UNIVERSITY OF NAIROBI
PENSION SCHEME 2007
MEMBERS EDUCATION
JUNE 2016
UPDATES FROM THE SCHEME
Introduction

• I welcome you all to the 2016 Members Education.

• The Trustees will be going round all the colleges for the purpose of carrying out members education.

• The following is the program for this year’s members’ education,
<table>
<thead>
<tr>
<th>Item</th>
<th>Time</th>
<th>Facilitator</th>
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</thead>
<tbody>
<tr>
<td>Introduction and Updates on the Pension Scheme</td>
<td>12.30 p.m. – 12.45 p.m.</td>
<td>Chairman - BoT</td>
</tr>
<tr>
<td>Personal Financial Management</td>
<td>12.45 p.m. – 1:30 p.m.</td>
<td>Alexander Forbes Financial Services</td>
</tr>
<tr>
<td>Questions &amp; Answers</td>
<td>1.30 p.m. – 1.45 p.m.</td>
<td>Chairman - BoT</td>
</tr>
<tr>
<td>Vote of Thanks</td>
<td>1.45 p.m.</td>
<td>Representative of College/Campus</td>
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Board of Trustees

- Mr. M. Adala – Chairman, Rep. Non-Teaching Staff
- Prof. P.M.F. Mbithi – Rep. Council (VC)
- Dr. S. Advani – Rep. Council
- Prof. G.A.O. Magoha – Rep. Teaching Staff
- Dr. S. W. Luketero – Rep. Teaching staff
- Dr. G. Kiringa – Rep. Non-Teaching Staff
Elections for Teaching Member Trustees

• The second and final terms for Dr. W. Nyangena and Prof. P. G. O. Weke Teaching member Trustees expired on 5th October 2015 and 6th May 2016 respectively.

• Elections for Teaching Member Representative Trustees were conducted at the different times

• Prof. G.A.O. Magoha was elected to replace Dr. Nyangena while Dr. S. W. Luketero was elected to replace Prof. P.G.O Weke.

• They will each serve for a term of three years.
The members of the Secretariat have remained as follows: -

- Mrs. T. K. Alyela: Scheme Administrator
- Mr. C. O. Otage: Scheme Officer
- Mr. J. K. Kariuki: Scheme Accountant
- Mrs. F. Munyao: Office Admin/Driver
**Service Providers**

- **The Trustees are fully responsible for managing the Scheme in accordance with the Trust Deed and Rules.**
- **However, the Trustees are required under the law to engage services of various service providers while carrying out their duties.**
- **The following are the current Scheme’s service providers:**
  - **Fund Managers**: Gen Africa & Pine Bridge Investments
  - **Custodians**: Standard Chartered Bank.
  - **Actuary**: Alexander Forbes Financial Services
  - **Lawyers**: Kaplan & Stratton
  - **External Auditors**: Kenya National Audit Office
Rate of Return

• Rate of return declared by Trustees for the financial year ending 30th June 2015 was 8.5%.

• The Scheme had fully utilised the reserve fund in the previous years to augment the rate of return declared to members.

• The Trustees together with the fund managers are working closely to ensure members get the best rate of return every year.
Fund Value

• The Trustees have continuously adhered to prudent investment strategies within the approved guidelines provided by the Retirement Benefits Authority (RBA).

• As at 31st March 2016 the Scheme’s fund value stood at KShs. 13,582,990,189.28.
Investment Portfolio as at 31.3.16

- **Cash & Fixed Deposits**: 9%
- **T-Bills**: 8%
- **Kenya Govt Securities**: 33%
- **Property**: 13%
- **Shares**: 30%
- **Corporate Bonds**: 7%
Scheme’s fund growth: 2007 to 2015
Benefits Payable by the Scheme

- Normal Retirement Benefits
- Early Retirement Benefits
- Retirement on ill Health
- Death Benefits
- Withdrawal Benefits
Additional Voluntary Contributions (AVCs)

- Members are encouraged to make AVCs in order to enhance their benefits.

- AVCs together with accrued interest are payable in full whenever members exit from the Scheme. [i.e. AVCs are not subject to the requirement of “1/3rd lumpsum and 2/3rd”].

- Members wishing to make AVCs should write a letter to the Finance Officer, stating the amount to be deducted, and giving a copy of the letter to the Scheme Administrator.
Nomination of Beneficiary Forms

• Members are advised to complete the nomination of beneficiaries’ form and update them regularly so that in the event of death it makes it easier for benefits to be processed and disbursed to their beneficiaries.

• Nomination of beneficiary forms are available at the Scheme offices or at the College Registrar’s offices or can be downloaded from the Scheme’s website at pensions.uonbi.ac.ke
Planning for retirement Seminar

• A planning for retirement seminar for Teaching Members of Staff with seven (7) and eight (8) years or less to retire was held in the month of March 2016.

• Retirement Seminar for Non-teaching members of staff with ten (10) years or less will be held in the month of September 2016.
Other updates

1. Income Draw Down
   - The Trustees resolved to introduce Income Draw Down (IDD) as an additional option to purchasing annuities with the $2/3$rd of retired member’s benefits.
   - The Trust Deed and rules has been amended to incorporate IDD.
   - The Trustees are currently working on the logistics.
   - Members will be updated once all has been finalised.

2. Trustees Appointment and Elections Manual
   - The Scheme has set in place an Appointment and Elections Manual to guide the Trustees election process.
   - Among other things, interested candidates are now required to express their interest in contesting for Trusteeship unlike in the previous where members had to nominate persons to vie for Trusteeship.
Other Updates (cont’d)

3. Trust Deed & Rules 4th Deed of Amendment

• Various separate deeds of amendments have been made to the Scheme’s Trust Deed and Rules.
• The Trustees have now prepared a Trust Deed and Rules that incorporates all changes that have taken place over time.
• This will be printed and circulated to members in due course.

4. Rate of return

• As you are all aware, there has been a lot of volatility in the market and this has had a negative impact on the Scheme’s performance.
• The Trustees together with the fund managers are working tirelessly to ensure the Scheme gets the best return possible in the market under the current prevailing economic environment.
Other updates (cont’d)

5. Strategic Plan 2016-2020

- The Trustees have prepared a five year strategic plan for the year 2016 – 2020.
- This will provide direction and focus so that the Scheme achieves the desired future. They will be printed and copies circulated to the members.

6. Investment Policy Statement

- The Trustees have prepared an Investment Policy statement for the period April 2016 to March 2019 as per the RBA regulations.
- This policy guides the investment decision making process taking into account the scheme’s investment objectives which are:
  
  (i) Maximising the long term real return on the scheme assets.
  (ii) Ensuring an optimum level of return.
Scheme’s Offices & Contacts

• The Scheme’s offices are located on 3rd Floor of UNIPEN Apartments Block A. Members are free to visit the offices and make any relevant enquiries concerning their Scheme.

• The following are the contacts for the Scheme:

  Website : pensions.uonbi.ac.ke
  Address : P. O. Box 30197 – 00100 GPO, Nairobi
  Telephone : 0738-555-439
  E-mail : uonpension@uonbi.ac.ke
Thank You