



HUMAN RESOURCES POLICY

DECEMBER 2023

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1.0 Introduction

1.1 Preamble

- i. These policies and procedures in conformity with The Employment Act (Cap. 226 - Laws of Kenya), shall govern the terms and conditions of employment with the Energy SACCO and any other subsequent and relevant legislation related to employment in Kenya.
- ii. As a condition of employment employees are asked to strictly adhere to these rules.
- iii. Any request for a variance (exception) must be brought to the attention of the Board of Directors prior to an employees intended action, and if approved, a written authorization must be obtained.
- iv. These policies may be changed from time to time and such changes shall apply to all SACCO employees. A copy of such changes shall be given to each employee.

1.2 Definitions

Accountability	-	Refers to the moral and legal responsibility of staff, members and officials for their duties and actions in a proper and responsible manner. It also includes institutional measures and systems established to maintain appropriate standards of behavior and effective performance of duties by employees, officials, and members.
Board	-	Board of Directors (BOD)
Contract	-	A written or oral agreement, whether expressed or implied, to employ or to serve as an employee for any period of time.
Casual Employee	-	An individual whose terms of engagement provide for his/her payment at the end of each day, and who is not engaged for a period longer than twenty-four (24) hours at a time.
Employee	-	An individual employed for wages or salary.
Employer	-	Energy SACCO.
Gender	-	refers to the cultural or societal differences between males and females in terms of roles and responsibilities, expectations, power, privileges, rights, and opportunities.
Piece Work	-	Any work the pay for which is estimated by the amount of work performed irrespective of the time occupied in its performance.
Task	-	Such amount of work as can, in the opinion of the Board, be performed by an employee in an ordinary working day.

2.0 RECRUITMENT AND SELECTION PROCEDURES

2.1 Recruitment procedure

- i. In an effort to promote the Energy SACCO and personal development of the staff, the SACCO will first announce vacancies internally and encourage staff to apply.
- ii. In the event that qualified staff cannot be identified internally, the organization will then seek candidates externally by way of advertising or any other suitable means.
- iii. In line with the Organization's policy of affirmative action for women, female employees will be given equal preference in recruitment and promotion when found to be as qualified as their male competitors.
- iv. The SACCO will have to comply fully with the employment legislation and other requirements of Kenya. All the recruitment activities shall be conducted as per the set policy. In addition, records shall be maintained in a way that meets best practice standards.

2.2 Recruitment and selection

Recruitment process will follow several steps including: Vacancy declaration, Job Description, Person Specification, Recruitment, Selection, Appointment and Induction.

2.3 Employment of relatives

Employment of relatives is not encouraged. If current staff becomes relative by virtue of marriage or where a relative joins the organization, the staff must declare the relationship immediately. Where two staff get married, one of them will be advised to leave the organization.

2.4 Job Advertising

Job vacancies may be advertised by the following means:

- i. internal notices posted in all SACCO' offices
- ii. notices in newspapers
- iii. any other means deemed appropriate

All advertisements will be based on the Job description of the position to be filled and will state the minimum level of education and work experience required, as well as any other special requirements.

2.5 Short-listing of Applicants

The short-listing of applicants will be done by an Ad-hoc committee constituted for that task by the Board.

2.6 Effective Recruitment procedure

Energy SACCO shall recruit and hire staff on the basis of qualifications alone. It is in the best interest of the SACCO that the people hired meet the requirements of the jobs they are hired to do. Efficient recruitment procedures shall therefore be applied.

The recruitment procedures shall comprise the following steps:

- i. A job description as the basis for recruitment
- ii. Qualifications are then matched against the job description
- iii. The positions are advertised, giving a concise description of the job and the qualifications

- iv. A short-list of applicants is drawn up
- v. Those short-listed are interviewed
- vi. The most qualified and suitable applicant(s) are offered the job
- vii. A letter of appointment is offered, stating a probationary period, as well as responsibilities, rights and privileges
- viii. After a successful probationary period, a Letter of confirmation is issued; confirming that the selected candidate is on permanent employment.

2.7 Interviews

The interview shall be carried out by an interviewing panel, the representation of which will reflect a gender balance. The panel shall consist of selected members of the Board and the Manager.

2.8 Reference Checks

- i. The engagement of any candidate is subject to the Energy SACCO obtaining satisfactory references from at least three responsible individuals. Where necessary, comments from previous employers and co-workers must be sought.
- ii. A prospective candidate should be informed at the time of the interview that reference checks will be sought from former employers.

2.9 Letter of Appointment

The letter of Appointments issued under clause 2.6(vii) shall at the minimum contain information on the terms of appointment, salary attached to the position, job description and the format prescribed in this policy as Appendix ...

2.10 Medical Fitness

For the purposes of the Energy SACCO's medical scheme, the prospective employees will be subjected to a medical examination before commencement of duty. Where there is evidence of poor performance or a concern regarding an employee's ability to perform due to illness, mental instability, poor eyesight, hearing or climatic effects, the SACCO, at its discretion, may require, from time to time, that an employee undergo a medical test of fitness. This would be in the interest to both the employee and the SACCO. The cost of and responsibility for such an examination will be undertaken by the ABC SACCO.

2.11 Job Placement and Induction

- i. The successful candidate will complete a personal history form (Appendix III A), an Employee Beneficiaries Form (Appendix IV) and Ethical Conduct/Conflict of Interest form (Appendix V) and submit it to the CEO together with a recent passport size photograph. These forms will be used for reference purposes.
- ii. Each newly hired employee is required to submit the following documents on the first day of reporting for duty:
 - a. NSSF membership card (if any)
 - b. Copy of the National Identity Card
 - c. NHIF card (if any)
 - d. Drivers license (if required)

- e. Copy of PIN registration certificate
- f. Four colored passport size photos, as well as three for each member of a family of 4 children and one spouse
- g. Bank account details specifying account number and branch
- h. If the employee does not have the documents, he/she doesn't have the documents will be given five days submit the requisite documents.

