

# **COMSATS ENDOWMENT FUND RULES 2015**



**COMMISSION ON SCIENCE AND TECHNOLOGY  
FOR SUSTAINABLE DEVELOPMENT IN  
THE SOUTH (COMSATS)**

## INTRODUCTION

The Commission on Science and Technology for Sustainable Development in the South (COMSATS) was established in October 1994, as a high level forum of the developing countries with the major objectives of sensitizing the countries of the South to the centrality of science and technology in the development process by allocating adequate resources for research and development, promoting indigenous capacity in science and technology for science-led sustainable development in the South, providing leadership and support for major South-South and North-South cooperative schemes in education, training and research with the help of affiliated Centers of Excellence.

On the invitation of the Government of Islamic Republic of Pakistan, 36 countries attended the Foundation Meeting and 19 joined the organization as Member States. Currently, there are 22 Member States of COMSATS in three continents. The Network of Centers of Excellence comprises of 20 reputed R&D organizations, in different countries. The technical programmes of COMSATS are steered by COMSATS Coordinating Council, comprising of Heads of Centres of Excellence. The Charter of the Network of Centres of Excellence was approved in the Foundation Meeting of COMSATS. It was also decided in the Foundation Meeting that the Secretariat of the COMSATS will be permanently located in Islamabad, Pakistan. The Government of Pakistan, being the host of the Secretariat, committed to meet the annual running expenses of the Secretariat in addition to land and funds provided for the construction of Secretariat building.

To perform its core functions, the Commission has no consolidated source of income. Although, a clause for financial contribution to COMSATS by Member States was included in the Agreement to Establish COMSATS, the payment of contribution was kept voluntary. Resultantly, the Secretariat of the Commission, has been facing a lot of problems in generating sufficient funds to meet its requirements. The issue of lack of permanent source of funding for initiating different projects in line with the functions of the Commission has been raised by the Secretariat of COMSATS in different forums such as the meetings of COMSATS Coordinating Council, COMSATS Consultative Committee and during meetings of the Executive Director with the Chairperson of COMSATS.

It was an important milestone for COMSATS when the Prime Minister of Pakistan (Ex-Chairperson of COMSATS) proposed creation of an Endowment Fund of US \$ 10.00 million for COMSATS and announced US \$ 1.00 million as Government of Pakistan's contribution towards the proposed Endowment Fund, during his inaugural address in the 2<sup>nd</sup> Commission Meeting of COMSATS held on 16-17 April, 2012 in Islamabad, Pakistan. The proposal of the Prime Minister of Pakistan was highly appreciated and unanimously approved by all the participants. In the resolution adopted in the 2<sup>nd</sup> Commission Meeting of COMSATS, all member countries of COMSATS pledged to contribute towards the COMSATS Endowment Fund.

# **COMSATS Endowment Fund Rules 2015**

## **TITLE**

1. These Rules framed in pursuance of the resolution adopted in the 2<sup>nd</sup> Commission Meeting of the Commission on Science and Technology for Sustainable Development in the South (COMSATS), held on 16-17 April 2012, Islamabad, Pakistan, shall be called “COMSATS Endowment Fund Rules 2015”.

## **COMMENCEMENT**

2. These Rules shall come into force with immediate effect.

## **APPLICATION**

3. These Rules shall apply to the COMSATS Endowment Fund.

## **DEFINITIONS**

4. In these Rules, unless the context otherwise requires, the following expressions shall have the meaning, respectively, assigned to them as under:
  - (a) “Board of Management” means the Board constituted by the Council to manage the COMSATS Endowment Fund.
  - (b) “COMSATS” means the Commission on Science and Technology for Sustainable Development in the South.
  - (c) “Council” means the Coordinating Council of COMSATS.
  - (d) “Chairperson” means the Chairperson of the Governing Body of the Fund.
  - (e) “Executive Director” means the Executive Director of COMSATS.
  - (f) “Fund” means the COMSATS Endowment Fund.
  - (g) “Governing Body” means the Governing Body of the Fund.
  - (h) “Secretary” means the Secretary of the Board of Management of the Endowment Fund.
  - (i) “President” means the President of the Board of Management of the Fund.

