

MINUTES OF THE 46TH KENIC BOARD MEETING HELD ON 26TH JANUARY 2011 AT 8.00 A.M. AT THE KENIC BOARDROOM

PRESENT

Ms. Alice Munyua (Chairperson)
Mr. Ali Hussein
Mr. Michael Katundu
Mr. Charles Nduati
Mr. Moses Kemibaro
Mr. Joseph Kiragu (Administrative Manager)
Mrs. Lucky Kulecho (Secretary)

ABSENT WITH APOLOGIES

Mr. Charles Njoroge
Mr. Sammy Buruchara

The chairperson called the meeting to order at 8.15a.m. on the realization of quorum.

MINUTE 403/46/2011 NOTICE OF MEETING

Notice of the meeting was taken as read.

MINUTE 404/46/2011 AGENDA

The agenda was adopted as proposed.

MINUTE 405/46/2011 CONFIRMATION OF MINUTES OF THE 45TH BOARD MEETING

The Minutes of the 45th full Board meeting were confirmed and adopted as a true record of the deliberations.

MINUTE 406/46/2011 MATTERS ARISING FROM MINUTES OF THE 45TH BOARD MEETING

Minute 397/45/2011-Matters arising from minutes of the 43rd Board meeting

The Chief Executive Officer (CEO) informed the Board that draft correspondence to Nominet, Auda, CIRA and the Brazilian registry had been prepared and circulated to Directors Munyua and Nduati for review before dispatch.

He added that he would propose KENIC to act as secretariat for dot africa at the AfTLD Board Retreat scheduled for 28th -29th January 2011.

The CEO also explained that the position paper to lobby legislative changes on administration of domain names was not yet complete. The Board reiterated the urgency of the matter and requested him to ensure that a draft was sent out for Board review and comments on 31st January 2011.

Minute 400/45/2011- Consideration of the 11th Finance Committee Meeting.

The CEO explained that following the communication of the accounting software tender award, an initial meeting with DewCis had been held on Friday 21st January 2011 to start off the work.

The Board Paper with cost benefit analysis of recruiting versus outsourcing the internal audit function would be developed and tabled during the next Finance Committee meeting.

Minute 402/45/2011- AOB

The CEO committed to tabling the Investment policy for discussion at the next Finance Committee meeting. The Board also tasked Management to seek clarification from Amana Capital on whether there were withdrawal and custodial costs attendant to KENIC’s investment.

The CEO added that Board Papers on Travel imprest and accreditation of foreign registrars would be tabled for discussion at the next Finance Committee meeting.

MINUTE 407/46/2011 CONSIDERATION OF THE MINUTES OF THE 5TH HUMAN RESOURCES COMMITTEE MEETING

The Chairperson of the Committee took the Board through the Minutes, which covered the shortlisting interview for position of Marketing and Communications Manager.

He explained that the Committee interviewed the 10 shortlisted applicants, testing applicants’ personality, technical and professional competence and capacity to forge and manage relevant partnerships. The Committee members individually assessed the applicants out of 35 and the results were as follows:

Candidate No.	Name	Total marks (out of 245)	Position
1	Andrew N. Njoroge	103.5	9
2	Brenda Wawire	158	4
3	Charles Nyiro	154.5	5
4	David Ithau Wambua	202.5	1

5	Dick Waswa	179.2	2
6	Edward Omuse	92.5	10
7	Francis Kodhiambo	140.5	6
8	Emily B. Menge	107	8
9	Catherine Kiguru	132	7
10	Mercy Njuguna	159	3

The Committee had resolved to recommend the best four candidates for interviewing by the Board, noting that the third and fourth candidate were only one mark apart.

After deliberations, the Board adopted Minutes of the 5th Human Resources Committee meeting.

MINUTE 408/46/2011 INTERVIEWS FOR MARKETING AND COMMUNICATIONS MANAGER

The Board noted that only three of the four applicants invited for the interview had confirmed attendance. The Board further noted that the hiring consultant, IDP-EA, was in the process of carrying out the applicant’s reference checks.

The Board interviewed the three applicants who were assessed by each Board Director out of 35. Results of the interview were as follows:

Candidate No.	Name	Total marks (out of 245)	Position
1.	David Ithau Wambua	214.8	1
2.	Dick Waswa	192.7	2
3.	Brenda Wawire	85.5	3

After due deliberation the Board resolved to appoint Mr. David Wambua as the new Marketing Manager. The Board also directed that M/s IDP-EA should conduct reference checks for the best two applicants and clarified that Mr. Wambua’s appointment would be subject to positive references.

MINUTE 409/46/2011 CONSIDERATION OF THE MINUTES OF THE 6TH HUMAN RESOURCES COMMITTEE MEETING

The Chairperson of the Committee took the Board through the Minutes. He explained that Management had received and analyzed quotations from three underwriters each, for the Work Injury Benefits Act (WIBA) plus and the Corporate Travel covers.

