the tender exchanged between the tenderer and the Employer shall be written in the English language. Supporting documents and printed literature furnished by the tenderer with the tender may be in another language provided they are accompanied by an appropriate translation of pertinent passages in the above stated language. For the purpose of interpretation of the tender, the English language shall prevail.

### **6. Documents Comprising the Tender**

- 6.1 The tender to be prepared by the tenderer shall comprise:
  - a) The form of tender
  - b) Confidential business questionnaire
  - c) The priced Bill of Quantity and Schedule.

## **7. Tender Prices**

- 7.1 All the insertions made by the tenderer shall be made in INK and the tenderer shall clearly form the figures. The relevant space in the Form of Tender and Bills of Quantities shall be completed accordingly without interlineations or erasures except those necessary to correct errors made by the tenderer in which case the erasures and interlineations shall be initialled by the person or persons signing the tender.
- 7.2 The tenderer shall not attach any conditions of his own to his tender. The tender price must be based on the tender documents. The tenderer is not required to present alternative construction options and he shall use without exception, the Bills of Quantities as provided, with the amendments as notified in tender notices, if any, for the calculation of his tender price.

## **8. Currencies of Tender and Payment**

- 8.1 Tenders shall be priced in Kenya Shillings or any other convertible currency

## **9. Tender Validity**

- 9.1 The tender shall remain valid and open for acceptance for a period of ninety (90) days from the specified date of tender opening or from the extended date of tender opening whichever is the later.

## **SUBMISSION OF TENDERS**

### **10. Sealing and Marking of Tenders**

- 10.1 The tenderer shall seal the original and copy of the tender in separated envelopes, duly marking the envelopes as “ORIGINAL” and “COPY”. The envelopes shall then be sealed in an outer envelope.
- 10.2 The inner and outer envelopes shall be addressed to the Employer at the address stated in the Appendix to Instructions to Tenderers and bear the name and identification of the Contract stated in the said Appendix with a warning

not to open before the date and time for opening of tenders stated in the said Appendix.

- 10.3 The inner envelopes shall each indicated the name and address of the tenderer to enable the tender to be returned unopened in case it is declared “late”, while the outer envelope shall bear no mark indicating the identity of the tenderer.
- 10.4 If the outer envelope is not sealed and marked as instructed above, the Employer will assume no responsibility for the misplacement or premature opening of the tender. A tender opened prematurely for this cause will be rejected by the Employer and returned to the tenderer.

## **11. Deadline for Submission of Tenders**

- 11.1 Tenders must be received by the Employer at the address specified and on the date and time specified in the Letter of Invitation.
- 11.2 Tenders delivered by hand must be placed in the “tender box” provided in the office of the Employer.
- 11.3 Proof of posting will not be accepted as proof of delivery and any tender delivered after the above stipulated time, from whatever cause arising will not be considered.
- 11.4 The Employer may, at his discretion, extend the deadline for the submission of tenders through the issue of an Addendum, in which case all rights and obligations of the Employer and the tenderers previously subject to the original deadline shall thereafter be subject to the new deadline as extended.
- 11.5 Any tender received by the Employer after the prescribed deadline for submission of tender will be returned unopened to the tenderer.

## **AWARD OF CONTRACT**

### **12. Award criteria**

- 12.1 The Employer will award the Contract to the tenderer whose tender is determined to be substantially responsive to the tender documents and who

has offered the lowest evaluated tender price subject to possessing the capability and resources to effectively carry out the Contract Works.

- 12.2 The Employer reserves the right to accept or reject any tender, and to annul the tendering process and reject all tenders, at any time prior to award of Contract, without thereby incurring any liability to the affected tenderers or any obligation to inform the affected tenderers of the grounds for the Employer's action.
- 12.3 The Employer reserves the right at the time of contract award to increase or decrease the number of projects originally specified in the schedule of projects without any change in unit price or other terms and conditions.

### **13. Notification of Award and signing of contract**

- 13.1 Prior to the expiration of the period of tender validity prescribed by the Employer, the Employer will notify the successful tenderer by cable, telefax or telex and confirmed in writing by registered letter that his tender has been accepted. This letter (hereinafter and in all Contract documents called "Letter of Acceptance") shall name the sum (hereinafter and in all Contract documents called "the Contract Price") which the Employer will pay to the Contractor in consideration of the execution and completion of the Works as prescribed by the Contract.
- 13.2 Within fourteen [14] days of receipt of the form of Contract Agreement from the Employer, the successful tenderer shall sign the form and return it to the Employer.
- 13.3 The parties to the contract shall have it signed within 30 days from the date of notification of contract award unless there is an administrative review request.
- 13.4 A tenderer who gives false information in the tender document about its qualification or who refuses to enter into a contract after notification of

contract award shall be considered for debarment from participating in future public procurement.

