

Bylaws

Fondation USJ

Université Saint-Joseph de Beyrouth
(USJ - Saint Joseph University of Beirut)



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I. MISSION AND OBJECTIVES OF FONDATION USJ

Article 1: Establishment

The University Board of the Saint Joseph University of Beirut (hereinafter referred to as “the University”), presided over by the Rector, Prof. Salim Daccache, SJ, unanimously approved the establishment of the Foundation of the Saint Joseph University of Beirut (hereinafter referred to as “*Fondation USJ*”) on October 28, 2015. Accordingly, like any other office of the University’s central administration, it has the operational structures it needs to accomplish its mission.

Fondation USJ is the University’s fundraising entity and is responsible for supporting students in financial difficulty and the University’s development projects. Additionally, it supports the needs of its University Medical Center, *Hôtel-Dieu de France* (hereinafter referred to as “HDF”) and the University’s hospital network.

Fondation USJ is founded on the principles outlined in the 1975 University Charter, namely that it is a non-profit organization of public utility, committed to equality, non-discrimination, solidarity, intellectual honesty, accountability and transparency. These values are clearly reflected in its actions, projects and fundraising campaigns.

Article 2: Mission and Objectives

The mission of *Fondation USJ* is to collect, manage, and allocate funds to support its students, the development of the University, HDF, and the University hospital network.

In this context, *Fondation USJ* aims to promote the excellence and influence of the University and HDF in their academic, social, and medical missions.

Through its programs, it seeks to:

- Establish current use and endowment funds to help students in financial need continue their studies;
- Support infrastructure, laboratory equipment, and research centers;
- Strengthen the capabilities and development plans of the “HDF Social Solidarity Fund” to assist patients of HDF and the University hospital network;
- Gather funds and testamentary trusts for specific funds or projects of the University, HDF, and the University’s hospital network;
- Help maintain the University’s status as a leading institution in research and education, both regionally and internationally;
- Develop partnerships with donors, organizations, and companies;
- Implement a Naming policy;
- Establish achievement scholarships (awards) to recognize and encourage entrepreneurship, creativity, and innovation among outstanding students;
- Conduct fundraising and solidarity campaigns for various cultural and social projects organized by student bodies, alumni, or other University entities;
- Leverage the international network of donors, alumni, friends, and partners of the University and HDF;
- Raise awareness and promote a philanthropic culture within the USJ-HDF community;
- Support research projects and funds, as well as the establishment of Chairs in various specialized fields.



Article 3: Headquarters

The headquarters of *Fondation USJ* is located at the Rectorate, Damascus Road, Beirut.

Article 4: Structure

Within the University framework, *Fondation USJ* is endowed with legal personality and enjoys administrative autonomy, subject to the supervisory powers of the University's central administration.

Fondation USJ is presided by the Rector, overseen by a Director, and governed by a Board of Directors with the support of a Nominations Committee, an Investment Committee, an Audit and Compliance Committee, and a Fundraising Committee.

II. ADMINISTRATION, RESPONSIBILITIES AND FUNCTIONING

Article 5: President of *Fondation USJ*

The Rector of the University is, *ex officio*, the President of *Fondation USJ*. The President's functions include:

- Appointing the Director of *Fondation USJ*;
- Signing all agreements and memoranda of understanding;
- Approving the administrative structure of *Fondation USJ*.

Article 6: Board of Directors of *Fondation USJ*

6.1 Board Members

Fondation USJ is governed by a Board of Directors composed of:

- The Rector, an *ex officio* member
- The Director of *Fondation USJ*
- At least one representative from the Board of Trustees
- The President of the Federation of USJ Alumni Associations
- Up to fifteen (15) external members, appointed for the first time by the Rector upon consultation with the President of the Board of Trustees. "External members" refers to individuals who are neither directly nor indirectly affiliated with the University through any employment, business, service provision, or goods supply contract.

The term of the Board of Directors of *Fondation USJ* is of three renewable years. At the end of the first term, the Nominations Committee compiles a list of candidates eligible to serve on the Board, in accordance with the provisions outlined in Article 9 of the present Bylaws. This list is submitted to the Rector, who appoints the Board members from the listed candidates upon consultation with the President of the Board of Trustees.

6.2 Responsibilities

The Board of Directors of *Fondation USJ* serves as the primary decision-making authority within the Foundation's governance structure.

