



KENYA NETWORK INFORMATION CENTRE (KENIC)

THE BOARD CHARTER

1.0 PREAMBLE

The directors of the **Kenya Network Information Center** “KENIC” regard corporate governance as critical to the success of the organization and commit themselves to ensure that corporate governance principles are applied to all of the organization’s dealings with its relevant stakeholders.

2.0 ESTABLISHMENT OF THE KENYA NETWORK INFORMATION CENTRE

The Kenya Network Information Centre is incorporated in accordance with the Companies Act, Chapter 486 of the Laws of Kenya, as a Company limited by guarantee and not having a share capital.

3.0 VALUES

In pursuit of its vision and mission, KENIC will be guided by the following corporate values:

(To be filled with the input of the Board+Management)

4.0 OBJECTIVE AND PURPOSE OF THE KENIC

In accordance with KENIC’s Memorandum of Association, the objects for which the Company is established are *inter-alia* to:

- Act as trustee for the .ke country -code-top-level-domain assigned to Kenya;
- Be the administrator of the .ke ccTLD and its associated Second Level Domains;
- Maintain and promote the operational stability and utility of the .ke ccTLD, ensuring that the authoritative name servers are operated and maintained in a stable and secure manner and are adequate to resolve names within the .ke ccTLD for users throughout the Internet;
- Ensure a cost effective administration of the .ke ccTLD and its sub-domains;
- Develop and establish a policy framework for the development and administration of the .ke ccTLD, including: rules governing the operations of second level domains; the creation of second level domains; the accreditation of registrars and registry administrators; the registration of names within the Second level domains and

access to second level domain registries; and ensuring that registrars have equal access to second level registry services;

- Manage the operation of critical technical functions, including: the primary and secondary .ke name servers; zone files for second level domains; and a searchable data base containing information on registrations within the .ke ccTLD;
- Liaise with national and international bodies on issues relating to the development and administration of domain name systems and enter into any memoranda of understanding and agreements as may be required;
- Notify ICANN of any change to the contact information about the .ke ccTLD in the Authoritative-Root Database as soon as they are effected;
- Act as spokesperson for and representative of the Kenya Internet Community on all matters related to the .ke ccTLD and domain names in general; and
- Establish an appropriate complaints handling and dispute resolution process to provide for conciliation or redress of grievances resulting from the administration of the .ke ccTLD.

5.0 VISION

The vision of the KENIC is to have a .ke for every name in Kenya.

6.0 MISSION

The mission of the KENIC to manage and promote the .ke registry in an efficient and reliable manner so as to safeguard and sustain the authentic Kenyan identity on the internet.

7.0 PURPOSE OF THE CHARTER

The purpose of this Board Charter is to provide guidelines for the business conduct of the Board in accordance with the principles of good corporate governance and conventional business practices. The Charter sets out the specific responsibilities to be discharged by the Board Members individually and collectively.

8.0 OBJECTIVES OF THE CHARTER

The objectives of the Board Charter are:

- 8.1. To ensure that all Board Members acting on behalf of the KENIC are aware of their duties and responsibilities as Board Members and the rules affecting their conduct;
- 8.2. To ensure that the principles of good corporate governance are applied in their dealings in respect, and on behalf, of the KENIC; and
- 8.3. To provide for the best practice in regard to corporate governance.

In pursuit of the ideals in this Board Charter, the intention is to exceed “minimum requirements” with due consideration to recognized standards of best practice locally and internationally.

9.0 THE OVERALL GOVERNANCE STRUCTURE

The governance of the KENIC shall vest in a Board of Directors, whose powers are stipulated in the KENIC Articles of Association. The governance task of the Board is two-fold: decision making and oversight. The decision making function is exercised with respect to the formulation, in conjunction with Management, of fundamental policies and strategic goals and through the approval of certain significant actions; while the oversight function entails the review of management decisions, the adequacy of systems and controls and the implementation of policies.