## **PART II – SPECIAL CONDITIONS**

### **1.0 Defects Liability Period**

The Defects Liability Period is **Twelve Months**.

### **2.0 Operation and Maintenance Manuals**

Operation and Maintenance Manuals shall be in **English language**.

### **3.0 General Obligations**

3.1 The following facilities will be provided by the Employer: **NONE**.

3.2 The facilities will be provided at the following rates: N/A

### **4.0 Contractor Equipment**

The following items of Contractor's Equipment will be provided free of charge by the Employer for the Contractor's use: **None**.

### **5.0 Price Variation**

Contract price variation **shall not be allowed**.

### **6.0 Delayed Payment and Retention**

6.1 There shall be no interest on delayed payment.

6.2 There shall be a retention of the contract price and the period as determined in the tender

### **7.0 Customs and Import Duties**

The Contractor shall pay for customs, import duties and taxes in consequence of the importation of the items.

### **8.0 Duty of Care**

In implementing the project the Contractor shall discharge its duty of care to both its employees and the communities where the project is located in accordance with

Kenyan health and safety law, including appropriate risk assessments, adequate information, instruction, training and supervision, and appropriate emergency procedures.

## **9.0 Arbitration**

The rules of arbitration shall be those contained in the Arbitration Act of the Laws of Kenya.

# PART III – TENDER FORMS

## (A) FORM OF TENDER

TO: \_\_\_\_\_ [Name of Employer) \_\_\_\_\_ [Date] -----  
\_\_\_\_\_ [Name of Contract]

Dear Sir

1. In accordance with the Conditions of Contract, Specifications, Drawings and Bills of Quantities for the execution of the above named Works, we, the undersigned offer to construct, install and complete such Works and remedy any defects therein for the sum of Kshs. \_\_\_\_\_ [Amount in figures] Kenya  
Shillings \_\_\_\_\_  
\_\_\_\_\_ [Amount in words]
2. We undertake, if our tender is accepted, to commence the Works as soon as is reasonably possible after the receipt of the Project Manager's notice to commence, and to complete the whole of the Works comprised in the Contract within the time stated in the Appendix to Conditions of Contract.
3. We agree to abide by this tender until **90 days from tender closing date** [Insert date], and it shall remain binding upon us and may be accepted at any time before that date.
4. Unless and until a formal Agreement is prepared and executed this tender together with your written acceptance thereof, shall constitute a binding Contract between us.

5. We understand that you are not bound to accept the lowest or any tender you may receive.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_ Signature

\_\_\_\_\_ in the capacity of \_\_\_\_\_ duly authorized to sign

tenders for and on behalf of

\_\_\_\_\_ *[Name of Employer]*

of \_\_\_\_\_ *[Address of Employer]* Witness;

Name \_\_\_\_\_

Address \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_



**(B) CONFIDENTIAL BUSINESS QUESTIONNAIRE**

You are requested to give the particulars indicated in Part 1 and either Part 2 (a), 2 (b) or 2 (c) and 2 (d) whichever applies to your type of business. You are advised that it is a serious offence to give false information on this Form. *Part 1 – General Business Name*

..... Location of business premises; Country/Town..... Plot No..... Street/Road ..... Postal Address..... Tel No..... Nature of Business..... Current Trade Licence No..... Expiring date..... Maximum value of business which you can handle at any time: Ksh..... Name of your bankers..... Branch.....

**Part 2 (a) – Sole Proprietor** Your name in full..... Age..... Nationality..... Country of Origin..... \*Citizenship details

**Partnership:** ..... *Part 2 (b)*

Give details of partners as follows: Name in full Nationality Citizenship Details Shares

1.....

2.....

3.....

**Part 2(c) – Registered Company:** Private or

public..... State the nominal and issued  
capital of the Company- Nominal Kshs..... Issued  
Kshs..... Give details of all directors as follows:

- Name in full. Nationality. Citizenship Details\*. Shares. 1.  
..... 2.  
..... 3.  
..... 4.

