

# JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

# **COMPENSATION AND BENEFITS POLICY**

SEPTEMBER, 2016

# JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

# **COMPENSATION AND BENEFITS POLICY, 2016**

# © Copyright JOOUST 2016

This policy was developed and produced by Jaramogi Oginga Odinga University of Science and Technology

P.O. Box 210-40601 Bondo, Kenya

Telephone: + 254 - 57 2501804 / 2058000

Fax: + 254 - 572523851

Email: vc@jooust.ac.ke

Website: <u>http://www.jooust.ac.ke</u>

**Policy Title:** Compensation and Benefits Policy

**Policy Theme:** To ensure compensation and benefits offered to staff are fair, competitive and motivating.

**Policy Contact:** Deputy Vice Chancellor (Planning, Administration and Finance)

Approval Authority: University Council

**Category:** 

Administration

September, 2016

- **Reference No:** JOOUST/VC/LO/P/013
- Status: Approved

Commencement Date:

Signed:

15<sup>th</sup> Apríl 2016

Vice-Chancellor and Secretary to CouncilDateProf. Stephen G. Agong'

Jandok

15<sup>th</sup> April 2016

Chairman of Council Dr. Bonface J. Mwandotto Date

# TABLE OF CONTENTS

ABBF	REVIATIONS AND ACRONYMSvi
DEFI	NITION OF TERMS vii
1.0	Introduction1
2.0	Purpose1
3.0	Policy Statement1
4.0	Scope
5.0	Policy Objectives
6.0	Role and Responsibilities
6.1	University Council
6.2	Vice-Chancellor
6.3	Deputy Vice-Chancellor (PAF)2
6.4	Heads of Department
6.5	Employees
7.0	Guiding Principles
8.0	Compensation
8.1	Salary
8.2	Allowances
8.3	House Allowance
8.4	Commuting Allowance

8.5	Mileage Allowance	
8.6	Leave Allowance	
8.7	Responsibility Allowance	
8.8	Transfer Allowance	
8.9	Meal Allowance	
8.10	Telephone Allowance	
8.11	Entertainment Allowance	
8.12	Extraneous Allowance	
8.13	Acting Allowance and Special Duty Allowance	
8.14	Risk Allowance	
8.15	Non-Practicing Allowance	
8.16	Passage and Baggage Allowance	
9.0	Benefits	
Benefits include the following plans or programmes which are not reflected in individual pay:6		
9.1	Medical Cover	
9.2	Professional Membership	
9.3	Club Membership7	
9.4	Group Personal Accident Insurance Cover7	
9.5	Maternity Leave7	
9.6	Paternity Leave	
9.7	Compassionate Leave	
9.8	Sabbatical Leave	
9.9	Special Leave	
9.10	Car Loan and Mortgage Scheme	
9.11	Demise in Service	
9.12	Pension Scheme	
10.0	Implementation	
11.0	Effective Date	
12.0	Review9	

# ABBREVIATIONS AND ACRONYMS

- **DVC (PAF)** Deputy Vice-Chancellor, Planning, Administration and Finance
- **IPUCCF** Inter Public Universities Council Consultative Forum
- JOOUST Jaramogi Oginga Odinga University of Science and Technology
- **R (PA)** Registrar, Planning and Administration.
- VC Vice-Chancellor

# **DEFINITION OF TERMS**

Compensation	For the purposes of this policy compensation is any form of monetary award to individual for services rendered and it includes wages, salary, commissions and bonuses.
Benefits	For the purpose of this benefits are plans or programmes which are not reflected in individual pay such as insurance (medical and life) contribution to retirement, holiday and maternity leave
University	Jaramogi Oginga Odinga University of Science and Technology
Council	University Council

#### 1.0 Introduction

JOOUST desires to provide compensation and benefits that will attract and retain staff qualified and capable of contributing to its mission, objectives and operations. The University shall endeavor to maintain internal and external compensation and benefits equity and conform to acceptable guidelines in determining levels and forms of compensation and benefits.

This policy shall be implemented in compliance with Public Service Commission and Salaries Remuneration Commission guidelines, JOOUST Human Resource Policies and Procedure Manual, Employment Act 2007, Terms and Conditions of Service and the Collective Bargaining Agreements (CBAs) for various cadres of staff.