10.0 MEMBERSHIP OF THE ORGNISATION

10.1. Categories of Membership

The organization shall, in accordance with Article 5 of the Articles of Association, have two categories of membership: Board Membership and Associate Membership.

10.2. Application for Membership

An application for membership shall be made at the Annual General Meeting, following advise by the Board of a vacancy. An application for membership shall consist of the following:

- 10.2.1 An undertaking on the part of the applicant to be bound by the Company’s Articles;
- 10.2.2 The postal address and electronic mail address of the applicant;
- 10.2.3 Adequate particulars of the applicant’s qualifications for membership;
- 10.2.4 If the applicant is an organization, the name of the Organization’s proposed nominee; and

10.2.5 The signature, seal (where applicable) or such other form of authentication approved by the Board from time to time.

10.3 Determination of application for membership

10.3.1 The Board shall exercise its discretion to determine whether or not to approve each application for Membership at the first Board meeting after the Annual General Meeting where the applications are received.

10.3.2 The Board may require an applicant to give such further information as it desires before approving or rejecting the admission of an applicant for Membership.

11. THE BOARD OF DIRECTORS

11.1. Directors' Membership requirements

Directors of the KENIC Board shall not be elected as individuals, but as representatives of Board or Associate Members.

11.2. Composition of the Board

In accordance with article 15.1 of the KENIC Articles of Association, the Board shall comprise:

11.2.1 Ten Directors elected by the Board Members as provided for in article 5 of the Articles of Association;

11.2.2 Four Associate Directors elected by Associate Members in accordance with Article 5.1 of the Articles of Association. Associate Directors shall be observers in the Board and shall not be entitled to vote on any matters of the Board; and

11.2.3 The Administrative Manager of KENIC as a non voting member of the Board.

11.3 Qualification for membership of the Board are:

Directors of the KENIC must have the following skills, competencies and experiences:

11.3.1 Sound business judgment and acumen

11.3.2 Integrity in personal and business dealings

11.3.3 An appropriate knowledge, understanding and experience of the conduct of the business, as well as the law, customs and values that govern the activities of the KENIC

11.3.4 Independence of thought

- 11.3.5 Ability to work harmoniously within a team
- 11.3.6 Time to devote to the KENIC
- 11.3.7 Ability to add value to the KENIC
- 11.3.8 An entrepreneurial talent for contributing to the fulfillment of the KENIC's mandate
- 11.3.9 Commitment to furthering the interest of the KENIC
- 11.3.10 Be a Kenyan citizen??

11.4 Key Competencies required for Every Director include:

- 11.4.1 Innovativeness and entrepreneurial skills
- 11.4.2 Learning abilities and willingness to learn
- 11.4.3 Focused intelligence
- 11.4.4 High ethical standards, both in business and socially
- 11.4.5 Commitment and devotion to duty
- 11.4.6 Ability to contribute an independent view to matters under consideration
- 11.4.7 Ability to add value to Board deliberations
- 11.4.8 Ability to add to the breadth and depth of the experience of the Board
- 11.4.9 Ability to clearly communicate
- 11.4.10 Organizational and strategic awareness and an appropriate level of financial literacy

11.5 Size of the Board

In accordance with Article 15.1, the Board shall consist of a minimum of nine (9) and a maximum of twelve (12) Directors; a minimum of one and a maximum of four Associate Directors.

11.6 Role of the Board

The principal role and responsibility of the Board is that of establishing the long-term goals of KENIC and ensuring that the Organisation's plans are developed and implemented within a commonly agreed organizational structure. This entails:

- 11.6.1 Exercising leadership, enterprise, integrity and judgement in directing KENIC;
- 11.6.2 Determining the vision, purpose and values of KENIC;
- 11.6.3 Developing a strategy to achieve KENIC's purposes and to implement its values;