2.12 Job Orientation

The SACCO will provide a two-part orientation for each new employee at the commencement of employment: (i) an orientation of personnel, administration, and financial policies, and (ii) a job-specific orientation.

- i. General orientation: All new employees need orientation on the following:
 - a. SACCO's human resource, administration and financial policies
 - b. Introduction to SACCO's structure, investments and departments
 - c. SACCO's strategic plan, purpose, principles and Core values
- ii. All employees undergoing the orientation program will have to ensure that the orientation checklist has been duly completed by appending their signatures against each item. The depth of such orientation will depend upon the establishment level of the new staff member.
- iii. Job Specific Orientation: During the first month on the job, the new employee's supervisor will provide a job-specific orientation covering:
 - a. Discussion of job responsibilities
 - b. Introduction to other staff
 - c. Review of job specific issues
 - d. Review of job specific personnel policies and the code of conduct

2.13 Job Specification.

The Board shall prepare and regularly review the terms and conditions of service of the SACCO employees containing description of education, experience, and skills needed to perform a Job and corresponding salary grades and monetary values and annual increments, among other details.

2.14 Job Grading

It's SACCO's policy that all positions within the organization are grouped into job grades and salary structures. A grade description is a job class description as compared with a job description. Jobs are ranked and the salaries ranges are determined by the class of the job position within the SACCO.

The objectives for the job grading and salary structures are to:

- i. Ensure a rank order of job worth and a grade structure within the SACCO;
- ii. The grade structure is designed for an internally fair and equitable salary and grading structure.
- iii. The Energy SACCO broad grading system reflects the organization's policy of a flat organizational structure; each grading and salary level has a minimum and maximum salary. The details of the job grades and salary structure are contained in the Terms and conditions of services of the SACCO employees.
- iv. Regular review of the terms and conditions of service of the SACCO employees shall be carried every three years except in special peculiar cases that may warrant the review to be carried out earlier than the three years.

2.15 Staff retention and Exit

- i. Energy Sacco recognizes the need for a policy on managing staff retention and exit in a SACCO. The rate of staff turnover can be managed by putting in place some of these policies. Staff turnover refers to the movement into and out of an organization by the workforce.
- ii. The cost of leaving the organization includes;
 - a. Hiring costs of new staff, training and replacement process in general.
 - b. Lost trained and experienced staff with both system and clients.
 - c. Poor portfolio quality and SACCOs reputation.
- iii. How both management and board handle the staffs has an impact on the performance, retention and exit of staff. The staff as well as Board members can exit voluntarily or involuntarily.
- iv. This Policy aims to retain all capable staff and therefore all options to avoid termination of service of capable staff will be investigated prior to invoking the termination policies and procedures described.

3.0 STAFF DEVELOPMENT AND TRAINING

3.1. Steps in staff development

The management of SACCO is fully responsible for the development of the staff. The steps to be undertaken in achieving this are as follows:

- i. Identification of problems and difficulties in present activities to facilitate problem solving, to decrease mistakes, to improve quality of service
- i. Development of new activities or products, to facilitate implementation of new plans
- ii. Individual needs to develop professional proficiency, to support professional development and SACCO advancement
- iii. The SACCO management may meet the training cost by cost sharing with staff the costs incurred on relevant training and education.

4.0 PENSION/SOCIAL SECURITY

4.1 Provident fund

All permanent employees of Energy SACCO shall be entitled to pension upon retirement. It is a social obligation for the SACCO to arrange pension systems for employees. Pension for retired employees shall be arranged in the following way:

- i. Through contribution to a Provident Fund
- i. Through specially arranged pension schemes with a private insurance company
- ii. Costs for the Fund scheme shall be contributory both on the part of employee and the employer and shall begin upon confirmation of the employee.

4.2 Medical scheme

- i. SACCO shall provide medical coverage to all employees, covering a significant portion of the cost of medical treatment for employees and their immediate families (Spouse and children), and compensation in case of accidents.
- ii. SACCO' employees have a right to a basic medical scheme designed to provide equal coverage as much as possible.
- iii. To improve the management and reduce the risk of misuse of the scheme, SACCO shall have pre-selected a list of doctors, hospital, and chemists through whom employees may receive medical services as prescribed by the scheme.
- iv. While the scheme provides for cost coverage up to a defined annual maximum, employees should understand that this is not an additional form of compensation that they should try to exhaust every year.
- v. A SACCO's medical scheme and the cost of insurance premiums to the organization are based upon a normal average claim level according to the normal expected occurrence of illnesses and injuries.

4.2.1 Policy and Entitlement

- i. All SACCO' employees, their spouses and up to 4 legal dependents (children under the age 18 or 21 and still in school) are covered by the SACCO's Medical Scheme.
- ii. The medical coverage provided by SACCO is equal for all employees, regardless of their position within the organization.
- iii. SACCO will ensure to secure the best possible medical coverage for its employees as may be affordable.
- iv. The scheme covers medical treatment from pre-defined medical providers including doctors, hospitals, and chemists.
- v. The scheme will not cover the costs of medical treatment from any other medical provider not approved by the SACCO, unless an approved provider has, in writing, referred a covered individual for treatment by another provider, or when a covered person requires emergency specialized treatment.

5.0 LEAVE PROCEDURES

5.1 General Leave Policy

- i. **Entitlement** – Various categories of leave are included in the Energy SACCO's Human Resources Policy package to meet organizational and employee needs. However, employees should understand that at times their leave may have to be rescheduled, depending on work priorities.
- ii. Employees who are on probation are not entitled to claim any of the categories of leave, except for compassionate and sick leave.
- iii. **Calculation** – Leave will be calculated based on the Energy SACCO's fiscal year, and the accrual will be based on the number of complete months worked.
- iv. For ease of administration, the entire annual and sick leave entitlement shall be credited to the employee at the end of each financial year.
- v. Supervisors and their staff will determine the most convenient time within the financial year when leave may be taken.