Its main responsibilities include:

- Ensuring the effective implementation of *Fondation USJ* mission
- Defining the strategic direction of *Fondation USJ* based on the needs of the University, HDF, and the University hospital network;
- Approving the annual strategic plan set by the Director of *Fondation USJ*;
- Overseeing *Fondation USJ*'s financial performance;
- Approving the budget and any amendments;
- Ensuring transparent allocation and proper utilization of funds for various programs of the University, HDF, and the University hospital network;

- Suggesting and supporting fundraising campaigns and initiatives;
- Assisting in the development of fundraising campaigns and initiatives launched by *Fondation USJ* through appropriate resources and contacts;
- Appointing an international auditor in accordance with Article 14 of the present Bylaws;
- Appointing the members of the Investment Committee;
- Defining *Fondation USJ*'s investment policy based on recommendations from the Investment Committee;
- Managing the Current Use and Endowment funds and determining the operational procedures;
- Ensuring all donations and endowments comply with legal and ethical standards and uphold the University's reputation;
- Establishing one or more committees to assist in all actions undertaken by *Fondation USJ*;
- Amending *Fondation USJ* present Bylaws and its Internal Regulations.

6.3 Functioning

The Board of Directors meets in person at least twice throughout the academic year, either upon being convened by the President of the Board of Directors of *Fondation USJ*, or at the request of a quarter of its members, and as often as the interests of *Fondation USJ* require.

The Secretary-General of the Board of Directors of *Fondation USJ*, appointed by the President of the Board, informs the Board members of the meeting date at least fifteen (15) days in advance. The notice must include the meeting agenda. The Secretary-General shall draw-up the minutes of the Board meetings.

Where necessary, the Board of Directors may meet remotely via teleconference or videoconference, using any secure method that allows identification and ensures the effective participation of members, as specified in the Internal Regulations.

The President of the Board of Directors of *Fondation USJ* may invite individuals with particular expertise on the topics being discussed to attend the meeting in an advisory capacity. These individuals must maintain confidentiality regarding any sensitive information and data.

The Board can only validly deliberate when the majority of its members are present or represented. If a quorum is not reached, a new meeting will be convened one week later; the Board of Directors can then validly deliberate regardless of the number of members present or represented.

Unless otherwise specified in the present Bylaws, decisions of the Board of Directors are made by a simple majority of the votes cast. In the event of a tie, the President of the Board has the casting vote.

Absent members may delegate their voting power in writing to another member. No one may hold more than one delegation at a time.

6.4 President of the Board of Directors of *Fondation USJ*


The Board of Directors elects a president from among its members. The President of the Board of Directors of *Fondation USJ* is responsible for:

- Presiding over and conducting the meetings of the Board of Directors;
- Ensuring the Board's effective management of the Current Use and Endowment funds
- Overseeing the proper implementation of *Fondation USJ* Bylaws.

Article 7: Director of *Fondation USJ*

The Director is appointed by the President of *Fondation USJ* and is responsible for:

- Developing fundraising programs and campaigns in close collaboration with the President of *Fondation USJ*;
- Managing and expanding the donor portfolio through identification, qualification, solicitation, stewardship, and management cycles;

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- Establishing an annual action plan in line with suggested strategies and the University's identified priorities;
 - Suggesting and executing a communication plan, and promoting and representing *Fondation USJ*;
 - Designing and recommending new processes to establish a philanthropic culture within the University;
 - Implementing a system for tracking, evaluating, and reporting on all *Fondation USJ* programs;
 - Ensuring the involvement and engagement of *Fondation USJ* team;
 - Coordinating with various University offices, HDF, and the University hospital network to implement collaborative processes.

Article 8: Investment Committee of *Fondation USJ*

8.1 Committee members

The Investment Committee of *Fondation USJ* is composed of at least 4 qualified members from outside the University, with expertise in financial management. They are appointed by the Board of Directors, with at least two members being from outside the Board, in accordance with standard conflict of interest guidelines.

The term of the Investment of *Fondation USJ* Committee is of three renewable years.

8.2 Responsibilities

The Investment Committee of *Fondation USJ* acts in an advisory capacity to the Board of Directors. It prudently, honestly, diligently, and responsibly carries out its mission, while complying with all applicable laws and regulations.

This Committee assists the Board in shaping the investment policy of *Fondation USJ* and may resort to an international asset management company. It deliberates on the following matters:

- The establishment of investment policies and portfolio objectives;
- The assessment of risk related to investments, profits, and returns;
- The monitoring of portfolio performance;
- The selection of service providers.

8.3 Functioning

The Investment Committee meets at least three times throughout the academic year, either upon being convened by the President of the Investment Committee, or at the request of two of its members, and as often as the interests of *Fondation USJ* require.

Moreover, the Investment Committee must submit a quarterly activity report to the Board of Directors of *Fondation USJ*.

Article 9: Nominations Committee of *Fondation USJ*

A Nominations Committee is responsible for compiling a list of candidates eligible to join the Board of Directors. It consists of:

1. The Rector of the University;
2. The President of the Board of Directors;
3. Three members of the Board of Directors, including one representative of the Board of Trustees;
4. The Director of *Fondation USJ*.