- 11.6.4 Ensuring that structures and policies including: organization systems, technology, and human resources are in place to achieve KENIC's purposes and objectives;
- 11.6.5 Identifying and managing of key risk areas by overseeing the implementation of adequate control systems and relevant compliance with the law, governance, accounting and auditing standards;
- 11.6.6 Setting targets, monitoring performance and determining the key performance indicators of KENIC;
- 11.6.7 Exercising objective judgment, independent from management but with sufficient management information;
- 11.6.8 Ensuring the preparation of annual financial statements and reports, communication, and disclosure of information to the stakeholders;
- 11.6.9 Guiding the implementation of strategic decisions and actions and advising management as appropriate;
- 11.6.10 Determining the broad policies of the Board including policies on the frequency, purpose, conduct and duration of its meetings and those of its Committees;
- 11.6.11 Assessing its performance and effectiveness as a whole, and that of individual directors, including the Administrative Manager;
- 11.6.12 Ensuring that procedures and practices are in place to protect KENIC's assets and reputation;
- 11.6.13 Ensuring that KENIC has developed succession and exit plans for its senior management;
- 11.6.14 Ensuring that KENIC has developed effective corporate social and environmental responsibility programmes;
- 11.6.15 Regularly reviewing processes and procedures to ensure the effectiveness of KENIC's internal systems of control; and
- 11.6.16 Meeting at least once a quarter as circumstances may require and disclosing in the annual report the number of Board and committee meetings held in the year and the details of attendance of each director.

12. POWERS OF THE BOARD

In order to perform the functions of KENIC, Article 18 of the KENIC Articles of Association gives the Board the powers to:

- 12.1 Manage the business and affairs of KENIC;

- 12.2 Appoint the Administrative Manager and from time to time, upon such terms and conditions as it deems fit; confer upon the Administrative Manager all or some of its powers;
- 12.3 Manage, control and administer the assets of KENIC in such manner and for such purpose as would best promote the purposes for which KENIC is established;
- 12.4 Determine the provisions to be made for capital and recurrent expenditure and for the reserves of KENIC;
- 12.5 Open a banking account or banking accounts for the funds of KENIC;

13. THE CHAIRPERSON

Appointment of the Chairperson

The Directors of the Board shall elect a Chairperson from among themselves, provided that no government entity invited to the Board membership from time to time shall be entitled to be elected as Chairperson to the Board.

The Chairperson of the Board shall serve a maximum of two two-year term.

Role and Functions of the Chairperson

The Chairperson shall be a non-executive Director and shall be responsible for the running of the Board. The functions of Chairperson are:

- 13.1 To provide overall leadership to the Board;
- 13.2 To maintain a close but independent working relationship with the Administrative Manager;
- 13.3 To ensure timeliness and relevance of information and materials to the Board;
- 13.4 To ensure that directors participate fully in Board deliberations; and
- 13.5 To efficiently conduct Board meetings;

Therefore, the Chairman should possess the following basic qualities:

- Integrity;
- Effective leadership and governance skills;
- Business acumen;
- Prudent judgment and effective decision making;
- Ability to develop a coherent and effective team among the directors;
- Effective communication skills;
- Non-partisan.

14. THE VICE-CHAIRMAN

Appointment of the Vice-Chairman

- Members of the Board shall elect the Vice-Chairman.

Role and Functions of the Vice-Chairman

- He shall have full authority and power to act in the absence of the Chairman.

15. TENURE OF OFFICE FOR DIRECTORS

15.1 The Directors shall, in accordance with the provisions of Article 16.1 of the Articles of Association, hold office for a period of two years, renewable at the discretion of the Board.

15.2 The members of the Board shall be appointed at different times so that the respective expiry dates of their terms of office shall fall at different times. (Or stagger their retirement from office?!)