**Part 2(d) – Interest in the Firm:** Is there any person / persons in .....(Name of  
Employer) who has interest in this firm? Yes/No.....(Delete as necessary) I certify  
that the information given above is correct. .... (Title)  
(Signature) (Date) \* Attach proof of citizenship

## **(C) PREAMBLE TO BILL OF QUANTITIES**

The Bill of Quantities shall form part of the Contract Documents and is to be read in conjunction with the Instructions to Tenderers, Specifications and Drawings.

The brief description of the items in the Bill of Quantities is purely for the purpose of identification, and in no way modifies or supersedes the detailed descriptions given in the conditions of Contract and Specifications for the full direction and description of work and materials. The Quantities set forth in the Bill of Quantities are estimated and provisional, representing substantially the work to be carried out, and are given to provide a common basis for tendering and comparing of Tenders. There is no guarantee to the Contractor that he will be required to carry out all the quantities of work indicated under any one particular item or group of items in the Bill of Quantities.

Errors will be corrected by the Employer for any arithmetic errors in computation or summation as follows:

Where there is a discrepancy between amount in words and figures, the amount in words will govern; and Where there is a discrepancy between the unit rate and the total amount derived from the multiplication of the unit price and the quantity, the unit rate as quoted will govern, unless in the opinion of the Employer, there is an obviously gross misplacement of the decimal point in the unit price, in which event the total amount as quoted will govern and the unit rate will be corrected. If a Tenderer does not accept the correction of errors as outlined above, his Tender will be rejected.

The objectives of the Bills of Quantities are; to provide sufficient information on the quantities of Works to be performed to enable tenders to be prepared efficiently and accurately; and when a Contract has been entered into, to provide a priced Bills of Quantities for use in the periodic valuation of Works executed. In order to attain these objectives, Works should be itemized in the Bills of Quantities in sufficient detail to distinguish between the different classes of Works, or between Works of the same nature carried out in different locations or in other circumstances which may give rise to different considerations of cost. Consistent with these requirements, the layout and content of the Bills of Quantities should be as simple and brief as possible.

### **Bills of Quantities**

*[insert Bills of Quantities from approved proposal with Kshs amounts removed]*

## APPENDIXVIII - DECLARATION OF INTEREST IN PROJECT

### INTEREST DECLARATION AND CONFLICT OF INTEREST IN PROCUREMENT PROCEDURE MATTERS

I [enter staff / member's name] hereby declare that I, or a person closely associated with me, have a business interest in the selection of a supplier for implementation of project [write project title]. I agree that, in the case of this project, I shall not participate either formally or informally in the Committee deliberations and decisions for selecting a supplier.

Signature:

Position in the SUB-AGENT:

Date:

## APPENDIX IX – SUB-AGENT TENDER EVALUATION FORM

### BID ANALYSIS FORM

**Process**

1. In accordance with the procurement rules, before considering the tenders, all evaluation Committee members must confirm that they have no personal interest with any of the service providers<sup>4</sup>. In case of interest, affected Committee members cannot participate in the bidding process. Details must be recorded in Part 1 below.
2. The names of the Committee members eligible to consider quotes should be entered in Part 2.
3. The eligible (SUB-AGENT) members should consider each quote against the criteria in Part 3 and record the conclusions. Advice on solving problems is in the Agent Finance Manual.
4. If there is less than the number of quotes as required by the Agent Procedures Manual, the committee must explain why.
5. Record the Committee's final recommendation in Part 4. The Chairperson and Secretary of the Committee must sign these are true record of the committee decision.
6. Attach to this form the original tender documents.
7. **Before** notifying the successful service provider, the Committee should follow procurement rules in the Agent Procedures Manual.
8. Depending on the method agreed on and used( simple majority, average score or any other) marks awarded should be arrived at by consensus

**Part 1) Statement of interests**

Are there any conflicting interests to be declared by committee members? If so, please record the committee members' names here. They are not eligible to participating in the bidding process. State "None" if there are no conflicting interests to be declared?

1. ....
- 2.....

**Part 2) Committee members eligible to consider the bids**

Record names of committee members who will evaluate the bids submitted.

1.
2.
3.
4.
5.
6.
7.
8.
9.
10.
11.

<sup>4</sup> Where a committee member (or their immediate families) have professional or personal relationships with service providers, other than those relating directly to the committee.