- vi. **Combined leave** – Different types of leave will not be utilized in conjunction with each other. Three exceptions to this policy are:
 - a. Cases of documented continuing illness which may be covered first by sick leave, then by annual leave.
 - b. Maternity leave or paternity leave may be combined with annual leave for the year.
 - c. Compassionate leave for death or terminal illness of immediate family members may be combined with annual leave
- vii. **Leave application form** – Requests for all types of leave must be made through the established leave form

5.2 Annual Leave

- i. Annual leave is a universal employee entitlement to take time off from work. Annual leave entitlement will be pro-rated for each full calendar month of service.
- ii. New employees can only take leave upon successful completion of probation.
- iii. Each employee shall be entitled to a 30 day taxable leave allowance equivalent to One (1) Month Basic Salary that will be payable in December of every calendar year.
- iv. Employees' annual leave allotment will be credited in advance in their pay slip at the end of December. Employees can carryover a maximum of 15 days from one financial year to the next as per the conditions stipulated in this section under "Leave carry-over".
- v. All staff members are advised to plan their leave in advance so that it does not fall during a peak period for the programme of work activities in which they are involved.
- vi. It is recommended that all employees plan their annual leave with their supervisors at the start of each financial year. It is the employee's responsibility to plan his/her leave in such a manner that it is not carried over to the next year.
- vii. In the event that an employee's attempts at taking leave are frustrated by the supervisor, it will be the employee's responsibility to bring the matter to the attention of a higher-level supervisor or the Board

5.2.1 Annual leave application procedures

- i. Employees must obtain written approval for annual leave at least one month in advance of taking the leave. The employee should complete the leave application form and forward it to the supervisor for recommendation.
- ii. The supervisor should then forward it to the Executive Committee of the Board, who will approve it.
- iii. When an official holiday falls within the approved leave period, that holiday shall not be considered as part of annual leave. However, the employee already on leave must inform the office of his/her intention to stay on leave to cover for the holiday.
- iv. **Leave allowance** – Leave allowance is payable in the case of annual leave only. It is a taxable allowance managed through the payroll. It is payable in December, or in the following June to those who will not have completed six months by December.
- v. **Leave carry-over** – It is the employee's responsibility to utilize their annual leave. However, it is recognized that under certain circumstances, it may not be practical for staff to utilize all their leave days within a given fiscal year. In such cases, staff members will be allowed to carry over not more than 10 days into the next fiscal year. Otherwise, any days in excess of the 10 will be automatically forfeited.

- vi. Such carry-overs shall be initiated by the staff member by using Leave Carry-over Form
- vii. **Use of Annual Leave Credits** - In normal conditions, annual leave must be taken during the course of a calendar year. However, in exceptional circumstances, and with the approval of the Board, leave credits may be commuted to their cash value. If the resigned staff member(s) has served for at least one year. However, in cases concerning rank and file employees, annual leave credits may also be used to form part of the 1 months' notice provided that this is approved by the Board.

5.3 Sick Leave

- i. Sick leave is provided to cover illnesses that prevent an employee from attending work.
- ii. Any employee who is already on authorized annual leave must be hospitalized and documentation produced in order to charge sick leave entitlement as per existing policy/contractual guidelines
 - a. Any absence from duty beyond two days and is purported to be due to illness must be justified by the employee producing a medical certificate certifying incapacity to work, duly signed by a qualified medical practitioner.
 - b. In the absence of a doctor's certificate, the employee's absence will be treated as unauthorized leave.
 - c. All employees will be entitled to 15 working days sick leave per annum on full pay. After this, and if the employee is still unable to resume work, sickness will be charged to available annual leave, after which the employee may be away due to sickness on half pay for 15 days.
 - d. If at the end of the 15 days the employee is still unwell, he/she will be on leave without pay. The length of this period will be at the Board's discretion.
 - e. The Energy SACCO's Board reserves the right to terminate employment of an individual employee who has exhausted his/her sick leave entitlement as per the foregoing paragraph. This shall be subject to a medical report from a qualified medical practitioner. Such terminations will be within the legal guidelines governing a medically determined illness on being the cause for one's incapacity to perform duties.
 - f. An employee can accumulate up to a maximum of 45 sick leave days while in the SACCO's employment. However, there is no financial compensation for this at the time of separation from the organization.
- iii. **Procedure** – It is the employee's responsibility to inform his/her supervisor that he/she will be absent due to sickness. If the employee is unable to obtain prior approval for sick leave, he/she should arrange to inform the office by 9.00 am.
- iv. An employee who goes on sick leave without prior approval is expected to submit a sick leave application form on resumption of duty, supported by a doctor's note as necessary.

5.4 Sick Child Leave

- i. When an employee has a hospitalized child and there is need for him/her to stay with the sick child in hospital, then absence from duty will be charged to sick child leave, up to a maximum of 5 days per annum.
- ii. The Board reserves the right to request from the employee proof of having stayed in hospital with a sick child.

- a. Any excess days for this purpose will be deducted from the employee's sick leave entitlement and if exhausted, to the annual leave entitlement.
- b. If the employee has no sick or annual leave entitlement, he/she will be advised in writing that his/her excess days off will be charged to leave without pay.

5.5 Maternity Leave

A female employee will be entitled to maternity leave as follows:

- i. The Energy SACCO will observe the government of Kenya policy on maternity leave which gives 3 months with full pay.
- ii. Nursing mothers may take one hour off each working day for breast feeding. This will be arranged with the employee's supervisor and will be observed for two months after the employee has completed her maternity leave.
- iii. Expectant mothers may be recruited if they fulfil the requirements of the positions. Women so recruited will take their maternity leave following the laid down procedure. However, when they resume duty, they will be required to complete the remaining probationary period before they can be confirmed in their positions.
- iv. **Procedure** – All applications for maternity leave must be submitted in writing on the prescribed leave form.