This policy covers the purpose, policy statement, scope, policy objectives; roles and responsibilities of key individuals. The policy also provides a framework for implementation, overall responsibility and policy review.

#### 2.0 Purpose

The purpose of this policy is to offer compensation and benefits that is fair, competitive and motivating in order to attract and retain staff and trigger commitment, innovation and creativity towards full realization of staff potential.

#### **3.0 Policy Statement**

JOOUST recognizes the role of compensation and benefits in staff motivation and enhanced performance. The University appreciates that every employee has a direct contribution to make towards its vision, mission and strategic objectives. This policy will strive to compensate and offer benefits to staff on the basis of their performance, qualifications and responsibilities.

#### 4.0 Scope

This policy shall apply to all staff in the University

# 5.0 Policy Objectives

The overall objective of the policy is to attract and retain high caliber employees to contribute to the mission, vision and overall objectives of the University

Specific objectives are to:

- (i) Guarantee that the university attracts and retains high caliber staff.
- (ii) Ensure that employees are fairly and equitably compensated.
- (iii) Boost motivation of the employees so as to trigger commitment, innovation and creativity towards realization of their full potential.
- (iv) Ensure compliance with all applicable laws, rules and regulations for compensating employees.

#### 6.0 Role and Responsibilities

The University Council, the Vice-chancellor, Deputy Vice-Chancellor (Planning Administration and Finance), Heads of departments and the employees have various roles and responsibility to play to ensure successful implementation of the policy as indicated below:

#### 6.1 University Council

The University Council shall approve the policy for implementation

# 6.2 Vice-Chancellor

The Vice-Chancellor shall recommend the policy to Council for approval and ensure its implementation.

# 6.3 Deputy Vice-Chancellor (PAF)

The Deputy Vice-Chancellor Planning, Administration and Finance shall communicate and oversee the implementation of the Policy.

### 6.4 Heads of Department

Heads of Departments shall ensure implementation of policy at their respective levels

#### 6.5 Employees

All employees shall familiarize themselves and comply with the policy and applicable procedures.

# 7.0 Guiding Principles

- (i) Compensation shall be set at levels that will provide salary increment for employees when appropriate.
- (ii) Compensation and benefits practices shall be guided by applicable laws, rules and regulations. The concept of internal and external equity shall be a key factor when establishing a pay structure.
- (iii) All compensation commitments shall be expressly delineated and are subject to formal approval by an authorized officer.
- (iv) The structure and components of compensation of all employees shall be easy to understand, and compensation and benefits information shall be provided to employees on appointment and when appropriate.

# 8.0 Compensation

Compensation include wages, salaries and allowances that shall be paid to staff as indicated below:

# 8.1 Salary

All employees shall be entitled to basic salaries and wages according to the terms and conditions of service; and the nature and type of contracts.

# 8.2 Allowances

Additional payments made in form of allowances to compensate for services rendered over and above the normal job requirements. The University shall pay allowances to members of staff as may be determined by the University Council from time to time. The following are the allowances that are currently applicable in the service and the circumstances under which they are payable.

# 8.3 House Allowance

All staff members shall be entitled to a house allowance as negotiated between the Union and the IPUCCF and approved by the National Government from time to time.

#### 8.4 Commuting Allowance

This shall be paid as subsidy for transport to and from the office by one's own car or by public means at rates approved by Council from time to time.

#### 8.5 Mileage Allowance

For travel undertaken for official duty within East Africa on a personal vehicle, mileage shall be paid at the prevailing Automobile Association (AA) rates of Kenya. Prior approval must be obtained from the Deputy Vice-Chancellor (PAF).

#### 8.6 Leave Allowance

The University will pay an annual leave allowance as may be determined by the University Council from time to time. This allowance shall be paid once in a year.

#### 8.7 **Responsibility Allowance**

- (i) Responsibility allowance shall be paid to members of staff who, in addition to their normal duties, are appointed by the Vice-Chancellor or where appropriate, Deputy Vice-Chancellor (PAF) in consultation with the Vice-Chancellor to carry out additional responsibilities.
- (ii) Responsibility allowance is restricted to headship of departments and sections only.
- (iii) A member of staff in receipt of Responsibility Allowance in one position will not be paid the same for any other position he/she may be holding.
- (iv) The University Council may, at its discretion, designate any other category of staff or offices for payment of responsibility allowance at such rates as it may deem appropriate.