16. VACATION FROM OFFICE

In accordance with Article 17 of the Articles of Association, a Director shall vacate office in the following circumstances:

16.1.1 The Director ceases to be a representative of the organization that nominated him, in which case the organization shall be responsible to notify the Chairperson of such changes;

16.1.2 The Director is adjudged bankrupt or enters into a composition scheme or arrangement with his creditors;

16.1.3 The Director is incapacitated by prolonged physical or mental illness;

16.1.4 The Director is otherwise unable or unfit to discharge his functions;

16.1.5 The Director resigns from office by notice in writing to the Company;

- 16.1.6 The period for which the Director is appointed expires and the director is retired from office;
- 16.1.7 The Director is convicted of an offence involving dishonesty or fraud or is convicted of a criminal offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding ten thousand shillings;
- 16.1.8 The Director is directly or indirectly interested in any contract or proposed contract with the Company and fails to declare the nature of that interest as required by the Companies Act; or
- 16.1.9 Where (all) the Director(s) representing a Board member, without the permission of the Chairperson, is/are absent from three consecutive meetings of the Board; the Board member shall be vacated from Board membership.

17. THE ADMINISTRATIVE MANAGER

17.1. Appointment of the Administrative Manager

The Administrative Manager shall be appointed in accordance with the Scheme of Service and he shall be:

- 17.1.1 The Chief Executive Officer of KENIC;
- 17.1.2 Responsible for the day to day management of KENIC.

17.2. Role and Functions of the Administrative Manager

The Administrative manager shall:

- 17.2.1 Provide the day to day leadership of KENIC's business operations;
- 17.2.2 Prepare budgets and establish proper internal controls;
- 17.2.3 Communicate and implement policies and strategies adopted by the Board;
- 17.2.4 Prepare proposals and submissions for consideration by the Board;
- 17.2.5 Attend to personnel matters;
- 17.2.6 Develop and recommend to the Board, the long-term strategies and annual business plans for the company;
- 17.2.7 Consistently strive to achieve the KENIC's financial and operating goals and objectives;
- 17.2.8 Ensure continual improvement of the quality of services provided by KENIC;
- 17.2.9 Ensure that KENIC has an effective management team structure including effective management succession plans;

- 17.2.10 Formulate and oversee the implementation of major corporate policies;
- 17.2.11 Maintain a conducive work environment for attracting, retaining and motivating employees;
- 17.2.12 Foster a corporate culture that promotes ethical practices.

18. SUCCESSION PLANNING

The Board shall ensure:

- 18.1.1 That there are clearly stipulated succession plans for all directors. The appointment and retirement of Directors should be staggered and the practice of rotation should be applied in order to maintain continuity;
- 18.1.2 That the Administrative Manager develops a management succession plan for the Board's approval. In addition, three (3) months before a senior manager retires, the Board should be made aware of the succession plan put in place to that effect.

19. INDUCTION AND DEVELOPMENT OF DIRECTORS

- 19.1 On appointment, directors will have the benefit of an induction programme aimed at deepening their understanding of KENIC and the business environment and markets in which KENIC operates. This includes background material, meetings with senior management and visits to the KENIC's facilities. The induction programme will entail the following:
 - 19.1.1 Knowledge of KENIC including the organization's objects, mandate, operations, membership and the Board structure;
 - 19.1.2 Knowledge of the business processes, corporate strategies, management and key human resources of KENIC;
 - 19.1.3 Knowledge of the financial documents including annual accounts, directors' reports, potential contributions amongst many others;
 - 19.1.4 As part of the induction programme, newly appointed directors will receive a Board Charter which contains the essential Board information;
 - 19.1.5 New Board Members with limited or no Board experience shall receive development and education to inform them of

their duties including fiduciary responsibilities, powers and potential liabilities; and

- 19.1.6 All Board members are expected to keep themselves abreast with changes and trends in the business and in KENIC's environment and markets, which shall include changes and trends in the economic, political, social and legal climate generally.

20. REMUNERATION FOR DIRECTORS

- 20.1.1 In accordance with Article 15.4 of the Articles of association, no Director shall receive any remuneration for services as a Director. However, the Board of Directors may approve the payment of allowances to Directors out of the funds of the KENIC. These may include sitting or other allowances as the Board may from time to time approve.
- 20.1.2 The Board shall, within the scales provided in the KENIC travel policy, refund traveling and other expenses incurred by the Directors in the performance of their duties.
- 20.1.3 In accordance with the KENIC Scheme of Service, the Board may, upon receipt of the outcome of the evaluation of KENIC Performance Contracting obligations, pay the Directors and Management such bonuses as it may determine.

