

Kingdom of Saudi Arabia  
Council of Universities' Affairs  
General Secretary



مجلس شؤون  
الجامعات  
Council of Universities' Affairs

**Statute for University Student Funds**  
**issued by Universities Affair Council**  
**Resolution No. (1/13/1444)**  
**in its 13<sup>th</sup> meeting on 25/5/1444<sup>H</sup>.**

First Edition  
1444 H (2023 AD)

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## Statute's Legal Document

- Paragraph (Six) of Article (Fifteen) of the Council of Higher Education and University System issued by Royal Decree No. (M/8) dated 4/6/1414 AH, which stipulates that one of the competencies of the Council of Higher Education (Universities Affairs Council) is to issue standard statutes for universities.
- Paragraph (Nine) of Article (Seven) of the Universities System issued by Royal Decree No. (M/27) dated 3/2/1441 AH, which stipulates that one of the competencies of the Universities Affairs Council is to “approve the statute governing student funds in universities.”

## Statute for Student Funds in Universities

### Chapter One: Definitions

#### Article One

The following terms and expressions - wherever they appear in these regulations – shall carry the meanings indicated in the following definitions, unless the context means otherwise:

**The system:** the system of the Council of Higher Education and Universities issued by Royal Decree No. (M / 8) dated 4/6/1414 AH, or the university system issued by Royal Decree No. (M/27) dated 3/2/1441 AH, depending on the system in force at the university.

**Fund:** Student Fund at the University

Board of Directors: Board of Directors of the Fund.

**Loan:** A sum of money disbursed to the student and recovered in accordance with the provisions of this statute.

**Subsidy:** A sum of money granted to a student in accordance with the provisions of this statute and which is not refundable.

## **Chapter Two: The Establishment of the Fund, its Headquarter and its Objectives**

### **Article Two:**

The University has the right to establish a fund to support and serve students at the University. The fund shall have financial and administrative independence in accordance with the provisions of this Statute, and it may establish sub-funds in the different University's campuses. The Fund is administratively linked to the President of the University, and its headquarter shall be located on the University's Main Campus.

### **Article Three:**

The Fund aims to provide support and services to regular students, such as the following:

1. Providing subsidies and loans to students.
2. Establishing beneficial investment projects for students or contributing in such activities as subsidizing canteens, printing, copying and photocopying, as well as procuring stationary, scientific tools and similar necessities.
3. Supporting student activities and granting prizes to participants.
4. Developing the Fund and investing the surplus in a way that achieves the Fund's goals and ensures its financial sustainability.

## **Chapter Three: Fund Administration**

### **Article Four:**

The governance, management and running of the Fund's affairs is undertaken by a Board of Directors formed by a decision of the University Council, which shall consist of:

1. The Dean of Student Affairs - Chairperson.
2. One of the Vice Deans of Student Affairs - Vice President
3. The Executive Director of the Student Fund - Member and Trustee.
4. Three interested faculty members at the University - members.
5. Three highly qualified and active students - members according to the regulations approved by the University Council for selecting students as members of the councils.
6. One of the specialists in financial control or auditing from the University - member.

The appointment of members in items (2-4-5-6) shall be upon the nomination of the President of the University, and shall be a tenure of two years, renewable once, taking into account rotation when nominating between colleges whenever possible.

### Article Five

The Board of Directors is concerned with proposing general policies and supervising the technical, administrative and financial aspects of the Fund and taking the necessary decisions to achieve the Fund's objectives. Particularly, the board is tasked with:

1. Discussing the Fund's tentative estimated budget and any amendments to it in preparation for its approval by the University Council.
2. Studying ways to increase the Fund's resources inside and outside the university and recommending them to the University Council.
3. Preparing the financial, accounting and investment policies and procedures for the Fund to be approved by the University Council upon the recommendation of the University President.
4. Recommending the acceptance of grants, bequests, gifts and donations that are presented to the Fund in accordance with the regulations and instructions and submitting them to the University Council
5. Recommending the assignment of an external auditor to the University Council. The University Council has the authority to assign an

external auditor to audit the Fund's accounts.

