



MACHAKOS UNIVERSITY

ENDOWMENT FUND POLICY

JULY 2018



APPROVAL

Policy Title: Endowment Fund Policy

Policy Contact: Deputy Vice Chancellor (Research, Innovation and Linkages)

Approval Authority: The University Council

Category: Division of Research, Innovation and Linkages

Reference No.: MksU/MR/E/013


Effective date: Date of Signing

Approved by the University Council:

Sign: 

**PROF. LUCY W. IRUNGU, Ph.D.
VICE-CHANCELLOR & SECRETARY TO THE COUNCIL**

Date: 19.02.2019

Sign: 

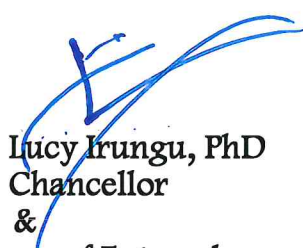
**PROF. GIDEON BILLY HANJARI, Ph. D.
CHAIRMAN OF THE COUNCIL**

Date: 20.02.2019

FOREWORD

Machakos University endeavours to achieve sustainably, industrial and socio-economic transformation of our communities. This aspiration requires prudent resource mobilization and management which is the intent of this Endowment Fund Policy. The Policy seeks to support Machakos University, especially on themes that are strategically beneficial to the institution, the neighboring communities and to the entire country. It provides a framework for steady flow of funds to Machakos University, thus focusing on stability and certainty in support of students, teaching, institutional research and innovation projects.

Broadly, this policy is intended to facilitate consistent investment approach that cultivates perpetual long-term returns. This permits access to high-quality investment vehicles and provides a broader set of investment possibilities while fostering intergenerational equity. The principle of intergenerational equity will ensure that future generations of students and schools receive at least the same level of support from Machakos University's endowment fund just as the current generation enjoys. It is therefore in my trust that this policy lays infrastructural support necessary for endowment fund best practices.



Prof. Lucy Irungu, PhD
Vice- Chancellor
&
Professor of Entomology

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LIST OF ABBREVIATIONS AND ACRONYMS

1. **MksU** - Machakos University
2. **RIL** - Research, Innovation and Linkages
3. **MoU** - Memorandum of Understanding
4. **BRIT** - Board of Research, Innovation and Technology
5. **VC** - Vice Chancellor
6. **DVC(RIL)** - Deputy Vice Chancellor in charge of Research, Innovation and Linkages
7. **DVC(ASA)** - Deputy Vice Chancellor in charge of Academic and Student Affairs
8. **DCV(APF)** - Deputy Vice Chancellor in charge of Administration, Planning and Finance

1.0. INTRODUCTION

Machakos University was established through Universities Act (2012) and a charter awarded on 7th October 2016, as a successor to Machakos University College (MUC), previously established through a Legal Notice NO. 161 of 4th November, 2011 as a Constituent College of Kenyatta University. The University aims at becoming the leading centre of excellence in education, research, training and community service in Kenya, in the region, and beyond.

The Machakos University endowment fund is potentially a perpetual source of support for the university in its broad mission of teaching, research and innovation. Machakos University (statute XXIX) gives the university council the power to receive (on behalf of the university) among other monies, grants and endowments and make disbursements therefrom to the university, to other bodies, or persons.

1.1. VISION

A Preferred University of Excellence in Scholarship and Service Delivery

1.2. MISSION

To Provide Scholarly Education through Training, Research and Innovation for industrial and socio-economic transformation of our communities

1.3. CORE VALUES

- **Integrity** - To honestly deliver on our promises to our stakeholders
- **Accountability** - To always be accountable in the assigned duties
- **Professionalism** - To Be Committed To High Standards of Training and Service Delivery
- **Inclusivity** - Respect for Diversity
- **Creativity** - Determination to Continually Improve
- **Teamwork** - To Actively Work Together To Achieve Common Goals
- **Equity** - To strive to be an equal opportunity university where meritocracy is practiced in all areas

1.4. UNIVERSITY MANDATE

To teach, train, conduct Research, Innovation, collaborate and generate new knowledge and community service.

1.5. QUALITY POLICY STATEMENT

Machakos University aims to be the model institution of higher learning committed to providing competitive and professional programmes. The university is committed to providing high level manpower through excellent quality training, research, consultancy and community service. These shall be attained through customer satisfaction, good corporate governance, integrity and professionalism, creativity and responsibility, teamwork and adaptation to change. In order to realize this commitment, the University shall comply with all applicable requirements through the implementation of an effective quality management system based on ISO 9001:2015.

The University Management shall, through the ISO team, ensure the quality objectives are available at departmental level. Annually the Heads/ Chairmen of Departments shall review the established quality objectives. The University's Top Management shall ensure annual review of this policy for continual appropriateness.

