



JOGOO SACCO MEMBERS EDUCATION 2020

INTRODUCTION

The year 2020 started well and Jogoo SACCO held its ADM early March. However, in mid-March the year started experiencing challenges as a result of COVID-19 pandemic thus we have adopted new ways of implementing one of the core

Co-operatives principles and values of education, training and information. The education committee together with the board has adopted technology to disseminate information to its members. Due to the impact of COVID-19 and subsequent directives by the Government on public gatherings, we have chosen to upload all the education materials to members on our Website.

BOARD OF DIRECTORS MESSAGE TO MEMBERS

MEMBERSHIP

The membership grew from 3,658 to 3,729 an increase of 1.95%. The number recruited in 2019 was 171, but 100 members left the Sacco hence net increase of membership was 71. All members are urged to be more aggressive in marketing the SACCO especially to newly employed civil servants, family members and members in other Saccos.

WEBSITE/MEMBERS PORTAL

Within the year the Society rebranded its Website and is now more robust, interactive and more user friendly. Jogoo Sacco member's portal is located in our website www.jogoosacco.coop. To log in you visit the website and the portal is on the top right hand side of the page and follow the instructions.

INCOME

The society's total income grew from Ksh 113,039,033 to Ksh 121,012,814 in the year 2019, which is an increase of 7.05%. This year it is projected that the growth will be higher as the Sacco operations are made more efficient, effective and new products are introduced in the new MIS system.

SHARE CAPITAL DRIVE

The society's share capital increased to 27,229,778 after the Sacco increased minimum share capital to Kshs 7,500 in 2019. With the prevailing circumstances in which all Saccos with deposits above 100 million are required to register with SASRA and have been brought under the regulations by SASRA, the SACCO is required to meet certain capital ratios. This is also in line with our strategic plan 2019-2023 and allow the Society to venture in capital investment such as FOSA that will improve service delivery to our members.

It is in this regard the ADM approved the proposal by the Board that Members increase their share capital from the current minimum share capital of Ksh 7,500 to Ksh 20,000 by 31st December 2021. In order to achieve this objective, members are advised to use any of the following recommended options

- Pay the required amount of Kshs 12,500 once or through monthly installments by instructing the society's office to include it in the **monthly check-off system**
- Pay the required amount through monthly installments using **JOGOO SACCO PAYBILL 910600 or Deposit to Jogoo Sacco Cooperative bank account NBC branch 01120000557300**

INTEREST ON DEPOSIT/DIVIDENDS

During the last ADM held on 7th March 2020, it was approved that dividends on shares be paid at the rate of 15% which is an increase from the previous 12%. It was also approved to pay interest on members' deposits (rebates) at the rate of 8.5% (prorata) for the year ending 31st December, 2019 which is an increase compared to previous year of 8%.

With implementation of new software members are able to access payment slips for rebates/dividend through the individual member's portal. This has enhanced our transparency and reporting to members.

All Dividends and Rebates were paid by 15th April 2020 through member's accounts as promised at the ADM.

REBATES ADVANCE

The rebates advance is paid at 50% based on previous years' rebates and a commission of 5% charged upfront. This year the SACCO paid rebates in advance to 89 members totaling to **Ksh 1million**.

CHRISTMAS VOUCHER

During year 2019 member's education, it was proposed that the maximum amount of Christmas voucher be revised upwards. The Board revised the terms for the voucher and members were allowed to borrow up to Ksh 50,000 based on check-off payable within five months and Kshs 25,000 based on the previous year's rebates recovered when rebates are paid.

Due to this revised terms the Society disbursed Christmas voucher to 444 members valued at Ksh 7.5million which was an increase from the previous year of Ksh 2.5million for 204 members.

MANAGEMENT INFORMATION SYSTEM

The Sacco rolled up a new Microsoft Navision Dynamic 365 System in September 2019 which is robust and agile. Majority of members have been able to log in to the members' portal. The portal is secure and the passwords are encrypted. Some other benefits with the system are:

- Members portal
- Mobile banking; one can pay a loan direct to the account. When fully operational, the system will allow members to withdraw rebates, dividends and short term loans from the E-wallet
- Business Intelligence. This will help the board to make informed and timely decisions.
- Loan processes are well mapped out and member informed
- Loan calculator is available at member's portal
- Integrated with IPRS (Integrated Population Registration Services) for purpose of authenticating new membership, thus ensuring members funds are safe.
- Timely listing of Performing and non-performing loans to CRB.
- Timely update member's records (bio data).
- The new system has maker checker mechanisms hence funds are well secured.