Whenever the terms of the members of the Board of Directors expire, the Nominations Committee, by a simple majority, prepares a list of candidates with more names than there are seats to fill. This list is then presented to the Rector, who, upon consultation with the President of the Board of Trustees, appoints the new members of the Board of Directors from the list.



Article 10: Audit and Compliance Committee of *Fondation USJ*

10.1 Committee Members

The Audit and Compliance Committee of *Fondation USJ* is composed of at least three members from outside the University, with expertise in management, finance and law. They are appointed by the Board of Directors, in accordance with standard conflict of interest guidelines.

The term of the Audit and Compliance Committee of *Fondation USJ* is of three renewable years.

10.2 Responsibilities

The Audit and Compliance Committee of *Fondation USJ* provides oversight to the Board of Directors.

It deliberates on the following matters:

- Recommending the appointment of an external auditor and monitoring the effectiveness of their work;
- Ensuring the proper execution of procedures through internal audits;
- Establishing the cycle and overseeing the execution of the audit plan and compliance missions;
- Mandating ad hoc audit and compliance missions.

10.3 Functioning

The Audit and Compliance Committee meets at least twice a year, upon being convened by its President.

The Audit and Compliance Committee must submit a quarterly activity report to the Board of Directors of *Fondation USJ*.

Article 11: Fundraising Committee of *Fondation USJ*

11.1 Committee members

The Fundraising Committee is an operational committee composed of at least 8 members from the Board of Directors.

11.2 Responsibilities

The Fundraising Committee's main responsibilities include:

- Suggesting and supporting major fundraising project and their campaigns from an operational perspective, for both the University and HDF;
- Developing communication and marketing plans for fundraising campaigns;
- Identifying potential donors and arranging contact with the Director of *Fondation USJ*.

11.3 Functioning

The Fundraising Committee meets at least three times a year, either upon being convened by the President of the Committee, or at the request of Director of *Fondation USJ*.

III. FUNDS AND ALLOCATION OF COLLECTED FUNDS

Article 12: Types of Funds

Fondation USJ's funds consist of the following:

- Current Use Fund: Regular or one-time donations from individuals, businesses, partner organizations, or trusts from donors wishing to support the University, HDF, and the University's hospital network.
- Endowment Fund: Capitalized funds where only the annual income generated by the funds can be used by *Fondation USJ*, unless otherwise specified by the donor.



Article 13: Allocation of Funds

Fondation USJ's Board of Directors manages both the Current Use Fund and the Endowment Fund, establishing their operational procedures.

Regarding the Current Use Fund, *Fondation USJ* pledges to transparently allocate collected funds according to donors' preferences and in line with its mission, as outlined in Article 2 of the Bylaws:

- Through the Financial Aid Office for scholarships;
- Through the Financial Office and the Accounting Office for University support projects;
- Through the Financial Directorate of HDF for projects supporting HDF and its patients, as well as the University hospital network.

As for the Endowment Fund, only the annual income generated by the fund may be used by the University, unless otherwise specified by the donor.

- Prudent management policies will adhere to clear rules on income distribution and capital preservation, incorporating provisions for prudent investment standards and delegation of investment authority.
- Funds contractually designated and allocated must strictly follow donors' guidelines for fund usage and disbursement purposes.
- Disbursements will be made up to a specified percentage (annually determined by the Board of Directors) of realized income, with the remainder retained for future disbursements.
- In cases where income realized during a specific year is insufficient, disbursements for intended purposes may be made from retained funds accumulated from prior years' income.
- If the fair market value of endowment funds falls below a 10% threshold of their initial contributions from donors, distribution and fund usage will cease until capital is replenished and/or revalued, unless otherwise specified by donors or decided by three-quarters of the Board of Directors.

IV. EXTERNAL AUDIT

Article 14: External Audit

An international auditor, appointed by the Board of Directors of *Fondation USJ's* based on the recommendation of the Audit and Compliance Committee, is tasked with auditing *Fondation USJ's* accounts.

V. INTERNAL REGULATIONS

Article 15: Establishment of Internal Regulations

Internal regulations, initiated by the President of *Fondation USJ* and ratified by its Board of Directors, provide practical guidelines on the organization and operation of the Foundation. They outline the specific procedures for the statutory provisions governing the effective functioning of *Fondation USJ*.

VI. APPROVAL AND AMENDMENT OF THE BYLAWS

Article 16: Approval and Implementation of the Bylaws

The present Bylaws shall be submitted for approval to the University Board in accordance with Article 66 of the University Bylaws. They shall come into effect upon such approval.

Article 17: Amendment of the Bylaws

The Board of Directors of *Fondation USJ* may suggest amendments to the present Bylaws by a two-thirds majority of its members, as stipulated in Article 6.2 of the present Bylaws. These amendments shall be approved by the University Board.