(Read this in light of articles 3 and 15.4 of the KENIC Articles of association.)

21. CODE OF CONDUCT FOR DIRECTORS

The activities, behaviour and conduct of Directors shall be governed by the following rules:

- 21.1. A director shall at all times maintain absolute integrity and honesty in the discharge of his duties or in the exercise of his powers;
- 21.2 KENIC shall not enter into a contract, arrangement or agreement with a director or with any partnership or company in which he is a shareholder unless he has made full disclosure of the measure of his interest in the contract and the Chairman has given approval for the contract to proceed. No director shall accept a directorship in any company holding a contract with the KENIC except as a nominee of Government or with the express permission of the Board. A director who finds he is about to deal officially with any matter concerning a business organization, in which he has an interest, must disclose his interest to the Chairman;

- 21.3 In the event of KENIC having surplus stores or, Boarded assets, KENIC may sell to a director such stores, including moveable property or chattels by open tender at a reserve price to be determined by registered valuers;
- 21.4 It is a serious offence for a director to corruptly solicit or accept any gift or consideration as an inducement or reward for:
- Doing or refraining from doing anything in his official capacity; or
 - Showing favour or disfavour to any person in his official capacity;
 - The soliciting of gratuities from members of the public is strictly forbidden; and
 - Any sexual favour.
- 21.5 A director shall not seek the influence of any person, body or institution outside KENIC with a view to obtaining favours or other unfair disadvantage relating to his service in KENIC. Any such approach will be regarded as misconduct and will render the director liable to disciplinary action.
- 21.6 A director is strictly forbidden from:
- becoming an agent for a money lender;
 - borrowing money from a member of the public with whom his official duties bring him into contact;
- 21.7 Ideally a director should not serve on more than five Boards concurrently. As serving in too many Boards are likely to affect the director's ability to accord enough time and resources to each of these organizations.

22. THE BOARD'S GOVERNANCE PROCEDURES

- 22.1 The conduct of Board members should be consistent with their duties and responsibilities to KENIC;
- 22.2 The Directors should always act within limitations imposed by the Board on its activities;
- 22.3 Directors' responsibilities and limitations are primarily set out in the Companies' Act and the KENIC Articles of association;
- 22.4 The Board shall be disciplined in carrying out its role, with the emphasis on strategic issues and policy;

- 22.5 The Board has sole authority over its agenda. However, any Board member may request the addition of an item of the agenda;
- 22.6 The Board members are expected to strictly observe confidentiality in the use of the KENIC's information; and
- 22.7 The Board may, in the furtherance of their duties, take in independent professional advice, if necessary, at KENIC's expense.

23. BOARD MEETINGS

(See Article 21 of the Articles of Association generally)

- 21.8.1 Subject to the agreement of 51% of the Directors at least seven days' written notice of every meeting of the Board shall be given.
- 21.8.2 Board members will make their best endeavors to attend Board meetings and to prepare thoroughly. Board members are expected to participate fully, frankly and constructively in Board discussions and other activities, and bring benefit of their particular knowledge, skills and abilities to the Board decision-making process. Board members who are unable to attend shall advise the KENIC Secretary, who shall inform the Chairman.

24. VENUE AND FREQUENCY OF BOARD MEETINGS

Venue of the meetings of the Board shall be communicated within the notice of the meeting.

The Board shall meet at least once a quarter or more as circumstances may require.

25. BOARD AGENDA

- 25.1 The Chairman shall ensure that an agenda is prepared prior to the meeting raising issues that require attention, ensuring that proceedings are conducted efficiently and that all appropriate matters are addressed. The KENIC Secretary shall work with the Chairman on preparing the agenda;
- 25.2 The Chairman shall request the management to include all matters that are likely to be discussed during the Board meeting in the agenda; and
- 25.3 The KENIC Secretary shall circulate the agenda and Board papers to the Board members at least five (5) working days before the date set for the meeting.