## **The COMSATS ENDOWMENT FUND**

5. The Fund will consist of all the present and future sums transferred to the Fund and also all accumulations and additions thereto by way of contributions from

Governments of Member States and gifts, donations, grants, funds or other properties, movable or immovable, that may be received by or transferred or assigned to the Board of Management from time to time by any person or institution, for the specified purpose of endowment, but shall not include interests, dividend incomes, rental incomes, bonuses and profits earned on the capital of the Fund.

### **AIMS AND OBJECTIVES OF THE FUND**

6. The COMSATS Endowment Fund is created for generating regular and permanent income to supplement grants and contributions made by Member States. The additional income is meant for strengthening the functions of COMSATS and for achieving its objectives more effectively. The income of the Fund shall be used for any or all of the following purposes:

6.1 To Finance and Assist the Network of the International Science and Technology Centers of Excellence of COMSATS in achieving its following objectives:

- (a) To assist the countries of the Member States to build and sustain a critical mass of world-class scientists and technologists in areas of frontiers of science and technology and environmental sciences relevant to sustainable socio-economic development;
- (b) To attract talent, reduce brain-drain, and induce competent scientists and technologists of the developing countries working abroad to return to their countries of origin;
- (c) To facilitate the transfer of technology and the supply of highly qualified technical personnel to the industry;
- (d) To assist in finding scientific solutions to complex developmental and environmental problems in the Member States;
- (e) To provide avenues for international cooperation in areas of science and technology of global concern, including those for environmentally sustainable development;
- (f) To provide a suitable framework for science and technology assessment and management in the Member States;
- (g) To develop strong links between Members of the Network and production sectors in the Member States;
- (h) To promote joint technological ventures amongst the Members of the Network;
- (i) To provide research grants for undertaking joint research projects under the COMSATS' programme of Thematic Research Groups;
- (j) To assist in carrying out other programmes as assigned by COMSATS Coordinating Council.

6.2 To Finance other academic programmes of COMSATS;

- 6.3 Any other usage recommended by the Board of Management and approved by the Governing Body.

### **THE GOVERNING BODY OF THE FUND**

7. The Coordinating Council of COMSATS composed of the Heads of International S&T Centers-of-Excellence of COMSATS or their representatives will be the 'Governing Body' of COMSATS Endowment Fund. The Governing Body will comprise of the Council Members representing the following Centers of Excellence:
- (i) Chairperson COMSATS' Coordinating Council, **Chairperson.**
  - (ii) Bangladesh Council of Scientific and Industrial Research (BCSIR), **Bangladesh.**
  - (iii) Council for Scientific and Industrial Research (CSIR), **Ghana.**
  - (iv) Centro Internacional de Fisica (CIF), **Colombia.**
  - (v) COMSATS Institute of Information Technology (CIIT), **Pakistan.**
  - (vi) Embrapa Agrobiologia, **Brazil.**
  - (vii) Higher Institute for Applied Science and Technology (HIAST), **Syria.**
  - (viii) Industrial Research and Consultancy Centre (IRCC), **Sudan.**
  - (ix) International Center for Chemical and Biological Sciences (ICCBS), **Pakistan.**
  - (x) International Centre for Climate and Environment Sciences (ICCES), **China.**
  - (xi) International Centre for Environmental and Nuclear Sciences (ICENS), **Jamaica.**
  - (xii) Iranian Research Organization for Science & Technology (IROST), **Iran.**
  - (xiii) TÜBITAK Marmara Research Centre (MRC), **Turkey.**
  - (xiv) University Cheikh Anta Diop (UCAD), **Senegal.**
  - (xv) National Mathematical Centre (NMC), **Nigeria.**
  - (xvi) National Research Centre (NRC), **Egypt.**
  - (xvii) Royal Scientific Society (RSS), **Jordan.**
  - (xviii) Tanzania Industrial Research and Development Organization (TIRDO), **Tanzania.**
  - (xix) Al-Farabi Kazakh National University (kazNU), **Kazakhstan**
  - (xx) Industrial Technology Institute (ITI), **Sri Lanka**
  - (xxi) Water Research and Technologies Centre (CERTE), **Tunisia**
  - (xxii) Executive Director COMSATS, **Secretary**
  - (xxiii) Any other Centre of Excellence added to the Network by the Council in future.