EMERGING ISSUES

1) MONEY LAUNDERING (KYC)

Money laundering is a process in which the origin of funds generated by illegal means is concealed. The fraud is effected by passing the proceedings secretly through legitimate business like depositing in the Sacco. To curb this criminal activity, the Sacco is obligated by Law to ensure that the source of large deposits into our account is well declared.

2) CYBER CRIME

Cybercrime is a growing problem for **financial** service providers and their customers in developing countries. **Cyber criminals** leverage the credentials to gain access to the user's **financial** records and banking accounts. Malware is another piece to it, where **criminals** distribute malicious software and a user is tricked into installing a key logger or screen scraper program on their device.

IFRS 9

IFRS 9 is an International Financial Reporting Standard which came into effect on 1st January 2018 and is mandatory to all financial institutions. In the previous year 2019 the Society ensured that all book of Accounts were prepared in accordance or with regard to IFRS 9 standard. In order to comply with the standard, the society made provision for doubtful debts of Ksh 6.2million and this year an additional Ksh 2.3million is provided to bring the total provision to Ksh 8.5million.

HUMAN RESOURCE

The Jogoo Sacco society staff strength is nine and the board intends to recruit more staff as need arises. The staff have worked hard for the Society to realize the growth in the year 2019. As per the Strategic Plan the Society will create a marketing unit to assist in recruitment of members so as to increase the numbers.

The Society is in the process of introducing a new Performance Appraisal System for the staff in order to measure their performance which will in turn increase efficiency and productivity in the Sacco.

DECISIONS MADE IN THE LAST ADM

RESOLUTIONS

The following decisions were made during the ADM held on 7th March 2020

1. To increase provision for **intangible asset (Jogoo plaza)** from kshs.223, 000 to kshs.600, 000 and transfer the funds to **Jogoo plaza reserve fund**.
2. To Increase share capital to a minimum of Kshs 20,000 by 31st December 2021.
3. To increase minimum deposits from Kshs 200, 000to kshs400, 000 for a member to qualify to be a delegate W.E.F 1ST JANUARY 2021.
4. To increase minimum deposits from kshs.400, 000 to Kshs 700,000 for a delegate to qualify to be a Board /supervisory committee member W.E.F.1ST JANUARY 2021.

ELECTIONS

The D.C.O informed the delegates that there were three vacancies in the Board and two in supervisory committee and that Vetting committee she chairs had received, vetted and cleared three applicants for the board vacancies and three for the supervisory vacancy.

The D.C.O supervised elections to fill the vacancies in the Board and Supervisory for the members who were retiring on rotational basis.

They were:

NAME	Proposed by	Seconded by
Odiyo O.Awuor	Celestine (Nairobi county)	Gudah (Nairobi County)
Pamela A. Onyango	William (Nairobi county)	Redemptah(Kericho County)
Jimnah.N.Ngugi	Ngeno (Machakos county)	Susan (kiambu County)

The three were elected unopposed.

SUPERVISORY

NAME	Proposed by	Seconded by	Votes
Peter W. Kariuki	Gitau(Nairobi County)	Okemwa(Nyamira County)	30
Pamela Okello	Usebiu(Meru County)	Esther(Kiambu County)	45

The composition of the Board of Directors and supervisory committee is as follows

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|---------------------------|-------------------------|
| 1. Mr. William K. Munyoki | -Chairman |
| 2. Mrs. Teresia A. Oloo | -Vice Chair |
| 3. Mr. George N. Morara | -Secretary |
| 4. Mr. Kimathi Kimotho | -Treasurer |
| 5. Mr. Odiyo A. Onyango | -Member |
| 6. Mr. Joseph N. Kingoo | -Member |
| 7. Mrs. Martha G. Nyakoha | -Member |
| 8. Mrs. Pamela A. Onyango | -Member |
| 9. Mr. Jimnah N. Ngugi | - Member |
| 10. Tobias O. Onyango | - Supervisory Chairman |
| 11. Pamela Khamala | - Supervisory Secretary |
| 12. Peter K. Wainaina | - Supervisory Member |

REWARDS

During the ADM held in March 2020 Jogoo Sacco awarded various members under the following categories;

LONG SERVING BUT RETIRED DELEGATES:

1. MR. Kibiriti Lokorwa from Kirinyaga County.
2. MR. Joshua Kimengich from Kabarnet County

LONG SERVING BUT RETIRED LONG SERVING BOARD MEMBERS:

1. MR. George O. Muchere_ Treasurer.
2. MRS. Dorothy K. Chavangi _Board Member.