26 QUORUM

The quorum for the conduct of the business of the Board shall be 50% of the Board Members. Such quorum must be maintained throughout the meeting.

27. BOARD PAPERS

The Chairman shall establish standards for preparation of Board papers and reports.

Retention of Board Papers

- 27.1 A record of Board submissions and papers, and of material presented to the Board, shall be maintained and held by the KENIC Secretary together with the minutes of meetings and will be accessible to directors.

28. DIRECTORS' ACCESS TO THE KENIC'S INFORMATION

28.1 The Directors are entitled to have access, through the Chairman, to all information that they may need for the conduct of their business.

28.2 The Chairman and the Administrative Manager may invite members of Management to make presentations at Board meetings in order to provide particular insights into certain aspects of KENIC's business.

28.3 At intervals of not more than one year, the Board will:

- Review and evaluate the present and future strengths, weaknesses, opportunities and threats of KENIC.
- Review and approve KENIC's financial objectives, plans and actions and significant allocations and expenditure;
- Review KENIC's goals and the strategies for achieving these goals;
- Approve the annual budget;
- Approve the financial statements, annual reports, other reports to stakeholders and public announcements;
- Review KENICs' audit requirements;
- Review remuneration policies and practices in general, including compliance with legal and regulatory requirements;
- Review of KENIC's Code of Ethics and ethical standards;

- Review client and other relevant stakeholder relations;
- Review donations and sponsorships; and
- Settle the following year's work plan for the Board.

29. BOARD MINUTES

- 29.1 The KENIC Secretary shall take minutes of all meetings of the Board; or of any committees.
- 29.2 The KENIC Secretary shall circulate minutes of the Board meetings to all members of the Board at least one week of the date of the next Board meeting;
- 29.3 The practice for writing minutes shall be to record processes and outcomes, rather than the course of discussion.
- 29.4 The minutes are to be signed by the Chairperson and the Secretary at the next meeting.

Custody of Board Minutes

- 29.5 The KENIC Secretary shall keep all minutes of directors' meetings.

30. DURATION OF MEETINGS, CONSENSUS BUILDING AND VOTING

The Board's discussions will be open and constructive. The Chairman will seek a consensus in the Board but may, where considered necessary, call for a vote. Discussions and records will remain confidential unless a specific direction from the Board to the contrary is given. In the event that there is a tie of votes, the Chairman or the person presiding shall have a casting vote.

31. CONFLICT OF INTEREST

- 31.1 Board members are required to inform the Board of conflicts or potential conflicts of interest they may have in relation to particular items of business, preferably in advance.
- 31.2 Board members should absent themselves from discussion or decisions on matters in which they have an interest, unless resolved otherwise by the remaining members of the Board.
- 31.3 The Secretary shall record in the minutes any declaration of conflict of interest by a Director.

32. BOARD COMMITTEES

In accordance with Article 21.6, the Directors may delegate any of their powers to Committees consisting of Directors or any other natural persons as the Directors deem fit. These committees shall be ad hoc rather than standing committees and they must, in the exercise of the power delegated to them, comply with the regulations imposed on them from time to time by the Directors.

33. CORPORATE COMMUNICATION AND DISCLOSURE

Corporate governance best practice requires well defined formal channels of communication in the organization so that all relevant information regarding KENIC is communicated in a timely manner to all stakeholders.

The Administrative Manager is the official spokesperson of KENIC and shall be responsible for disclosing “material” information. Information is material if it would significantly alter the status and reputation of KENIC. Both positive and negative information can be of material importance to KENIC.

The Administrative manager shall take steps to ensure that material and other sensitive information will be carefully handled in order to avoid “selective disclosure” (i.e. the disclosure of material, non-public information to any individual or group prior to the broad public dissemination of that information). In addition, to avoid selective disclosure, the Board and Management shall be responsible for the timing of any release of material information.