1.6. CITATION

This policy shall be cited as the Machakos University Endowment Policy

1.7. SCOPE OF THE POLICY

This policy shall apply to all academic staff, researchers, innovators, students and approved projects of Machakos University and collaborators.

1.8. OBJECTIVES OF THE ENDOWMENT FUND POLICY

- a) To support Machakos university, especially on themes that are strategically beneficial to the institution, the neighboring communities and to the entire country

- b) To provide a steady flow of funds to Machakos University, thus providing stability and certainty in support of students and teaching and institutional research, innovation, projects.
- c) To encourage research, innovative and entrepreneurial activities at Machakos University

2.0 ADMINISTRATION OF THE MACHAKOS UNIVERSITY ENDOWMENT FUND POLICY

2.1 ENDOWMENT FUND

There shall be set up the Machakos University Endowment Fund. The Endowment Fund shall comprise money donated to Machakos University or any of its functional units with the understanding that funds or income earned from its investment shall be used to finance research and innovation, conferences, workshops, specialized training, building/construction projects, teaching and research equipment and emoluments for Research and Innovation committee Chairman in each School.

2.2 ENDOWMENT FUND BOARD OF TRUSTEES

There shall be a Board of Trustees to oversee governance of the Endowment Fund. The board of trustees shall be answerable to the University council and shall comprise the Chairman of Council, the Vice Chancellor, All Deputy Vice Chancellors, the Chief Finance officer, two representatives of the University Senate holding positions of senior lecturer and above and two representatives from the private sector and/or other development partners. The Machakos University Chancellor shall be an ex official member of the Endowment Fund Board of Trustees.

The Chairman of the Machakos University Council shall be Chairman of the Endowment Fund Board of Trustees, subject to the provisions of the University Act (2012), and Machakos University Statute VI. The two representatives of the University Senate shall be elected by members of senate. The representatives from the private sector/other development partners shall be nominated by the partners after invitation to do so from, and in consultation with, the University Council. The division of Research, Innovation and Linkages shall offer secretariat.

The representatives of the Machakos University Senate and the private sector and/or other development partners shall serve on the Endowment Fund Board of Trustees for a term of three years that may be renewed once only for another three years.

3.0 FUNCTIONS OF THE ENDOWMENT FUND BOARD OF TRUSTEES AND SOURCE OF ENDOWMENTS

3.1. FUNCTIONS OF THE BOARD

The Endowment Fund Board of Trustees shall, on behalf of Machakos University Council, be responsible for among others

- a) Soliciting donations to the fund. The mode of soliciting shall include, but not limited, to writing letters and making personal visits;
- b) Receiving donations on basis of contractual agreements;
- c) Keeping a permanent record of such donations and contracts; and
- d) Overseeing the management of the Fund in general, as a Board bearing in mind specific contractual agreements entered for each of the donations.

The Board of Trustees shall establish the Endowment Fund management team comprising of Deputy Vice Chancellors, Chief Finance Officer and two other University staff deployed or employed in the division of research, innovation and linkages specifically for the fund as the Board may find fit.

3.2. SOURCE OF ENDOWMENTS

The donors to the Fund shall include, among others:

- a) Machakos University,
- b) Machakos University alumni,
- c) Members of Machakos University,
- d) Private citizens,
- e) Community organizations,

- f) Local corporate bodies,
- g) International partners
- h) Research Funds.

4.0 TYPES OF DONATIONS FOR THE ENDOWMENT FUND

The types of endowments envisaged for this Fund shall include:

- i. Seed and annual money to be donated by Machakos University,
- ii. Money gifts made in the donor's lifetime,
- iii. Bequests in wills
- iv. Remainder trusts
- v. Contributions in kind, including space, staff and movable property.

The donations shall be made up to a value agreed in the contract. The relevant laws of Kenya shall apply when making such donations and contracts. In the case of foreign citizens and corporate bodies, the laws of Kenya, the laws of the nationality of the donor and international laws shall apply in the contractual agreements.

5.0 DISBURSEMENT OF AWARDS FROM THE ENDOWMENT FUND

5.1 TYPES OF PROGRAMMES TO BE SUPPORTED BY THE FUND

The purpose of the Endowment Fund shall be to supplement the council's funding for teaching, research, innovation and projects generally or specifically, as each contractual agreement shall dictate.

The programmes to be supported shall include, but not limited to;

- a) student scholarships,
- b) research and innovation projects,
- c) grants for workshops, conferences and such learned gatherings, and

- d) emoluments for School Research and innovation Chair holders,
- e) building/construction projects.

5.2. APPLICATION FOR AND AWARD OF ENDOWMENT FUNDS

Award from the Endowment Fund shall be made on merit, bearing in mind the contractual agreements entered between the donors and the Endowment Fund Board of Trustees. In the case of Research and Innovation, Machakos University Research Policy and Machakos University Intellectual Property Rights Policy, among other policies shall govern award of funds.