5.6 Paternity Leave

- i. **Policy** – A married male employee shall be entitled to 14 working days paternity leave after his wife's delivery. This is only applicable to the wife registered under the Energy SACCO's medical scheme.
- ii. **Entitlement** – A married male employee will be accorded paternity leave without prejudice to his entitlement to full annual leave and is limited to three occasions during his tenure with the SACCO.
- iii. **Procedure** – All applications for paternity leave must be submitted in writing on the prescribed leave form.

5.7 Study Leave

- i. **Policy** – An employee pursuing a course approved/recommended by the Energy SACCO shall be granted 5 days leave per sitting to prepare and sit for examinations.
- ii. In the event that the examination period exceeds the allowable days, an employee shall apply for annual leave to cover the difference.
- iii. **Procedure** – All applications for study leave must be submitted in writing on the prescribed form through the applicable Supervisor.

5.8 Compassionate Leave

5.8.1 Policy

- i. Compassionate leave, also called emergency or bereavement leave, is granted to all employees when an immediate member of the family or relative dies or is terminally ill.
- ii. Employees are entitled to twenty (20) working days compassionate leave per annum.

5.8.2 **Entitlement** – All employees, including those on probation.

- i. **Procedure** – All applications for compassionate leave must be submitted in writing on the prescribed form through the applicable Supervisor. Such leave will not be deducted from annual or sick leave allocations, but extensions over and above the stated allocations may be approved and deducted from annual leave entitlement.
- ii. The Energy SACCO may require from the employee evidence of the death, e.g. a letter from the Chief or his assistant, or in the case of illness, a letter from a qualified medical practitioner which states that the illness is terminal.

5.9 Unpaid Leave

- i. **Policy** – Under special circumstances, and after due consideration, an employee with no leave to his/her credit may be authorized to proceed on leave. This will be treated as unpaid leave.
- ii. **Entitlement** – All employees.
- iii. **Procedure** – Leave without pay must be applied for and authorized in advance. The annual leave application procedure shall apply.

5.10 SACCO's Statutory Holidays

- i. **Policy** – SACCO will observe the official holidays of Kenya, and those that will be gazetted from time to time.
- ii. **Entitlement** – All employees.
- iii. **Procedure** – The Office will notify staff at the start of each calendar year and whenever such holidays are gazetted. A copy of such notifications will be sent to all branch offices.

6.0 Professional Ethics

Energy SACCO undertakes to enforce strict compliance to highest standards of professional and operational ethics in the conduct of SACCO affairs and in line with existing laws and guidelines.

6.1 Code of Conduct

6.1.1 Confidentiality of Information

At all times, employees shall keep confidential information relating to the Energy SACCO, including the sensitive activities and procedures of the SACCO.

6.1.2 SACCO Promotion

Without acting contrary to the stipulations in applicable laws of Kenya, all employees shall be expected to promote the Energy SACCO to all potential members in the market.

6.1.3 Employee and SACCO Security

Employees shall neither permit unauthorized persons to enter the office at any time, nor disclose office patterns, procedures or restricted information that would jeopardize the safety of co-workers or the Energy SACCO's resources.

6.1.4 Honesty

Employees must exercise honesty at all times. Examples of expected behavior include:

- i. The prudent use of SACCO resources such as cash, supplies and equipment.

- ii. Employees must exercise due care and reasonable risk management in protecting SACCO assets.
- iii. Not exhibiting criminal or similar behaviour that may jeopardize the value of assets or safety of other persons.

6.1.5 Professional Behaviour

All employees are to conduct themselves in a professional, businesslike manner at all times, whether in the office or while on SACCO business outside the office. Employees represent the Energy SACCO and therefore, they shall refrain from any behavior (during or after business hours) that would negatively impact the SACCO's image. This includes, but is not limited to the following:

- i. Promptness: Promptly responding to requests.
- ii. Courtesy: Being courteous, friendly and business-like at all times.
- iii. Punctuality and Keeping Appointments: Employees shall be punctual for work in general, and all meetings or appointments, whether in or outside of the office. An employee who anticipates being late should notify the CEO prior to the appointed time.
- iv. Noise: There shall be no shouting, loud noises or arguments permitted in the office.
- v. Alcohol and Other Drug Use

6.1.6 Absenteeism

Employees shall notify the CEO, when leaving the office during business hours and disclose:

- i. Destination;
- ii. Contact information; and
- iii. Anticipated time of return.

6.1.7 Prohibited Behaviour

Under no circumstances, shall employees be allowed to participate in:

- i. Sexual behaviour and harassment,
- ii. Physical or Verbal abuse,
- iii. Racial or Ethnic bias,
- iv. Religious discrimination,
- v. Criminal behaviour, or
- vi. Unprofessional conduct of any type.

6.1.8 Respect for Others

Employees shall treat all work associates, Leaders and Sacco members with respect at all times, regardless of employment status or position.

6.1.9 Alcohol and Other Drug Use:

- i. Alcohol: No alcohol is to be consumed at the Energy SACCO office at any time unless it is a special occasion, and only with the permission of the BOARD.
- ii. Non-Prescription Drugs: The misuse of non-prescription drugs is strictly prohibited.
- iii. Smoking: Smoking is not permitted within the office. If any employee is smoking, he or she needs to be aware of any existing legislation concerning smoking (as some prohibit smoking in some designated areas). Smoking breaks are to be kept to a minimum and the time used for such breaks shall be made up by the employee.
- iv. Chewing: Chewing tobacco, or similar substances is prohibited in the office. Employees shall respect similar rules of places they visit while conducting SACCO business.

6.1.10 Personal Hygiene

Employees are to follow good personal hygiene practices for both body and clothing at all times.

6.1.11 Attire

Employees are expected to dress in appropriate business attire at all times.

