

REPUBLIC OF KENYA



**MINISTRY OF INDUSTRIALIZATION AND ENTERPRISE
DEVELOPMENT**

STATE DEPARTMENT OF CO-OPERATIVE DEVELOPMENT

ETHICS COMMISSION FOR CO-OPERATIVE SOCIETIES (ECCOS)

**VETTING CRITERIA FOR ELIGIBILITY IN COMMITTEE/BOARD,
SUPERVISORY COMMITTEE MEMBERS ELECTIONS AND
EMPLOYEES APPOINTMENT IN CO-OPERATIVE SOCIETIES**

1. PREAMBLE

Vetting is the process of performing background checks on a person before offering them appointment/employment or conferring them an award. Property or Assets are also vetted to determine their usefulness and/or value.

Vetting criteria includes amongst other considerations the concepts of honesty, solvency and competence. This extends to the conduct of the member and employee both in dealing with the Co-operative society and the public.

Vetting criteria will be based on the characteristics of age, citizenship, academics, professionalism, qualifications, experience, health, security, ethical behavior and legal obligations of the applicant.

The principles and values of leadership as stated in section 73 of the Leadership Act will be applied in the vetting criteria which include:-personal integrity, competence, objectivity and impartiality, decision making, selfless service based on public interest, honesty, declaration of personal interest that may conflict with personal duties, accountability to the public, discipline and commitment to the people.

Eligibility will also be based on the requirements that an applicant:

- i. Pays his taxes
- ii. Has not abused public office
- iii. Has no criminal record
- iv. Has not defaulted on loans

- v. Has not conducted himself in unprofessional manner
- vi. Is medically proven to be mentally stable
- vii. Knowledge and experience
- viii. Reputation and character
- ix. Is not a beneficiary of international money laundering, drug trafficking or subversive activities.

It is important to emphasize that these categories are not intended to be exhaustive or definitive. The fit and proper test exists to protect the interests of members, actual and potential.

2. APPLICABILITY

These vetting criteria shall apply to all committee/board and supervisory, corruption prevention committees and employees of co-operative societies.

3. INTERPRETATION

“Applicant” means a member who is seeking for an elective post or a person applying for a job in the co-operative society.

“Regulator” means the Commissioner for Co-operative Development and includes Ethics Commission for Co-operative Societies who is the administrator of this vetting criteria, Sacco Societies Regulator and Nominating Committee Authority (SASRA) as stipulated in the Sacco Societies Act (SSA) or any other person whom powers of the Commissioner have been delegated in accordance with the Co-operative Societies Act (CSA).

“Committee” means a member who is elected to hold office in a cooperative society. This shall include board, supervisory or corruption prevention committee member.

“Corruption Prevention Committee” means a committee elected to handle corruption incidences in the co-operative society.

“Employee” means any person recruited and remunerated on a permanent or on a contractual basis.

“Fit and proper test” means a test administered on a person vying for office or appointment based on the minimum standards of the vetting criteria.

The Regulator and Nominating Committee must be satisfied that any person who is, or is to be, an employee, board, supervisory or corruption prevention committee member of a Cooperative Society should be a 'fit and proper' person to hold that position.

4. PROCEDURES FOR ADMINISTRATION OF THE VETTING CRITERIA

Every Cooperative Society shall appoint an independent elections and Nomination Committee in accordance with its elections and nomination policy.

A person intending to vie for office in a co-operative society shall submit a dully filled fit and proper test forms to a nominating committee 2 weeks prior to the holding of the elections. Each cooperative society will be required to establish procedures for appointing a nominating committee which for this purpose shall be an ad-hoc committee.

The nominating committee will verify the information in the FPTF on submission and either approve or reject the application.

The Nominating Committee shall have been appointed in a prior general meeting and shall comprise of a minimum of 3 ordinary members.

5. MAIN VETTING CRITERIA

5.1 Honesty, integrity and Reputation

The values of honesty, integrity and reputation will include:

- Fair dealing with Members;
- Establishment and maintenance of a proper compliance culture, which demonstrates proper respect of legal, Regulatory, Nominating Committee and professional obligations;
- Disposition and good faith in dealings with Regulator and Nominating Committees.

In determining a person's honesty, integrity and reputation, the Regulator and Nominating Committee and the nominating committee will consider matters that include but not limited to, those set out hereunder.

5.2 Competence and capability

In determining a person's competence and capability, the Regulator and Nominating Committee will have regard to matters including but not limited to:

- (1) Whether the person satisfies the relevant requirements of Leadership and Integrity Act, 2012, the Public Officer Ethics Act, 2003, Sacco Societies Act and Regulations, 2008, Co-operative Societies Act, 2004, and Rules and the bylaws to perform;
- (2) Whether the person has demonstrated by experience and training that the person is able, or will be able if approved, to perform functions of the said office.