Procedure

The Board of Trustees shall cause to be advertised, through the division of Research, Innovation and Linkages, the types of programmes that shall be supported for that year and invite applications as appropriate. The following are procedures for making various applications:

A. In the Case of Scholarships

- i. Applications for graduate or other scholarships shall be submitted to the Board of Research, Innovation and Technology (BRIT)
- ii. BRIT shall cause each application to be evaluated and then submit all the evaluated applications with appropriate recommendations to the Endowment Fund Board of Trustees, who shall make the final decision on the actual award.
- iii. For Research and Innovation, all awardees shall give appropriate citation, as may be set by the Board of Trustees in acknowledgement of grants in all publications arising from awards from the Endowment Fund.

B. In the Case of Research and Innovation Grants

- i. Application for research and innovation grants from the Endowment Fund shall be made to the BRIT.

- ii. BRIT shall consider and award the grants taking into consideration the recommendations from reviewers and guidelines specific to each award.
- iii. Awardees shall be required to carry out their research and innovation in accordance with the Machakos University Research Policy, University Intellectual Property Rights Policy and the national and international laws.
- iv. All awardees shall give appropriate citation, as may be set by the Board of Trustees in acknowledgement of grants in all publications arising from awards from the Endowment Fund.

C. In the Case of Learned Gatherings

- i. Applications for hosting workshops, conferences, symposia and such learned gatherings shall be made to the Endowment Fund Board of Trustees through the BRIT at least six months prior to the intended date of the gathering.
- ii. The application shall be in form of a group or individual proposal that shall clearly show the applicants, the goals, publications, themes, probable list of participants, expected outcome, detailed cost and estimated sum of money required from the fund as part of the total cost.
- iii. The Endowment Fund shall normally not provide all the funds required to hold a conference, workshop, symposium or such academic gathering, a rather a percentage determined by the board based on availability of funds.
- iv. The Endowment Fund shall not support travelling to attend workshops, conferences or such gatherings out of Kenya, unless such travelling was initially provided for in a project financed by the Fund.

6.0 BOOKS OF ACCOUNTS AND RELATED RECORDS

The Endowment Fund Board of Trustees shall cause to be prepared and kept proper books and records of accounts of the endowed funds, interests generated in the year and expenditure. The financial year for the purpose of the Endowment Fund shall be the same as the financial year of the University. All books and records of accounts shall be audited as provided for in the Kenyan Law.

Notwithstanding the provision of this policy and the Universities Act (2012), an endower, on powers of contract signed at the time of endowment, may contract a registered audit body or use their own recognized auditors to examine and prepare an audit report on the endowment specific to that endower. Copies of such additional audit reports shall be made available to both the University Council and the endower.

7.0 ANNUAL REPORTS

7.1 RESEARCH AND INNOVATION REPORTS

All awardees shall prepare and submit technical and financial reports to the BRIT for record and onward transmission to the Endowment Fund Board of Trustees. The reports shall contain such details and specifications as shall be determined by the Board of Trustees on advice from the BRIT. The technical annual reports shall be bound and shall normally be deposited in University Library as part of Special Collection.

7.2 ANNUAL REPORTS OF THE BOARD OF TRUSTEES

The Endowment Fund Board of Trustees shall publish annual reports showing the endowments they control, fund disbursement in the previous year, executive summaries of the sponsored projects and any other necessary information. Such reports shall be deposited with the University library, the DVC in charge of research and innovation and all academic Schools and Departments.

8.0 EQUIPMENT AND SUPPLIES

All equipment and supplies, including consumables, purchased using awards from the Endowment Fund shall be surrendered to the University within six months of the end of the project period, unless an extension shall have been applied for by the awardee and granted by the Endowment Fund Board of Trustees.

9.0 PUBLICATIONS AND INTELLECTUAL PROPERTY ISSUES

- i. All publications from work carried out using grants from the Endowment Fund shall carry appropriate acknowledgement of such support, including the name of the awardee(s) and the award number.
- ii. Intellectual property rights issues arising from research or any other work carried out using grants from the Endowment Fund shall be governed as set out in the Machakos University Intellectual Property Rights Policy, provided that a proportion of funds accruing from royalties and such other benefits shall be allocated to the Endowment Fund in a proportion that shall be established by the Machakos University Council.

10.0 REVIEW OF POLICY

This policy shall be reviewed within a period not exceeding three years.

11.0 EFFECTIVE DATE

This Endowment Fund Policy of Machakos University shall take effect from the date of its signing by the Chairman of the University Council.



MACHAKOS UNIVERSITY

ENDOWMENT FUND POLICY PROCESS MAP