**Part 3) Evaluation/Analysis and Recommendation**

<b>Ward Name</b>	
<b>Name of the Service Provider (Company)</b>	
<b>Category tendered/project</b>	
<b>Date of Evaluation</b>	

**1. Level 1 -Preliminary**

<b>Attachments Provided</b>	<b>Tick if provided</b>	<b>Comments (if any)</b>
Registration Certificate or Certificate of incorporation		
Business License		
VAT Clearance Certificate		
Tax Compliance Certificate		
Audited Books of Account or Bank statement for at least one year, certified by the bank		
Is there any additional documents provided? If yes, list them down. 1. 2. 3.		
Has the service provider satisfied the preliminary level requirements? Give reason/s?		
Is the provider qualified to go to the next level?		
What is the Recommendation?		

**NB:** Evaluation will continue to level 2 only when the service provider has satisfied the committee at the preliminary.



**2. Level 2-Technical (Maximum score 60%)**

<b>Factors to consider (give an outline description of the following for each supplier)</b>		<b>Scores</b>	<b>Comments</b>
<b>1.Experience</b> <b>Score-20%-</b> (5% for each question under experience)	Is there experience in similar work? If yes, is there proof of this?(Certificate of completion of work should be provided)		
	The experience is for how many years?(satisfactory experience is 2 years going up)		
	Any experience working in ASAL region?		
	Community's or Committees Previous experience with provider?		
<b>2. Suitability</b> (In reference to Service provider's profile/CV or Committee's previous experience with the service provider)  <b>Score -20%</b> (10% for each of the question)	Do the personnel possess the required/necessary qualifications and expertise to carry out what is being procured?		
	Does the service provider possess or have means to access required/necessary services, equipment and facilities to provide what is being procured? Does the service provider possess the means to manage and health and safety risks associated with the implementation of the project?		
<b>3.Quality</b> (looking at the bill of quantities, materials /equipment to be used by Service provider and any other proof of quality vis a vis quoted prices and work plan/Number of days to deliver the services) <b>Score-20%</b> (10% for each question)	Is the tenderer able to deliver on the services requested without compromising on quality?		
	Do you approve the work plan/ number of day's service provider will take to deliver the services?		
<b>4.Extra/unexpected benefits</b> <b>Score 10%</b>	Any extra benefits the service provider is offering at no cost?		
<b>Subtotal for level 2</b>			
Has the service provider satisfied technical level requirements? Give reason/s?			
Is the provider qualified to go to the next level			
What is the Recommendation?			

**NB:** Evaluation will continue to level 3 only when the service provider has satisfied the committee at level 2. If the service provider/applicant has scored 49% and below, then he/she automatically gets disqualified



**1. Level 3-Financial (Maximum score 30%)**

Give an outline description of the following for each supplier:	Record the price	Score	Comments if any
1. In reference to SUB-AGENT budget and Bill of quantities vis a vis Service provider's  a. Cost (including VAT)  b. Proof of quality  c. Work Plan  Do you consider Service provider's quoted price a competitive offer?			
<b>Subtotal for level 3</b>			

What is the recommendation?

**Part 4: Grand Total**

<b>Level 1 Subtotal</b>	
<b>Level 2 Subtotal</b>	
<b>Grand total (%)</b>	

**NB:** Remember to fill the subtotals (for level 2 and 3) and the grand total against service provider's name in the **Service Providers ranking form**.

**Part 5-Decision** (This part will be filled after evaluating all applications and finalised on Service Providers ranking form)

<b>Decision Made</b>	
<b>Indicate any follow up that needs to be made -by whom and by when</b>	

**Part 6-Authorisation/Approval**

**1) Sub-Agent authorisation of Bid Analysis Form:**

	Name	Signature	Date
<b>Chairman</b>			
<b>Secretary</b>			
<b>Accountant</b>			

**2) Agent authorisation of Bid Analysis Form:**

	Name	Signature	Date
<b>Chairperson</b>			

**3) IIED Project Manager authorisation of Bid Analysis Form:**

	Name	Signature	Date
<b>Project Manager</b>			

## APPENDIX X - SERVICE PROVIDER CONTRACT TEMPLATE

### [INSERT SUB-AGENT NAME] CLIMATE FUND CONTRACT

#### Project Name:

This document sets out the terms of the grant agreement between the [insert subagent name] (the Employer) [insert subagent address] and the [insert name and address] (the Service Provider).

Contract number: [insert]

#### 1. **Contract Period**

The commencement date for the work will be on [insert date]. The nominal end date for the contract will be on [insert date].

The contract period will expire on satisfactory completion of the work as certified by the [insert subagent name].