- i. Gentlemen: Men's in-office attire includes at a minimum: Smart, formal style with full-length trousers, collared shirt and appropriate shoes and socks.
 - a. A shirt and tie are to be worn during business hours, or if visitors are expected in the office. Exemptions can be made for field staff.
 - b. A blazer is recommended for more formal appointments and meetings.
 - c. On Fridays, dress down would be allowed provided that the attire is smart casual or Sacco T-shirt.
- ii. For ladies:
 - a. A dress or appropriate trouser/skirt suit outfit is required.
 - b. Jeans, sweat trousers (tracksuits) and athletic shoes are Not allowed other than weekends as long as no visitors are expected.

6.1.12 Telephone Use

Telephone calls are to be placed for business purposes only.

- i. Personal calls may be received occasionally but should be confined to important matters only.
- ii. Employees wishing to make a personal call must receive permission from the immediate supervisor. All employees and a designated employee shall maintain a log of all telephone calls made, including:
 - a. Date and Time,
 - b. Organization called,

- c. Person contacted,
- d. Telephone number.

6.1.13 Economizing

Employees are expected to maximize SACCO resources by economizing whenever possible, including, but not limited to the following:

- i. Ride-sharing to common or near-by destinations,
- ii. Purchase of reliable products at the least expensive prices,
- iii. Re-using office supplies when appropriate,
- iv. Limiting the use of office utilities, etc.

6.1.14 Visitors

- i. All visitors and callers shall be greeted promptly and courteously at all times.
- ii. Employees shall notify the immediate supervisor of any expected visitors to the Energy SACCO office.
- iii. Business visitors shall be strongly encouraged to set up an appointment before visiting the SACCO office to help preserve security at the office and minimize work interruptions.
- iv. All visitors to the office shall be asked to sign a visitor's register, in order to document the visits of non-employees. Employees are encouraged to make sure that all visitors make an entry in the register which includes the date of visit, time, name of visitor, company represented, who is to be seen and visitor's signature.
- v. Visitors include all non-employees including vendors, family members, donor organizations, NGOs, maintenance workers, delivery personnel, and others.
- vi. On rare occasions and with prior permission of the CEO, immediate family members may visit an employee. Immediate family is defined as spouse (or significant partner), parents, siblings and children. The employee is responsible to ensure that visitors do not disturb other employees or cause damage to the premises.

6.1.15 Reporting Violations

Employees shall promptly report any violations or suspected violations of these rules to the Manager.

6.1.16 Office Hours:

- i. A workweek is 40 hours.
- ii. Normal office hours are from 8:00 a.m. to 5:00 p.m., Monday through Friday.
- iii. Employee contracts also stipulate working on one of the weekend days from 8 a.m. to 1:00 p.m. if required by workload.

- iv. A one-hour lunch period is to be taken during the day at the convenience of the employee, consistent with his/her appointments and workload.

6.1.17 After-Hours Office Use

Employees wishing to use the office premises after normal business hours, on weekends or holidays must receive permission from the CEO before doing so.

6.2 Conflict of Interest

This policy covers those areas in which an employee's activities may be in conflict with the interest of the Energy SACCO's goals and operations. The following guidelines must be observed by all employees:

- i. The use of the SACCO's assets for any unlawful or improper purpose is strictly prohibited.
- ii. Any employee who possesses confidential information shall not disseminate this information to any other person while he/she is still working at the SACCO or after leaving the organization.
- iii. No undisclosed or unrecorded asset is to be established or maintained for any purpose.
- iv. No false entries are to be made in the books for any reason, and no employee shall engage in any arrangement that results in such a prohibited act.
- v. No payments are to be approved or made with the intention that any part is to be used for any purpose other than those described in the supporting documents.
- vi. No commission payments are to be authorized or made in excess of those required in the ordinary course of business.
- vii. No arrangements are to be made for undisclosed rebates either to the SACCO or any official, employee or member.
- viii. Employees may not engage in any other employment or work whose timings and interests conflict with their employment in Energy SACCO.
- ix. Supervisors are responsible for ensuring that no activity deemed to conflict with the interests of the SACCO occurs. They should report any cases of suspected conflict of interest to the Board

6.3 Policy on Corruption

For the interest of the SACCO, the members, the staff, and the officials shall not engage in any act of corruption. When discovered and proven guilty, such a person shall be excommunicated from the SACCO besides the necessary legal and administrative remedies commensurate with the offence committed.

6.4 Declaration on Wealth

The Energy SACCO's staff and officials are required, at any time and from time to time, to declare their wealth, including that of their spouses. This declaration of wealth shall be done in the interest of the Energy SACCO's development and corporate image.

6.5 Work Habits

All employees are required to adhere to and observe acceptable work habits, including:

- i. Is on time to work
- ii. Is present at work and doesn't exceed leave days
- iii. Informs others regularly on status and progress of work
- iv. Consistently meets deadlines
- v. Identifies and plans for own learning needs

7.0 DISCIPLINE

7.1 Disciplinary code

The Energy SACCO disciplinary Code (refer to the section on code of conduct) states that actions shall be taken in case of offences committed by employees against the Code of Conduct. Disciplined behaviour assists in the accomplishment of the objectives of the organization and promotes the well-being and harmony of the individuals. It shall be applied in the following manner:

- i. In connection with induction programmes, the disciplinary code shall be introduced. The purpose is to acquaint employees with the consequences of various offences against the Code of Conduct in such a way that an employee would not later plead ignorance.
- ii. The disciplinary code shall be applied for corrective purposes. When an employee commits an offence, the employee shall be corrected in accordance with the code. This means that on the part of those who shall apply the code:
 - a. That thorough investigation into each alleged offence shall be carried out.
 - b. That clear evidence of guilt shall be presented and that all circumstances of the case shall be taken into careful consideration
- iii. Disciplinary action shall always be prompt, fair and firm. Any delays in dealing with a problem will breed gossip and resentment. Unfair and inconsistent treatment is a disgrace to the Energy SACCO. Equal treatment of the employees should always be considered.
- iv. The disciplinary proceedings shall progress in increasing order of severity according to the following levels, each one related to the offence committed:
 - a. **Unrecorded oral warning:** A supervisor shall, at his/her discretion, reprimand an employee for a first offence e.g. lack of punctuality, minor negligence, endangering property, careless work performance and other minor offences. No entries shall be made in the personal record of the employee at this stage.
 - b. **First written warning:** This shall be applied in case of repetition of an offence for which an oral unrecorded warning has been given, or shall be applied for a first severe offence like absenteeism, loss, damage or misuse of co-operative property, disobedience, abuse of co-worker or disorderly behaviour. This shall be done by the supervisor and copied to the Board.
 - c. **Second written warning:** This shall be applied for the repetition of the same offence as in the previous case, or an offence of similar severity during the period (12 months) when the first written warning is still in force. It shall be issued according to the same procedure as in the previous case.
 - d. **Third written and final warning:** This shall be applied for a repetition of the same offence as the previous case or an offence of similar severity during the period when a second warning is still in force. It shall be issued according to the same procedure as in the previous case.
 - e. **Formal complaint:** This will be applied when the previous warnings have not contributed to correct the behaviour of the employee, or when an offence of such severity has been committed by an employee that the previously listed procedure would be inappropriate. A formal complaint shall be submitted to the Board by the offender's supervisor and his/her superior shall lead a disciplinary hearing which will be conducted under special rules and regulations.

7.2 Offences against the Code of Conduct

Offences against the Code of Conduct shall be reported to and dealt with by the Board of Directors.

7.2.1 Disciplinary Hearing

- i. A Disciplinary Hearing Committee composed of members of the board and senior management shall be convened to deal with severe cases of indiscipline in order to protect the interest of the SACCO.
- ii. It is reiterated that the interests of the Energy SACCO are protected at all times. This should be done in such a way that there should be no prejudices, preconceived concepts or biases influencing the disciplinary hearing.
- iii. Fairness and preservation of continued good disciplinary standards will be observed.
- iv. Generally, the disciplinary action shall be taken under the following circumstances:
 - a. Unauthorized repeated and inexcusable absence from duty.
 - b. Repeated inexcusable refusal to obey legitimate orders and instructions.
 - c. Insubordination
 - d. Intolerable rudeness in general behaviour
 - e. Being under influence of alcohol or drugs while on duty
 - f. Taking or converting for personal use any property belonging to the SACCO
 - g. Willful or negligent damage to any property of the SACCO.
 - h. Failure to account for funds, money or assets belonging to the SACCO and/or misappropriation of the same.
 - i. Any criminal offence committed, which results in conviction in law
- v. **Procedure** – When the Board receives a formal complaint from an employee, it shall immediately constitute a Disciplinary committee. The committee should comprise the Vice Chair of the Board (chairman), the CEO or Head of Section under whom the employee works and two other members selected from the Board.
- vi. The Disciplinary committee will investigate the case carefully and record in writing all statements from the supervisor, the employee and any other witness.
 - a. The formal disciplinary hearing shall be held as soon as possible.
 - b. The chairman, after a thorough analysis of the hearing, shall inform the employee about the charge(s) against him/her and ensure that it is fully understood.
 - c. The employee shall be given a chance to answer to the charge(s) and make comments.
 - d. The employee upon his/her wish shall be allowed to make any further evidence relevant to the proceedings.
 - e. The chairman can be allowed to adjourn the hearing to allow further investigation.
 - f. After the hearing, the employee shall be informed to wait, for not later than 7 days for the committee's decision in writing.
 - g. A majority within the committee shall decide on the employee's guilt or innocence.
- vii. If the employee is found guilty, the committee shall decide on the disciplinary action to be taken and the following should be considered:
 - a. The nature of the offence
 - b. The offender's record of service and disciplinary record
 - c. Any moderating circumstances
 - d. Current practices

- viii. The following penalties may be applied:
- a. Suspension for a certain period without pay
 - b. Reduction of salary
 - c. Demotion
 - d. Resignation, and if the employee fails to resign, he/she shall be dismissed.
 - e. All the proceedings of the disciplinary committee shall be recorded in the employee's personal file.
 - f. Cases of indiscipline involving high levels staff shall be dealt with by the Board of Directors in a manner to be decided by them.

7.3 Grievance procedure

- i. The Energy SACCO shall have a well-defined procedure through which an employee can express grievances. The SACCO shall recognize the value and importance of democracy, discussion, debate and criticism. Every effort shall be made to respond to the complaints and grievances as expeditiously as possible.
- ii. Depending on the type of grievance and the preference of the employee expressing it, grievances shall be dealt with openly or confidentially.

8.0 TERMINATION OF EMPLOYMENT

8.1 Termination of employment Contract

- i. A staff employment contract at the Energy SACCO may be terminated in the following instances:
 - a. Resignation
 - b. Involuntary Termination
 - c. In the event of redundancy- refer to Employment Act
 - d. On grounds of ill health, as advised by a medical officer appointed by the organization
 - e. As a result of early or normal retirement
 - f. For any breach of the contract or code of conduct.
- ii. An employee of the SACCO may leave the employment of the SACCO using the following means:
 - a. Voluntary Resignation (by the Employee)
 - b. Advance Resignation Written Notice
 - c. Termination of Employee Services (Involuntary separation)
 - d. Retrenchment or redundancy

8.2 Resignation

- i. **Policy** – Employees may resign after a 30 days' notice. Any employee wishing to resign should submit his/her resignation in writing to the Secretary of the Board, with copies to his/her supervisor stating the reasons for resignation and the effective date.
- ii. Failure by the employee to provide a 30 days' written notice of intent to resign from the organization may result in the employee forfeiting the equivalent of one month's salary.