### **POWERS & FUNCTIONS OF THE GOVERNING BODY**

8. In furtherance of the objectives noted in para-6 and to perform all such other things or acts as are incidental or conducive to the attainment of any or all of these objectives, the following powers shall vest with the Governing Body:

- 8.1 To approve rules and by-laws for proper management of the Fund.
- 8.2 To seek, receive and accept gifts, grants, aid, contributions, donations, benefactions of any nature, in cash or in kind whatsoever from governments of member states, development/donor agencies, authorities, public bodies, corporations, companies, persons, locals or foreigners or from any lawful sources as moneys, moveable and immoveable assets, donations, gifts, subscriptions, devices, bequests and other assistance with a view to promote the objective of the Fund and to arrange, establish and maintain funds and assets by subscriptions, contributions and donations and to accept and manage endowments and to acquire or undertake any trust which may be conducive to the furtherance of any of the objectives of the Fund;
- 8.3 To open and operate bank accounts with banks and financial institutions in local and/or foreign currency both in Pakistan and / or abroad and to draw, make, endorse, accept, discount, execute and issue promissory note(s), cheques, bills of exchange, bills of lading, warrants, term finance certificates, participation term certificates, and other negotiable or transferable instruments concerning the Fund;
- 8.4 To determine and approve the portfolio of investment for investing the funds and assets and dispose off, transfer and deal with the matters and assets of the Fund as deemed fit within the framework of the objectives of the Fund;
- 8.5 To determine and approve the percentage of total return/income from the Capital of the Fund for spending and to determine and approve the usage of the return/income approved for spending i.e., the activities, projects, programmes etc;
- 8.6 To purchase, acquire, alter, improve, charge, protect, renew, take on lease, exchange, use, hire, sell, let or otherwise dispose of lands, buildings, constructions, any other movable or immoveable assets and any rights and privileges whatsoever necessary for the use and objectives of the Fund;
- 8.7 To co-operate with other charitable trusts, societies, associations, institutions and charitable organizations formed for any or all of these objectives and statutory authorities operating for similar purposes and to consider exchanging information and advice with them;
- 8.8 To take such steps by personal or written appeals or otherwise as may from time to time be deemed expedient and permitted under the law for the purpose of procuring contributions to the Fund in shape of donations, annual subscriptions or otherwise and to promote, assist in the promotion of the objectives of the Fund.

- 8.9 To constitute a Board of Management consisting of at least 10 members under the Chairmanship of the Executive Director COMSATS and to delegate all the necessary administrative and financial powers to the Board for smooth running of the Fund;
- 8.10 The Governing Body may take decisions by circulation, if the Board of Management so proposes.

### **MANAGEMENT OF THE FUND**

9. The fund shall be managed by a Board of Management constituted by the Governing Body, consisting of the following:

- |        |                                                                                                                                     |                    |
|--------|-------------------------------------------------------------------------------------------------------------------------------------|--------------------|
| (i)    | Executive Director COMSATS (Ex-officio)                                                                                             | President          |
| (ii)   | One representative of COMSATS Institute of Information Technology (nominated by Rector, CIIT)                                       | Member             |
| (iii)  | Treasurer, COMSATS Institute of Information Technology (Ex-officio)                                                                 | Member             |
| (iv)   | Chief Executive Officer, COMSATS Internet Services (Ex-officio)                                                                     | Member             |
| (v)    | Director (International Affairs), COMSATS Secretariat (Ex-officio)                                                                  | Member             |
| (vi)   | One Eminent Scientist of Pakistan (Nominated by the Governing Body)                                                                 | Member             |
| (vii)  | One Philanthropist with Social Welfare experience (Nominated by the Governing Body)                                                 | Member             |
| (viii) | One Member of the Coordinating Council from a Member State other than the host country of COMSATS (Nominated by the Governing Body) | Member             |
| (ix)   | One representative of Ministry of Science and Technology (MoST), Government of Pakistan (Nominated by the Secretary, MoST)          | Member             |
| (x)    | Head of Finance and Accounts Department of COMSATS as Treasurer of the Fund (Ex-officio)                                            | Member / Secretary |

9.1 A nominated member shall hold office for a period of three years and shall be eligible for re-nomination;

9.2 The number of members shall not be less than 10 and one half of the total members shall constitute the quorum for the meeting of the Board of Management.