A summary of the evaluation is as follows:

WIBA PLUS INSURANCE			
	Chartis	UAP	ICEA
Benefits for Death/Permanent disability	8 years earnings	8 years earnings	8 years earnings
Temporary Incapacity	Actual earnings upto 52 weeks	Weekly earnings but not specified	No details
Medical expenses	Kshs.100, 000 per person	Kshs.100, 000 per person	No details
Funeral expenses	Kshs.30, 000 per person	Kshs.100, 000 per person	No details
Excess:	WIBA: Kshs.10, 000 GPA:	Kshs.5, 000 for each claim except the funeral expenses claim	No details
Premium	Kshs.206, 803	Kshs.127, 970	Kshs.205, 627

CORPORATE TRAVEL INSURANCE							
CRITERIA		Chartis		Heritage		UAP	
PREMIUMS	<i>Score</i>	<i>USD</i>	<i>Score</i>	<i>USD</i>	<i>Score</i>	<i>USD</i>	<i>Score</i>
1-6 Days	10	38.00	10.00	38.00	10.00	42	9.05
7 -14 Days	10	90.00	9.44	85.00	10.00	98	8.67
Others						Daily \$7 (Min 28)	
Premiums Payment core	20	19.44		20.00		17.72	
BENEFITS	<i>Score</i>	<i>USD</i>	<i>Score</i>	<i>USD</i>	<i>Score</i>	<i>USD</i>	<i>Score</i>
Medical Injury	15	200,700.00	15.00	200,000.00	14.95	185,000.00	13.83
Accidental death	5	25, 000.00	5.00	25, 000.00	5.00	15,000.00	3.00
Permanent Disability	5	25, 000.00	5.00	25,000.00	5.00	30,000.00	6.00

Accompanying Family Member	5	3,500.00	3.50	3,500.00	3.50	5,000.00	5.00
Return of Accompanying Children	5	3,500.00	3.50	3,500.00	3.50	5,000.00	5.00
Return of Travel Companion	5	3,500.00	3.50	3,500.00	3.50	5,000.00	5.00
Legal Assistance Abroad	5	1,000.00	5.00	1,000.00	5.00	1,000.00	5.00
Return of Mortal Remains/ Burial Expense	5	20,000.00	2.00	20,000.00	2.00	50,000.00	5.00
Coffin Expenses	5	750.00	5.00	750.00	5.00	0.00	0.00
Medical Evacuation \$ Repatriation	10	20,000.00	4.00	20,000.00	4.00	50,000.00	10.00
Cancelation & Curtailment	5	1,500.00	3.75	1,500.00	3.75	2,000.00	5.00
Excess	5	150.00	5.00	0.00	0.00	0.00	0.00
Personal Liability on Board (Material/ Bodily damage)	10	100,000.00	6.67	100,000.00	6.67	150,000.00	10.00
Hijack Public Conveyance	5	200,000.00	5.00	500.00	0.01	7,500.00	0.19
Benefits Score	90.00		71.92		61.88		73.01
TOTAL SCORE			91.36		81.88		90.74

Having deliberated on the evaluations, the Committee recommended to the Board to approve award of the WIBA Plus cover to M/s UAP at their rate of 0.75% and the Corporate Travel Insurance to M/s Chartis Insurance Company at their prevailing rates.

The Committee further noted that the quotations for WIBA Plus would increase given KENIC's salary reviews, and hence recommended for Board approval that Management obtains revised quotations based on UAP's rate of 0.75%.

In respect of the performance contracts, the Committee noted that the performance contract commitments as presented:

- Were not specific, measurable, accurate, realistic and time bound;
- Had a disconnect with the strategic plan; and
- Lacked details on how targets are to be met, to enable tracking and evaluation.

After deliberation, the Committee resolved that the performance contracts be revised to address the foregoing concerns. The Committee also recommended that the Board meets with the Strategic Planning consultant on 3rd February 2011 from

noon, for a training session and to finalize development of the performance contracts.

Further, pending review and execution of the performance contracts, the Committee recommended implementation of the salary reviews approved at the 43rd Board meeting with effect from the month of January 2011.

The Chair of the Committee also explained to the Board that the Committee had noted the need for immediate recruitment of a substantive Chief Executive Officer to lead and take responsibility for implementation of the strategic plan. In this regard, the Committee recommended to the Board to approve:

- i) A review of Minute 379/43/2010 where the Board had approved that the Administrative Manager acts as the CEO for a period of six months, during which time he would be assessed on agreed performance targets and in the event that the targets are not met within the period, the position be advertised for competitive recruitment;
- ii) Changes to the HR policy, to allow for recruitment through internal advertisement before advertising externally;
- iii) Commencement of the recruitment process in February 2011;
- iv) That the Administrative Manager acts as CEO for four (4) months with effect from January 2011 as the recruitment process proceeds. During this period the acting CEO should earn an equivalent of the CEO's probation salary;
- v) That going forward a three (3) months' notice or one (1) months' salary in lieu should be applicable to the termination of services of or resignation by a CEO.

After due deliberation the Board approved Minutes of the 6th HR Committee meeting and the recommendations therein.

MINUTE 410/46/2011 ANY OTHER BUSINESS

1. The Board noted that KENIC's quest for tax exemption was on course, and that the Ministry of Information and Communications had generated a letter to the Treasury on the matter.
2. The Board sought information on the bank account that was being operated by KENIC in respect of the ICANN event. The Board tasked the CEO to present a brief on the account and avail the bank statements to the Finance Committee. The Board also resolved that sums held in the account be set

aside as start up revenue for the upcoming Internet Governance Forum to be hosted by Kenya.

There being no other business, the meeting ended at 12.20 p.m.

Confirmed on this _____ day of _____ 2011.

Alice Munyua
For: Chairman

Lucky Waindi
Secretary