- iii. Employees who resign with proper advance notice as explained above will be entitled to all accrued benefits, leave and pension as may be applicable.
- iv. The employee's decision to resign will be considered final by the SACCO, unless the employee is under investigation for misconduct, in which case the Board may decide not to accept the resignation.
- v. Employees on probation may resign at any time without giving reasons, but must give 24 hours written notice or the required notice as may be stated by the appointment contracts.
- vi. **Procedure** – The organization, after accepting the resignation, may release the employee at any time during the notice period, and pay the employee her/his dues up to the end of the notice period.
- vii. If any staff fails to give the notice in writing within the time frame, He/she shall pay in lieu an equivalent of the period requirement total salary and all dues upon the acceptance of his or her resignation.
- viii. Acceptance of the resignation will be confirmed in writing by the Board Secretary once the decision has been made.

8.3 Termination

- i. **Policy** – Termination of the employment contract occurs for a variety of reasons, such as lapse of contract, completion of task, death of the employee, retirement, medical grounds, resignation, misconduct and redundancy.
- ii. The official termination date is the last day worked, unless otherwise noted. The Board reserves the right to terminate the contract of an employee on disciplinary grounds (including, but not limited to neglect of duty, misappropriation of the organization's assets, gross misconduct, conflict of interest and poor performance) at any time before the expiry of the contract period.
- iii. **Entitlement** – An employee whose services are terminated will be entitled to terminal benefits applicable to her/his terms of service, unless summarily dismissed.
- iv. **Probation Employee Termination:** The services of an employee on probation may be terminated by the SACCO for any reason. The employee will be given 24 hours' notice by the Organization. Probation employees are not entitled to accrued benefits.
- v. The SACCO can terminate employee services after all the alternatives have been investigated, or if there are serious resource constraints or other causes beyond the control of the organization.
- vi. No termination will be effected for an employee on legal maternity or paternity leave.

8.4 Other Grounds for Termination

8.4.1 Closure of SACCO operation

In the case of closure of the Energy SACCO, the employment of all staff will be terminated. One month's notice of such termination, or payment in lieu of notice, will be given.

8.4.2 Elimination of a position

Employment may also be terminated by the Board or his/her designate at his/her discretion as a result of the abolition of a office or the completion of a project, by giving the affected staff member one month's notice or payment in lieu of notice.

8.4.3 Gross Misconduct

Where an employee has committed gross misconduct and the Organization is entitled to summarily dismiss him/her, the Board may, at its discretion, reduce such dismissal to normal termination by giving the employee the relevant contractual notice or payment in lieu thereof.

8.4.4 Poor Probationary Period Performance

During the probationary period, the services of an employee may be terminated by either party giving a 24 hour written notice. The services of a casual employee may be terminated without prior notice.

8.4.5 Poor performance

An employee's contract will be terminated when he/she receives an annual performance appraisal rating of poor consistently for two years. The employee will receive final benefits as per policy.

8.4.6 Death

- i. The termination of a deceased employee will be effective from the date of death. Any payments due to the deceased will be made to the beneficiaries stated in the Employee Beneficiaries Form, completed and duly signed by the employee while in employment.
- ii. **Entitlement** – An employee whose services are terminated will be entitled to terminal benefits applicable to his/her terms of service, such as salary to date, notice pay, accrued leave balance, accrued benefits and pension.

8.5 Summary Dismissal

- i. **Policy** – An employee who breaks the Energy SACCO's established code of conduct will be subject to disciplinary action which may take the form of summary dismissal. Summary dismissal results from gross misconduct.
- ii. **Entitlement** – Employees who are summarily dismissed will not be entitled to any of the Organization's terminal benefits except:
 - a. Payment for the days worked up to time of dismissal.
 - b. Payment for any accrued leave days not taken up to the time of dismissal.
 - c. Pension contributions where applicable
- iii. Any outstanding advances or losses incurred or caused by the employee to the organization will be deducted from the final payments.
- iv. **Procedure** – Upon the Board concluding that an employee has committed gross misconduct leading to dismissal, a communication to that effect will be made in writing.

8.6 Retirement

- i. The retirement age of the Energy SACCO shall take effect upon employees attaining the age of 60 years. The retirement age of the public officers according the law of Kenya shall apply.
- ii. Employees may choose to take an early retirement subject to the acceptance by the organization. The procedure applicable for resignation from employment shall apply.
- iii. Each retiring employee shall be entitled to his/her terminal benefits applicable to his/her terms of employment.

8.7 Redundancy

- i. **Policy** – Employees may be made redundant by the General Manager due to an activity reduction, or if the position becomes redundant due to official structural realignment. The appropriate laid down procedure by the Employment Act will be adhered to.
- ii. **Entitlement** – The employee will be entitled to redundancy benefits provided for in the Employment Act.

8.8 End of Contract

- i. **Policy** – Employees may separate from employment with the organization if either party has no desire to renew the contract at the end of the contract period. For this purpose, either party shall give at least one month written notice of intent not to renew the contract.
- ii. **Procedure** – An equivalent of one month's salary in lieu of notice will be paid by either party where the notice is not given.
- iii. **Certificate of Service** - An employee will be entitled to a certificate of service upon separation from the organization.
- iv. **Exit Interview Form** - The SACCO shall encourage employees separating from the organization to fill the exit interview data sheet and questionnaire

8.9 Retrenchment

- i. When an employee is in breach of the terms of contract or code of conduct, or commits a serious wrong doing the Energy SACCO may terminate the contract immediately without giving notice or any compensation in lieu as specified in employee contract, or statutory notice.
- ii. When an employee is to be retrenched from a job level/category due to resource constraints, the SACCO will ordinarily retrench the last person that was employed in that category, unless for other reasons recorded in writing (i.e. prior agreements, contracts or performance issues take precedence).
- iii. The employee will be given one month/s notice in writing indicating the reasons for retrenchment or the employee will be paid in lieu of such notice, wages or salary for the period of the notice;
- iv. The retrenched employee is to be issued with a certificate of service;

8.10 Clearance of Accountabilities

After the staff member has filed the written notice of resignation and prior to the effective date of resignation, he/she must clear all accountabilities and other responsibilities with the organization. All SACCO properties, documents including an identify card, records and other assets in the staff member's custody must be surrendered not later than one day immediately preceding the effective date of resignation for the issuance of clearance.