5.3 Proof of Status

In the context of the regulation of co-operative society the purpose of the vetting process is to protect the members from those who are not fit and proper.

If, therefore, the Regulator and Nominating Committee is left with a substantial doubt as to the fitness and propriety of an applicant, the correct course would be for the application to be rejected.

5.4 Basic Elements

The fit and proper test exists to protect the interests of members, actual and potential.

An assessment of fitness and propriety may require fit and proper assessments to be made of those candidates involved in running the Co-operative Society. Such candidates will abide by the rules and guidelines that govern membership into the Board.

5.5 Competence and capability to conduct business

In determining competence and capability, the Regulator and Nominating Committee will have to consider whether committee members are capable, at all times, of performing the role for which they have been engaged or for which they are being recruited. Consideration will be taken as to the appropriate qualifications held, other training undertaken as well as any informal experience.

Efficiency is also a relevant consideration.

In addition, the Regulator and Nominating Committee will wish to ensure that the applicant's election to the committee/board does not result in any unacceptable conflicts of interest.

5.6 Financial position

The Regulator and Nominating Committee will have to be satisfied that the applicant has financial resources sufficient to meet personal commitments on a continuous basis, as well as the ability to withstand the financial risks to which the business is exposed (indemnity).

The financial positions of the applicant, its Board and its key individuals are also likely to throw light on their prudence and ability to withstand financial temptation.

5.7 Compliance with Sacco Bylaws

The Nominating Committee will have to be satisfied that the applicant has satisfied the requirements of the Sacco Bylaws on eligibility for membership in the board and supervisory committee as outlined here under:

By Law 37.1: ELIGIBILITY FOR MEMBERSHIP TO THE BOARD OF DIRECTORS AND SUPERVISORY COMMITTEE

No person shall be eligible for membership in the board and supervisory committee of the society if he/she: -

- a. Is not a member of the society;
- b. Is not an elected delegate
- c. Is under eighteen years of age
- d. Is unable to read and write;
- e. Receives any remuneration, salary or other payments from the society save as in accordance with the Act;
- f. Is a committee member in two other societies;
- g. Lends money on own account;
- h. Is an undischarged bankrupt;
- i. Is of unsound mind;
- j. Has been convicted of any offence involving dishonesty or is sentenced to imprisonment for a term exceeding three months;
- k. Has been convicted of any offence under the Act or rules.
- l. Has any un cleared debt owing to the society at the end of its financial year other than in respect of a loan granted under the provision of any regulations made under the Act;
- m. Is a person against whom any amount of money is due under a decree, decision or order or is pending recovery under the Act.
- n. Has not attained deposits above Kshs. 1,000, 000/= (Kenya shillings one million only).
- o. Has not made loans payment for 3 or more consecutive months
- p. Has not been an active member for at least 24 months



NOMINATION FORM
VETTING CRITERIA FOR BOARD DIRECTOR/MEMBER OF SUPERVISORY
COMMITTEE OF WANANDEGE SACCO SOCIETY LTD

NOTE: Read the declaration on Section 6 below before completing this form. In case the space provided is inadequate, use additional paper.

1. THE CO-OPERATIVE SOCIETY

Society Name. **WANANDEGE SACCO SOCIETY LTD**

a) Type ;**SACCO**

b) **C/SNO2700** Date of Registration **22 JUNE 1977**

2. PERSONAL INFORMATION

a	Surname		i	Telephone No.	
b	Other Names		j	Email Address	
c	Year of birth		k	Company/Employer	
d	Place of birth		l	Staff No	
e	Gender		m	Postal Address	
f	Marital Status		n	Physical (home) Address	
g	ID/PP No.		o	Position in Employment	
h	PIN		p	Date of joining the Sacco	

Highest Educational Qualification and year obtained.....

Professional Qualifications and years obtained.....

Name(s) of your bankers during the last 5 years.....

3. DESCRIPTION OF PAST AND CURRENT EMPLOYMENT

Name of Employers/ Business	Address	Period	Position Held	Dates		Reasons for Leaving
				From	To	

DESCRIPTION OF YOUR PAST AND CURRENT BUSINESS ACTIVITIES

4.1 SHAREHOLDING (DIRECTLY OWNED OR THROUGH NOMINEES)

Name of Institution	Date of Incorporation	Amount of Share holding	% of holding	Past Share holding		Remarks
	A			B	C	

Key

- A: Refers to the date shareholding was obtained
- B: Refers to date of closure or surrender of shares
- C: Refers to reasons for closure or surrender

4.2 DESCRIPTION OF PAST AND CURRENT DIRECTORSHIP IN INSTITUTIONS

Name of Institution	Date of appointment	Executive or Nonexecutive	Position Held in case of executive	Past Directorships		Remarks
	A			B	C	

Key

- A: Refers to date election/ /nominated
- B: Refers to date of retirement
- C: Refers to reasons for retirement or resignation