6. Discussing the Fund's closing account statement after it has been reviewed by the External Auditor, in preparation for its approval by the University Council.
7. Discussing the Fund's annual report after it has been reviewed by the External Auditor, in preparation for its approval by the University Council.
8. Ensuring that the work related to the Fund is carried out in accordance with its statute and approved budget.
9. Recommending the approval of contracts with the Fund's employees and collaborators and submitting them to the President of the University for approval.
10. Proposing wages, allowances, bonuses, and any other benefits for the Fund's staff in accordance with the job and financial statutes and regulations in force at the University, and submitting them to the University Council for approval of what it deems appropriate regarding them.
11. Submitting periodic reports to the President of the University explaining the Fund's activities, its work, and its financial status. The Board of Directors also submits a comprehensive report to the University Council at the end of each fiscal year on its work throughout the year.
12. Discussing specific issues referred to the Fund by the President of the University or suggested by the Chairperson of the Board of Directors or one of its members.

### Article Six

1. The Board of Directors meets upon the invitation of its Chairperson at least once a month, or at the request of at least one third of its members. To be valid, the meeting requires the attendance of the



majority of the members, including the Chairperson of the Board or his representative, and decisions are taken by the majority of the votes of those present. In case of a tie in votes, the side the Chairperson votes for has the majority. The objecting member must record his objection and the reasons for the objection in the Council meeting minutes. The minutes of the Board of Directors are presented to the President of the University for approval and endorsement. The decisions of the Board of Directors are considered in effect unless an objection is received from the President of the University within fifteen days from the date the President receives them. If the President objects to them, they are returned to the Board of Directors accompanied by the President's objection for reconsideration. If the Board's opinion does not change, the contested decision is referred to the University Council to be decided on in its first regular or exceptional session, and then, the University Council has the right to adopt the decision, amend or cancel it, and its decision in this regard is final.

2. The Chairperson of the Board of Directors may invite to the meeting any non-voting person whose help is deemed necessary.
3. The Board's deliberations and decisions are recorded in minutes signed by the Chairperson of the Board and the members present, and the Board of Directors notifies the concerned authorities of these decisions in the appropriate manner.
4. Members may not abstain from voting when they are present, and may not authorize another member to vote on their behalf when they are absent.
5. It is not permissible for a member to disclose any of the Council's confidential information.

### **Article Seven:**

An allowance for the Chairperson and members of the Board of Directors in the amount of (500) five hundred riyals shall be paid for attending each meeting, provided that the amount they receive does not exceed (10,000) ten thousand riyals in the fiscal year.

### **Article Eight:**

An Executive Manager shall be appointed to manage the Fund - upon nomination by the Chairperson of the Board of Directors and with the approval of the Board of Directors - provided the nominee is a qualified Saudi citizen with experience in financial affairs.

The executive manager is responsible for implementing the Fund's policies and applying its rules, managing it, monitoring its work and safe-keeping its money and assets. The manager is entitled to the following:

1. Implementing the Board of Directors' decisions in accordance with this Statute.
2. Supervising and managing the employees of the Fund in accordance with the powers vested in it.
3. Supervising the preparation of the estimated budget and financial statements and submitting them to the Board of Directors in a timely manner.
4. Preparing tentative financial and accounting policies and procedures and submitting them to the Board of Directors
5. Preparing economic feasibility studies for investment projects in preparation for their approval by the Board of Directors
6. Following up on the repayment of loans and reporting to the Board of Directors on any past-due payments and appropriate collection proposals

7. Keeping all valuable documents and handing them over to a specialist as work requires.
8. Supervising inventories of assets and loans.
9. Carrying out the work assigned to the Manager by the Board of Directors within the limits of his/her competence

## Chapter Four: Fund Budget

### Article Nine

The Fund shall have an independent budget that includes its revenues and expenses. The Fund's fiscal year is aligned to the fiscal year of the University.