9.3 The office of a member shall be declared vacant by the Governing Body, on the happening of any of the following events:

- (a) Death;
- (b) Resignation in writing;
- (c) Incapacity to act as member due to ill health;
- (d) Being convicted of any offence by a court of law;

- 9.4 In case of any vacancy on the Board of Management, the Governing Body shall have the powers to fill such vacancy.

## **FUNCTIONS OF THE BOARD OF MANAGEMENT**

10. Through delegation of powers by the Governing Body, the functions of the Board of Management will be as follows:
- 10.1 To act and represent the Fund in all matters and execute the policies and decisions of the Governing Body;
  - 10.2 Establish and, when deemed necessary, recommend modifications to the Endowment Investment, Spending & Usage Policy to the Governing Body for approval;
  - 10.3 Review investment policy annually to ensure compliance and relevance to the current law, financial and economic trends, and to meet the needs of the Endowment;
  - 10.4 Determine the overall asset allocation ranges and targets, and risk/return objectives, and report changes to the Governing Body for approval from time-to-time;
  - 10.5 Select specific investments, professional investment managers, brokers, and administrators, and negotiate and monitor terms and conditions of their services;
  - 10.6 Assure proper custody of the investments;
  - 10.7 To authorize any member(s) of the Board of Management for day-to-day management of the Fund;
  - 10.8 To transfer accrued profit/income in accordance with the laid down rules/procedures;
  - 10.9 To do or cause to be done all acts ancillary or incidental to any of the aforesaid powers or the purpose of the Fund, subject to other provisions of these Rules;
  - 10.10 To propose such further sub-rules and procedures for the management and administration of the Fund, as deemed appropriate, for approval of the Governing Body;
  - 10.11 To appoint from members sub-committee(s) for any specific purpose(s) as may be necessary;



- 10.12 To nominate persons to represent the Fund at conferences, government bodies and other gatherings of relevance;
- 10.13 To pay out from the Fund the costs, charges and expenses of and incidental to the formation and registration of the Fund;
- 10.14 To enter into any arrangements with any government authority, central, provincial, municipal, local or otherwise, or any person or company that may seem conducive to the objectives of the Fund and to obtain from any such government, authority, person or company any rights, privileges, charges, contracts, licenses, concessions, exemptions, approvals, powers, grants and decrees which the Board may deem desirable to obtain and to carry out, execute and comply with any such arrangements, rights, privileges and concessions;
- 10.15 To prepare the schemes and budget for approval from the Governing Body;
- 10.16 To submit the annual performance & financial reports of the Fund to the Governing Body and be responsible for the maintenance and safe custody of the office records, assets, etc;
- 10.17 To ensure faithful implementation of any contract entered into for promotion of the objectives of the Fund;
- 10.18 To institute, conduct, defend or abandon any legal proceeding by or against the Fund or its officers or otherwise, concerning the affairs of the Fund subject to the approval of the Governing Body;
- 10.19 To provide guidelines from time to time for the management of the affairs of the Fund and in particular to appoint any person or persons to be attorney(s) or agent(s) of the Fund with such powers and upon such terms as deemed fit;
- 10.20 To invest the Fund or any part thereof or any other money from time to time upon such lands, buildings, securities of whatsoever nature or in any other manner as the Board of Management may deem fit provided permitted by applicable law and shall have power to alter, vary and transpose such investment of the same or like nature;
- 10.21 To purchase or otherwise acquire for the Fund, assets, rights or privileges which the Fund is authorized to acquire at such price and generally on such terms and conditions as the Board of Management deems fit;
- 10.22 To pay for any assets, rights or privileges acquired by or services rendered to the Fund;

- 10.23 To seek relief from taxes including income tax, withholding tax, wealth tax, sales tax, excise and custom duties and all other exemptions as may be permissible under the prevailing law of the country;
- 10.24 To obtain any Federal or Provincial Rule, Order, Statute, or other legislative provision or enactment for enabling the Fund to carry out its objectives into effect, or for any other purposes which may seem expedient and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the interest of the Fund;
- 10.25 To do and perform all such other things or acts as are incidental or conducive to the attainment of any or all of the above mentioned objectives of the Fund.