4.3 DESCRIPTION OF PAST AND CURRENT MEMBERSHIP OF PROFESSIONAL BODIES

Name of Body	Member No.	Position held (if any)	Past memberships		Remarks
			E	F	

Key

E: Refers to date of retirement

F: Refers to reasons for retirement or resignation

4.4 SOCIAL CLUBS

Club Name	Member No.	Position Held	Past club memberships		Remarks
			G	H	

Key

G: Refers to date of retirement

H: Refers to reasons for retirement or resignation

4.5 DESCRIPTION OF PAST AND CURRENT BORROWINGS IN INSTITUTIONS

* Name of borrower	Lending institution	Type facility	Date of offer	Date of maturity	Security offered	Value of security	Current Outstanding balance (Kshs)	Remarks

*** Borrower to indicate individual/personal as well as the private Company shareholdings in excess of 5% of that company**

5. QUESTIONNAIRE

5.1 Have you ever applied for directorship in any organization?

If so, give particulars

.....
.....

Do you know whether any such application was accepted or rejected?

If it was rejected give reasons

5.2 Have you at any time been convicted of any criminal offence in any jurisdiction?

.....

If so, give particulars of the court in which you were convicted, the offence, the penalty imposed and the date of conviction

.....

5.3 Have you, or any entity with which you have been involved in, been censured, disciplined, warned as to future conduct, or publicly criticized by any Regulator and Nominating Committee authority or any professional body in the country? If so, give particulars

.....
.....

5.4 Have you, or has any entity with which you are involved, or have been associated as a director, shareholder or manager, been the subject of an investigation by a government department or agency, professional association or other

Regulator and Nominating Committee body?..... If so, give particulars.....

.....

5.5 Have you ever been dismissed from any employment in any organization you have previously been or been subject to disciplinary proceedings by your employer?.....

5.6 Have you ever been barred entry or suspended from a professional body? If so give particulars

.....

5.7 Have you ever failed to satisfy any debt adjudged due and payable by you on an order of a surcharge or court, or have you made any compromise arrangement with your creditors within the last 10 years? If so, give particulars

.....

5.8 Have you ever been declared bankrupt by a court of law or has a bankruptcy petition ever been served on you?If so, give particulars.

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.....

Has any institution/organization where you have been a director or CEO been declared bankrupt by a court?If so, give particulars.....

5.9 Have you ever been held liable by a court, for any fraud or other misconduct?.....If so, give particulars.....

5.10 What position are you applying for-Board/Supervisory committee member? Tick one.

5.11 What skills will you be bringing to the Board/Supervisory committee?.....

5.12 Is there any additional information/experience which you consider relevant for the consideration of your suitability for position applied for? if so give particulars.....

5.13 Indicate the names, addresses, telephone numbers and positions of three individuals of good standing who would be able to provide a reference on your personal and professional integrity. The referees must not be related to you, and should have known you for at least five years.

i).....

ii).....

iii).....

5.15 Kindly attach copies of the following documents:

- a. Updated personal curriculum vitae with copies of academic and professional certificates
- b. Current Credit Reference Bureau certificate
- c. Current Police Clearance Certificate (Good Conduct Certificate)
- d. Clearance Certificate from HELB
- e. Current Tax Compliance Certificate from KRA

NOTE: The information given in response to this questionnaire shall be kept confidential by the Regulator and Nominating Committee, except in cases provided for by law. The omission of material facts may represent the provision of misleading information.

6 DECLARATION

I am aware that it is an offence to knowingly or recklessly provide any information, which is false or misleading in connection with an application for committee/board member of a co-operative society. I am also aware that omitting material information intentionally or unintentionally shall be construed to be an offence and may lead to rejection of my application.

I hereby certify that the information given above is complete and accurate to the best of my knowledge and belief, and that there are no other facts relevant to this application of which the Co-operative Society should be aware of.

I undertake to inform the Co-operative Society of any material changes to which may arise while the application is under consideration.

I further confirm that I have agreed to fulfill the responsibilities related to this position.

Name:Staff No.....Signed.....

Dated atthis..... Day of2020.

PROPOSER AND SECONDER FOR THE CANDIDATE:

We the undersigned propose and second.....Staff No.....to be a candidate for election to Board/Supervisory Committee position (tick as applicable) in the forthcoming Annual General Meeting.

Proposer(Delegate)Name..... Staff no.....

ID no.....Signature.....

Secunder(Delegate) Name..... Staff No.....ID

No..... Signature.....

FOR OFFICIAL USE ONLY

Applicant's deposits	
Proposer A/c status	
Secunder A/c Status	
CV	
Academic certificates	
Professional certificates	
CRB	
Police Clearance	
HELB	
KRA	

Verified by..... Signature.....Date:

NOMINATION & VETTING COMMITTEE COMMENTS