#### 2. **Key individuals**

The Service Provider will report to [insert name], including the Manager [insert name of Manager/Chairperson], and will notify them of all administrative and financial issues.

The nominated person responsible on behalf of the Service Provider is [insert name and email address]

#### 3. **Terms of Reference and**

The Service Provider agrees to complete the task agreed in the work plan and budget approved by the [insert subagent name] at Appendix I to this contract.

#### 4. **General Conditions**

The Service Provider will supply the labour force and equipment necessary for the work.

The Service Provider will personally be in charge of the works and co-ordinate with the [insert subagent name] to ensure smooth running of the project.

The Service Provider shall ensure that work is completed to a high standard, that the [insert subagent name] inspects the construction as it progresses stage by stage, and that approvals are obtained prior to proceeding further with the works.

The [insert subagent name] may request a hold to the works where it considers changed circumstances have introduced a risk to the approved design or implementation of the work. If in the opinion of the [insert subagent name], the work is delayed through any cause not under the control of the Service Provider, the [insert subagent name] shall make a fair and reasonable extension of time for completion of the works.

Notwithstanding the above, if the Service Provider shall fail or neglect to complete the works on or before the date stated in Clause 1 hereof or by any extension of time approved by the [insert subagent name], the Contractor hereby accepts liability for extra costs for every week or part of a week during which the completion is delayed.

In implementing the project the Service Provider shall discharge its duty of care to both its employees and the communities where the project is located in accordance with Kenyan health and safety law, including appropriate risk assessments, adequate information, instruction, training and supervision, and appropriate emergency procedures.

**Injury to persons:** The Service Provider shall be liable for and shall indemnify the [insert subagent name] against all loss, claims or proceedings whatsoever whether arising in common Law or any Acts of Parliament of the Government of Kenya in respect of personal injuries to persons whether in his employment or not, arising out of or in the course of the execution of the contract and against all costs and charges incurred in relation to the investigation or settling of such claims.

**Injury to property:** The Service Provider shall be liable for and shall indemnify [insert subagent name] in respect of any liability, loss, claim or proceedings and for any injury or damage whatsoever arising out of or in the course of the execution of the contract works to any property, real or personal due to any negligence, or omission or default of himself, his agent or his servants or of any sub-contractor or to any circumstances within his control.

The Service Provider shall secure the due performance of these indemnities by forthwith entering into proper and sufficient policies of insurance.

Any works or assets shall be insured by the Service Provider.

The Service Provider shall make good at his own expense any defects, shrinkage and other faults which may appear within 6 months from the completion of the works arising in the opinion of [insert subagent name] from materials not in accordance with the contract.

The Service Provider will attempt in good faith to negotiate a settlement to any claim or dispute between them arising out of or in connection with this Contract.

Any dispute, controversy or claim arising out of or relating to this agreement, or the breach, termination or invalidity thereof, shall be referred to arbitration in accordance with the Arbitration Act, 1995 and shall be conducted under the Rules of the Chartered Institute of Arbitrators of the United Kingdom, Kenya Branch. The number of arbitrators shall be one (1). In the event of failure to agree between the parties on the choice of arbitrator, the Chairman for the time being of the Chartered Institute of Arbitrators of the United Kingdom, Kenya Branch shall appoint the arbitrator under its rules. The proceedings shall take place in Nairobi. The decision of the arbitrator shall be final and binding on both parties.

The Service Provider undertakes not to make any payments which contravene Kenyan law including the Anti-Corruption and Economic Crimes Act, 2003. In the regard the Service Provider undertakes not to offer, promise, give, request, receive or agree to receive bribes, nor offer, promise or give a bribe.

#### **4. Contract and Budget**

The Contract is for a total of [insert amount]. This amount is inclusive of all taxes.

#### **5. Payment Schedule and Deliverables**

A total of 90 per cent of the contract amount will be payable according to the following schedule:

- 1) [insert amount of first instalment] in advance for Phase 1 of the work plan after signature of this contract and provision of an invoice. *(This payment cannot exceed 50% of the total contract amount).*

- 2) [insert amount of second instalment] for Phase 2 of the project after submission of an invoice, receipts, a progress report, and after the [insert subagent name] approves the next payment.
- 3) *(Add as many instalments as are necessary).*
- 4) [insert amount of final instalment] after submission of an invoice, receipts a progress report, and after the [insert subagent name] considers that the project will be completed. *(The final payment must be at least 10% of the total contract amount).*

**Retention:** [insert subagent name] will retain 10 per cent of the contract amount until 6 months after the completion of the project in case of faulty works or the need for repairs due to poor workmanship. [insert subagent name] will only pay the retention less any costs due to faulty works or poor workmanship incurred within the 6 months.