### **MEETINGS OF THE BOARD OF MANAGEMENT**

11. The Board of Management shall hold at least one meeting every six months to deal with and dispose off any business related to the Fund.
12. The President or one-third of the members may, at any time, call an extraordinary meeting of the Board of Management to address any issue of emergent nature.
13. The President shall preside over all the meetings of the Board of Management. In the absence of the President and/or in an emergent situation, the Members present in the meeting shall elect the President from amongst themselves to preside the meeting with prior permission from the President.
14. The decisions, at any meeting of the Board of Management, shall be taken by a simple majority of the members present in the meeting. In case of equal votes, the President shall have a casting vote.

### **MINUTES OF THE MEETINGS**

15. The Secretary shall maintain the record of proceedings of the meetings of the Board of Management and get them confirmed from the Chairman before circulation among the members as early as possible. The Minutes of the Board of Management shall be approved by the Board in its next meeting or by circulation.
16. Any member shall be entitled to inspect the proceedings or other record of the Fund, in the office during office hours.

### **LEGAL PROCEEDINGS**

17. The Board of Management may:

- (a) Commence, institute, prosecute, defend, compound, settle, compromise, adjust, refer to arbitration, withdraw or abandon any legal proceedings by or against the Fund or the Board of Management or its Chairman or a member or any employee of the Board of Management concerning the affairs of the Fund, for reason to be recorded and reported to the Board on the next available opportunity;
- (b) Cause appearance for and on behalf of the Fund in any court and before any tribunal or any other officer, in any action or proceedings or matters regarding the Fund, to promote or safeguard or defend its interest.

### **PROCEDURE FOR AMENDMENT IN THE RULES**

- 18. Any change/amendment, if required, in these Rules, shall be made by two third majority of the members of the Governing Body

### **FINANCIAL ADMINISTRATION**

- 19. The Endowment Fund shall not be a separate entity but shall be a restricted fund of COMSATS;
- 20. The financial year of the Fund shall be from 1st day of July to 30<sup>th</sup> day of June;
- 21. The accounts of the Fund shall be maintained in such a manner as other financial records of COMSATS Secretariat are maintained;
- 22. The regular books of accounts of the Fund shall be maintained in accordance with the generally accepted accounting principles as adopted by COMSATS Secretariat;
- 23. The accounts of the Fund shall be kept in a scheduled bank;
- 24. The Bank accounts shall be operated jointly by two out of three persons authorized by the Board

### **AUDIT AND ACCOUNTS**

- 25. The Funds shall be audited as part of COMSATS Secretariat's annual audit.

### **INVESTMENT**

- 26. The capital of the Fund shall be invested in term deposits and/or Government approved investment schemes giving due consideration to risk coverage/risk diversification in the light of investment policy approved by the Governing Body.
- 27. The Board of Management is empowered to invest funds and assets in such manner as the Board of Management may deem fit within the framework of the objectives of the Fund

## **UTILIZATION**

28. The incomes of the Fund shall be utilized for the promotion of its aims and objectives in the light of Spending & Usage Policy approved by the Governing Body. Normally, twenty-five per cent of the total income of the year will be reinvested to keep the principal safe from inflationary loss and secure its purchasing power.

## **SEAL OF THE FUND**

29. There shall be a Seal of the Fund which shall be affixed on all documents executed in relation to the Fund and signed by the Chairman.
30. The Seal of the Fund shall remain in the custody of the Secretary of the Fund.

## **EXEMPTIONS**

31. Proper applications shall be moved before the Federal Board of Revenue /Income Tax Authorities or any other authority, seeking relief/ exemption of certain provisions of the Tax Laws.

## **INDEMNIFICATION**

32. In discharge of their duties to meet the aims and objectives of the Fund, no member/ employee shall be liable for any loss to the Fund by reason of any investment made in good faith or by the negligence or fraud of any agent employed by him/her or by reason of mistake made in good faith by any member. However, in case of willful and individual fraud or wrong doing on the part of the member, he/she shall be liable for appropriate action under the relevant Statute, Rules and Regulations of the COMSATS and law of the land.

## **DISSOLUTION OF THE FUND**

33. The Fund shall be perpetual in nature and shall not be dissolved, unless three-fourth of the members of COMSATS present in a Commission Meeting shall have expressed a wish for such dissolution by their votes delivered in person.
34. Notwithstanding what is stated herein before, if upon the winding up or dissolution of the Fund there remains, after meeting all liabilities, any assets whatsoever the same shall be transferred to a body or bodies in accordance with the approval of the Commission.

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