#### 8.8 Transfer Allowance

- (i) When a member of staff is transferred from one station to another, he/she will be eligible for payment of transfer allowance amounting to one (1) month basic salary, provided that the new station is not less than sixty (60) kilometers radius from the former station.
- (ii) Transfer Allowance will not be paid to:
  - a) Staff who are deployed on temporary basis for a period not exceeding five (5) months;
  - b) Members of staff who are transferred at their own request.

#### 8.9 Meal Allowance

Meal Allowance will only be paid to officers travelling on duty within the country but who are not required to spend a night away from the permanent duty station. Meal allowances will not be paid alongside Daily Subsistence Allowance or Day trip allowance.

#### 8.10 Telephone Allowance

The University shall pay telephone allowance to officers whose nature of duty requires them to liaise with other functional heads on official University matters. This allowance is to facilitate quick consultations and decision making.

#### 8.11 Entertainment Allowance

Entertainment Allowance shall be payable to employees required by the nature of their duties to provide hospitality and entertainment of official guests. To enable them meet such expenses, a non-accountable monthly entertainment allowance shall be paid as may be determined by the Council from time to time.

#### 8.12 Extraneous Allowance

- (i) Extraneous Allowance shall be payable to officers who are called upon to undertake extra responsibilities in addition to their normal duties and therefore work over and above the official working hours on a continuous basis. The rates and eligibility for payment shall be determined by the Council from time to time.
- (ii) Employee on Extraneous Allowance shall not be entitled to overtime allowance

# 8.13 Acting Allowance and Special Duty Allowance

- (i) Acting Allowance will be payable to a member of staff who on the recommendation of the Head or Chairman of the Department and approval of the Deputy Vice-Chancellor (PAF) is formally appointed to act in an administrative post.
- (ii) To qualify for Acting Allowance the acting appointment must last for at least fifteen (15) calendar days.
- (iii) When an officer does not possess the necessary qualifications and cannot be appointed to act in a higher post, but is nevertheless called upon to undertake the duties of that post puts him/her in full or in part, for a limited time, a Special Duty Allowance will be granted to him/her by the Deputy Vice-Chancellor (PAF).

#### 8.14 Risk Allowance

Risk Allowance shall be payable to the relevant categories of members of staff at rates

determined by the Government from time to time.

# 8.15 Non-Practicing Allowance

This shall be payable to Medical Doctors and the Legal Officers for not engaging in private practice during official working hours.

# 8.16 Passage and Baggage Allowance

On first 1<sup>st</sup> appointments or termination of appointment, a member of staff shall be paid non- accountable Passage and Baggage Allowance as determined by the University Council from time to time.

#### 9.0 Benefits

Benefits include the following plans or programmes which are not reflected in individual pay:

# 9.1 Medical Cover

- The University shall have a Medical Scheme to cater for both in-patients and out-Patient treatment. The scheme shall have different packages (ceilings) for the respective job categories. and shall cover self, spouse and five children.
- (ii) Children of members of staff, (including legally adopted children) for whose support, in the opinion of the Council, the member of staff is responsible and who are wholly so supported and are under the age of eighteen (18) years, shall be included in the University Medical Scheme free of charge
- (iii) Children in the above category over the age of eighteen (18) years, who in the opinion of the Council, are undergoing an approved full-time course of higher or other approved education shall be included in the medical scheme free of charge. In exceptional circumstances, the Vice-Chancellor may extend the maximum age. Such extensions shall not apply for children above the age of twenty-five (25) years.
- (iv) Employees with more than five children, as recognized under the University Medical Scheme, the younger ones shall be registered under the Medical Scheme to replace those children no longer covered under the University Medical Scheme.

# 9.2 Professional Membership

The University shall encourage employees to join relevant professional bodies. The University shall pay subscription for employees to one (1) professional body annually for continued professional growth and development. Any queries in this regard shall be directed to the R(PA).