The [insert subagent name] endeavours to pay all instalments within 30 days of approval of payments.

**6. Banking and Transfer arrangements**

Bank transfers will be made electronically to the bank account nominated by the Service Provider at Appendix II to this contract.

The Service Provider is responsible for all local bank charges and taxes.

**7. Reports, Records and Disclosure**

[insert subagent name] reserves the right to audit all transactions either directly or through a nominated representative.

The Service Provider agrees to submit to [insert subagent name] an invoice for each Phase accompanied by receipts and a progress report.

**8. Intellectual / Publishing rights**

[insert subagent name] and the Service Provider agree that all intellectual property rights whatsoever owned by either [insert subagent name] or the Service Provider prior to the commencement of the Agreement (“Background IPR”) and any intellectual property rights developed under this Agreement (“Foreground IPR”) shall remain the property of that party.

Each party grants to the other:

- An irrevocable, royalty-free, non-exclusive licence to use any Background IPR owned by that party which is necessary for the use or development of the Foreground IPR;
- An irrevocable, perpetual, royalty-free, non-exclusive licence to use the Foreground IPR for any non-commercial use.]

The appendices to this contract form part of the contract.

On behalf of the [insert subagent name]:

.....  
 Manager

.....  
 Date

On behalf of Service Provider:

.....  
Date

**Appendices**

- 1. Project proposal, work plan and budget**
- 2. Bank Transfer Details of Service Provider**

## Service Provider Contract Appendix I - Project proposal, work plan and budget

### Summary

Project Title:

Project Phases

*Complete table with phases of the project and the payment for each phase*

Project Phase	Description	Amount
1		
2		
3		
4		
5		
	• TOTAL	

Service Provider budget and detailed work plan

*Attach proposal and budget developed by [insert subagent name] and the quote or other tender documents submitted by the successful Service Provider*

**Service Provider Contract Appendix II - Bank Transfer Details/ Request**

**Note: To be copied onto the organisation’s official letter heading (or stamped with the organisation’s stamp), completed and signed by an authorised person before being submitted to IIED.**

<b>Beneficiary Name:</b>	
<b>Beneficiary Address:</b>	
<b>Bank Name:</b>	
<b>Bank Address:</b>	
<b>Account Name:</b>	[ACCOUNT NAME MUST MATCH BENEFICIARY NAME]
<b>Account Number:</b>	
<b>Sort Code:</b>	
<b>IBAN No:</b>	[MANDATORY FOR EUROPEAN AND UK NON-GBP BANK TRANSFERS]
<b>Account Currency:</b>	
<b>SWIFT Code:</b>	
<b>ABA Routing No:</b>	[USEFUL FOR USA BANK TRANSFERS]
<b>Intermediary Bank name:</b>	
<b>Intermediary Bank Swift code:</b>	
<b>Reference to be used on transfer:</b>	[EXAMPLE CONTRACT CODE; INVOICE NUMBER, ETC.]

**I certify that the information provided above is accurate and correct and I have the authority to sign this on behalf of [insert name of organisation].**

**Authorised Signatory:**

**Name:**

**Position:**

**Date:**



## APPENDIX XI - BUDGET CONTROL REPORT EXAMPLE

### [insert subagent name] Project Budget Control Report

Quarter from \_\_\_\_ / \_\_\_\_ / \_\_\_\_ to \_\_\_\_ / \_\_\_\_ / \_\_\_\_

Activity	Total Budget	Actual Costs	Variance	Comments
	(Kshs)	(Kshs)	(Kshs)	
Procurement and gathering of materials	50,000	49,580	420	completed
Clearing the area of bushes (20 casuals 10 days)	100,000	100,200	-200	completed
Desilting	400,000	398,450	1,550	completed
Inlet / Outlet Repair	50,000	25,000	25,000	in progress
Repair of trough	100,000	25,435	74,565	in progress
Fencing (20 casuals 10 days)	100,000	0	100,000	not started
Official Opening / Launch	50,000	0	50,000	not started
Personnel	100,000	56,000	44,000	
<b>TOTAL</b>	<b>950,000</b>	<b>654,665</b>	<b>295,335</b>	