8.11 Termination Benefits

Benefits paid upon an employee's termination depend on whether the termination was voluntary or involuntary. Terminal benefits will be calculated based on the last months consolidated salary. Following is a summary of benefits:

- i. Voluntary (Assumes proper notice has been given):

- a. Payment of unused Leave time;
 - b. Salary through the last day worked;
- ii. Involuntary:
 - a. Medical Allowance paid through the last day of the month worked.
 - b. Salary through the last day worked.
 - c. In accordance with the contract, the employer may pay or the employee may lose some period (e.g. 1 month) salary in lieu of notice.

In summary the employee upon confirmation be on permanent basis will be supposed to inform the SACCO with the details of his/her next of kin so that his/her benefits can be daily paid to them in case of anything.

9.0 WORKING CONDITIONS AND CARE OF PROPERTY

9.1 Office Security:

Employees are expected to use due diligence and to protect the office interior and exterior, including the floors, walls, woodwork, common and other areas. In particular:

- i. Employees shall support the security of the office by ensuring that all windows, desk drawers, cupboards, files, doors and all places where the Energy SACCO properties are kept under lock when not occupying the office.
- ii. Sensitive documents are to be stored in lockable place.
- iii. Duplicate copies of all keys are to be kept in a safe place or be given to the manager.

9.2 Performance Appraisal

- i. All Sacco employees will be appraised every year.
- ii. The CEO will appraise the staff under his/her charge. Appropriate appraisal form to be filled.

9.3 Reporting Inappropriate Conditions

Employees are to promptly report, to the manager, any unsafe, unsound or inappropriate conditions that may pose a danger to SACCO employees.

9.4 Kitchen Use

- i. Employees are permitted to use the SACCO's facilities, including the dishware and other equipment provided that the employee maintains the tea area in a clean and orderly condition.
- ii. Employees are required to promptly clean up dishes, discarding unwanted food, and the cleaning of any spills, etc.

9.5 Food/Beverages in Offices

- i. All employees may drink beverages at their desks provided they clean up their work areas when finished.
- ii. Employees in private offices may take lunch at their desks, provided no visitors are in the office.

9.6 Work Areas

- i. Employees' work areas are to be clean and organized at all times.
- ii. Special attention should be given to work areas when visitors enter the ABC SACCO office.
- iii. Employees are also required to support the maintenance of common areas of the office to ensure that they appear professional at all times.

9.7 SACCO Equipment and Supplies

- i. All equipment is to be kept in the Energy SACCO office unless specific permission is given by the Manager to operate the equipment outside the office for short periods of time.
- ii. Office equipment is to be used for business purposes only.
- iii. Equipment includes computers, fax machines, photocopiers, printers, scanners, office furniture, etc.
- iv. Employees are to exercise care at all times when using SACCO equipment. This includes using due diligence when using the equipment, including using it properly and protecting it from potential hazards, including theft.
- v. Supply orders are to be placed with the Manager, who is responsible for placing the order, negotiating discounts and safeguarding the inventory.
- vi. Employees are encouraged to notify the Manager of any anticipated shortages.
- vii. Employees shall promptly report malfunctioning equipment and vehicles to the manager so that defective equipment may be repaired in a timely fashion.

9.8. Overtime:

- i. All employees may be called upon to work overtime as needed.
- ii. As such, hours worked in excess of 40 hours per week shall be compensated.
- iii. Compensatory Time Off:
- iv. The Manager may grant compensatory time off for overtime work.
- v. The compensatory time off computation shall be at the discretion of the Manager.
- vi. Salary Deductions and Contributions
 - a. Salary Deductions: The Energy SACCO shall deduct from employee salaries:
 - b. Any deduction amounts authorized by any written law in force during the employment period.
 - c. Any amount due as a contribution to a provident fund or superannuation scheme or other scheme approved by the SACCO.
 - d. A reasonable amount for any damage done to, misuse or loss of, any SACCO property occasioned by willful default of an employee.

- e. An amount not exceeding one day's wages for each whole day the employee is absent, from the SACCO premises or work, without leave or other lawful cause.
- f. An amount of any shortage of money arising through negligence or dishonesty.
- g. Any amount due to indebtedness to the SACCO.
- h. Any amount paid to the employee in error as salary in excess of the amount of salary due to him/her in previous periods.
- i. Any amount in which the SACCO has no beneficial interest, which the employee has requested the SACCO, in writing, to deduct from his/her salary.
- j. Any other deductions resulting from court orders.

9.9. Salary Deductions and other Benefits

Notwithstanding the provisions of any other written law, the total amount of salary deductions at any one time, shall not exceed one third (1/3) of the employee's basic salary.

9.9.1 Benefits for SACCO Employees

The following benefits shall be paid to the Energy SACCO employees:

9.9.2 Consolidated Salary

- i. Travel allowance;
- ii. Housing allowance;
- iii. Overtime pay when applicable
- iv. Contract bonus for performance

9.9.3 Travel Allowance

Travel allowances shall be paid to employees traveling outside the SACCO's area of operation for accommodation, meals and incidentals:

- i. Meals and Incidental Expenses (M&IE): A fixed allowance shall be paid for meals and incidental expenses, the amount of which shall be set by the BOD periodically. These shall not require receipts.
- ii. Travel Advance: If employees take a travel advance, it must be settled immediately upon return.

9.10 Staff Membership to the Energy SACCO

- i. All employees are encouraged to become members of the SACCO.
- ii. Through this membership, employees may save and borrow as needed.

Signed by:

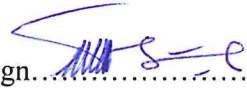
Chairman:

Name..... Paul N. Muthi Sign.  Date. 20/2/2024

Secretary:

Name..... Stella Ndumi Sign.  Date. 20/2/2024

Treasurer:

Name..... Tom D. Oloo Sign.  Date. 20.02.2024