To this end:

- Directors must not divulge to any person any official communication which he may receive or information which may come in his possession, or communicate the contents of any document or give such information to any person or group of persons, unless properly authorized. This prohibition is directed against the unauthorized disclosure not only of matters still under discussion, but also of matters conclusively decided and any breach of official confidence will be regarded as a serious offence;

- Directors are prohibited from corresponding with newspapers on official matters unless properly authorized to do so by the Administrative Manager;
- Directors may not accept an invitation to broadcast on television or radio on official matters unless authorized to do so by the Administrative Manager; and
- Director shall not give lectures on official matters to the general public unless authorized to do so by the Administrative Manager.

34. BOARD EVALUATION AND PERFORMANCE

The Board of Directors shall monitor and assess the collective performance of the Board as well as the performance of individual Directors and the Administrative Manager. The KENIC Board of Directors shall undertake this process annually.

Key Performance Indicators

The Board evaluation exercise shall be undertaken based on the following 10 key indicators:

1. General orientation of the Board (is the Board generally well acquainted with corporate governance principles and practices?)
2. Board structure/composition (what is the size and composition of the Board?)
3. Selection, appointment, induction, development, rotation and succession of Directors
4. Board effectiveness (Does the Board have a work-plan, Board charter, etc.?)
5. Strategic direction (Is the Board involved in strategic thinking and the development of the strategic framework?)
6. Stewardship of resources
7. Assessing performance
8. Risk management
9. Legal compliance (Does the KENIC comply with all relevant legislations)
10. Accountability (Accounting to the Government and stakeholders fully)

Key Evaluation Instruments (Approaches)

The Board shall adapt any of the two methods or both in its endeavour to assess its performance:

- Self-evaluation (internally-driven) where no consultant is required and self-evaluation (externally-driven) where a consultant facilitates the process. This approach is best suited for assessing the performance of the Board as a whole and Directors individually.

- Evaluation based on Performance Contracting to assess whether the organization is achieving its overall purposes may also be undertaken. However, this kind of evaluation does not bring out the actual performance of the Board.

Whichever approach is adopted, the following instruments may be used during the evaluation process:

- Questionnaires
- Interviews
- Secondary data
- Observation

Summary of the Evaluation Process

A comprehensive Board evaluation should focus on the performance:

- of the Board as a whole,
- of individual directors (disaggregating for types/status, e.g., board and associate directors),
- the Board chairperson, and
- the Chief Executive Officer.

35. COMMON SEAL OF THE BOARD

The Directors shall provide for the safe custody of the Seal, which shall only be used with the authority of the Directors, and every instrument to which the seal shall be affixed shall be signed by a Director and countersigned by the Secretary or by a second Director.

36. LIABILITY OF DIRECTORS

No director of the Board shall be subject to any personal liability in respect of anything done or omitted or any contract entered into by or on behalf of the Board.

However, all members of the organization undertake to contribute an amount not exceeding Kenya Shillings One Hundred Thousand (KShs.100,000) to the property of the Company in the event of its being wound up while that entity is a member, or within a year afterwards for:

- i) Payment of the debts and liabilities of the Company contracted before the member ceased to be a member;
- ii) The costs, charges and expenses of winding up.

37. THE BOARD SECRETARY

The Appointment Procedures

The KENIC Secretary shall be appointed by the Board from one of its Directors.

Functions and Responsibilities of the KENIC Secretary

The KENIC secretary shall:

- ensure that Board procedures are followed and reviewed regularly;
- ensure that each Board member is made aware of and provided with guidance as to his duties, responsibilities and powers;
- ensure that the applicable rules and regulations for the conduct of the affairs of the Board are complied with;
- provide a central source of guidance and advice to the Board and its committees on issues including compliance with rules, procedures and statutory regulations; and
- keep abreast of, and inform, the Board of current governance thinking and practice.