# 9.3 Club Membership

The Vice-Chancellor and the Deputy Vice-Chancellors shall be entitled to club membership at reasonable membership fee and annual subscription approved by the University Council

# 9.4 Group Personal Accident Insurance Cover

The University shall provide a Group Personal Accident (GPA) insurance cover for all its employees in accordance with the law

# 9.5 Maternity Leave

- (i) Female members of staff shall be entitled to three (3) months maternity leave with full salary.
- (ii) Maternity leave shall be inclusive of weekly rest days and gazetted Public Holiday
- (iii) Female members of staff who are granted maternity leave shall be entitled to annual leave in the year in which the maternity leave is taken.
- (iv) A female employee will be entitled to all her other employment benefits during the maternity leave.
- (v) Where the maternity leave has been extended with the consent of the employer, or immediately on expiry of maternity leave before resuming her duties a female employee proceeds on sick leave or with the consent of the employer on annual leave; compassionate leave; or any other leave; the three (3) months maternity leave under subsection (a) shall be deemed to expire on the last day of such extended leave.
- (vi) An employee, who fails to return to the University after taking paid maternity leave, shall be deemed to have left the service of the University on the last day of employment after completion of maternity entitlement.

# 9.6 Paternity Leave

A male employee shall be entitled to two (2) weeks paternity leave with full pay.

# 9.7 Compassionate Leave

- (i) An employee shall be entitled to ten (10) days compassionate leave upon death of a member of the employee's immediate family (spouse, children and parents).
- (ii) The HoD must recommend the compassionate leave and details of such absences must be recorded on the leave authorization form before taking the leave.

(iii) Compassionate leave days shall not be deducted from the annual leave days.

# 9.8 Sabbatical Leave

- (i) The University considers that in the interest of both the University members of staff, it is desirable that members of staff particularly Academic members of staff on permanent and pensionable terms should be released from the normal duties at intervals during their career to undertake further studies.
- (ii) Sabbatical Leave may be granted to Academic members on permanent and pensionable terms at the rate of 9 months only after completion of six years' continuous service with the University from the date of appointment or since return from sabbatical or study leave. The Vice-Chancellor shall determine when such leave may be taken.
- (iii) During sabbatical leave, a member of staff is required to undertake a specific academic program. On expiry of the leave, a detailed report shall be submitted to the Vice-Chancellor specifying gains in terms of research publications.

# 9.9 Special Leave

- (i) The Vice-Chancellor may, at his discretion, grant special leave for any purpose (e.g. attendance at learned conferences) not covered by the categories of leave set out above.
- (ii) In granting such leave, the Vice-Chancellor shall take into account the frequency of such absence by the member of staff and the effects of such absence in his work at the University. Such leave will be reported to Council.

# 9.10 Car Loan and Mortgage Scheme

The University Council shall endeavor to facilitate credit/loan facilities with banks, financial institutions and agencies and any other similar facilities provided by Government Institutions for car loans and mortgage schemes.

# 9.11 Demise in Service

When a member of staff serving on permanent and pensionable terms dies while in service, his family (benefactors) will be paid death benefits as follows:

- (i) Amount applicable to the deceased under the Group Life Insurance Policy.
- (ii) Employer shall contribute Kshs.120, 000 (Kenya Shillings One Hundred and Twenty Thousand only) towards funeral expenses.
- (iii) The Employer shall place an 18 cm x 9 cm size death announcement in one of the daily newspapers with national circulation for a member of staff.

- (iv) In the case of death of a legal bonafide dependent of a staff member the University shall provide transport for the deceased and members of the nuclear family.
- (v) At least one senior officer of the University shall be appointed by the Vice-Chancellor to attend the funeral on behalf of the University Management.

# 9.12 Pension Scheme

- (i) The University operates a Contributory Staff Pension Scheme for member of staff
- (ii) All members of staff appointed on permanent terms are as a condition of employment members of the Scheme expect those that are already in the Federated Superannuation System for Universities or any other Pension Scheme recognized by Council.
- (iii) The contribution for the member of staff and the University shall be at the rate determined by the Council from time to time.

# 10.0 Implementation

The overall responsibility and effective implementation of this policy shall be vested in the office of the Deputy Vice-Chancellor (PAF)

# **11.0 Effective Date**

This policy takes effect upon the date of approval by the University Council.

# 12.0 Review

The Policy shall be reviewed after every three (3) years for suitability and/or as the need arises.