### Article Ten

1. The Fund prepares its estimated budget, which includes its revenues according to its resources and its projected expenses according to its terms. The Executive Director shall present the budget to the Board of Directors at least three months prior to the beginning of the fiscal year for discussion in preparation for its approval by the University Council.
2. In case of non-approval of the estimated budget before the beginning of the new fiscal year, the budget of the previous year remains in force, provided that it is approved within three months of the beginning of the year. If this period expires before the budget is approved, then spending will continue from the budget of the previous fiscal year, but only towards the financial rights of individuals on other party rights only.

### **Article Eleven:**

Transfers are allowed between expenditure items during the fiscal year, and the total estimate of expenditures may be increased, whether by creating new expenditures that were not included in the estimated budget, or by increasing existing appropriations based on the proposal of the Executive Director, the recommendation of the Board of Directors, and the approval of the University Council.

### **Article Twelve:**

The Fund's financial resources consist of the following:

1. Deductions from the monthly stipends of university students, at the rate of ten riyals from each student whose monthly stipend is not less than (850) riyals, and at the rate of five (5) riyals from each student whose stipend is less than that amount.
2. Revenue from the investment projects, e
3. Support provided by the University to the Fund.
4. Donations, grants and bequests.
5. Support provided by government agencies and institutions.
6. Support allocated by the University Higher Education Fund for the Fund's budget.

### **Article Thirteen:**

1. Disbursements from the Fund include the following:
  - A. Subsidies and loans provided to students.
  - B. Sums for students' programs and activities, including allowances for the supervisors assigned to the activities and the committees formed for them, as well as sums for prizes for participants and outstanding students in these activities.

- C. Administrative and operational expenses required for the operation of the Fund.
  - D. Establishing investment projects or contributing to them.
2. The foregoing takes into account coordination between the concerned authorities and departments at the university to avoid duplication of spending on the same project.

## Chapter Five: Collection and Disbursement

### Article Fourteen:

With the approval of the University President, one or more independent accounts will be opened for the Fund in banks and financial institutions licensed to operate in the Kingdom, where the Fund's revenues will be deposited. Withdrawal from the Fund's account is by bank remittance or checks signed by two persons authorized by the University President. The Executive Director will supervise the Fund's bank accounts.

### Article Fifteen:

The disbursement shall be within the limits of the appropriations of the estimated budget approved for the Fund, after its approval by the Fund's Financial Controller and the Executive Director.

### Article Sixteen:

It is not permissible to disburse any amount from the Fund's money unless original documents are presented, including electronic documents. In the event of a disbursement upon presentation of copies of documents, or replacements for the lost ones, disbursement is done in accordance with the decisions and instructions in force in the Kingdom.

### **Article Seventeen:**

A permanent advance, determined by the Board of Directors, may be allocated to be used for urgent expenses necessary for the Fund's operations with a value that does not exceed five thousand (5000) riyals, in accordance with the following restrictions :

1. The disbursement shall be made with the approval of the Executive Director or his representative
2. The inadmissibility of dividing the expenditure on one item by itself, with the intention of disbursing it from the advance
3. The spending from the advance is reviewed by the Board of Directors every six months with the purpose of adjusting the amount to be within the average expense for this period
4. The expenditure shall be topped up with the approval of the Chairperson of the Board of Directors or his representative whenever it is almost depleted. It must be closed at the end of the fiscal year and the remainder of it is transferred to the account of the Fund.
5. The Executive Director shall make an inventory of the advance at least every three months and match that with what appears in the records.

### **Article Eighteen:**

The disbursement from the Fund for loans and subsidies shall be in accordance with the following regulations:

1. The requests for loans and subsidies shall be through submitting application forms designed for these purposes.
2. Reviewing student cases in coordination with the concerned parties at the University.

3. Presenting the applications to the Board of Directors for approval and for determining the amount of the subsidy or the loan, as well as its repayment period.
4. In urgent cases, the Chairperson of the Board of Directors may disburse an amount not exceeding one thousand (1000) riyals in the case of a subsidy and (2000) two thousand riyals in the case of a loan, provided that the case is presented to the Board of Directors in the first session for review.
5. Loan repayment is made on the scheduled date by deducting it from the student's monthly stipend, provided that the monthly deduction does not exceed (25%) of the monthly stipend, unless the Board of Directors decides otherwise.
6. Denying a disclaimer for a borrowing student until it is confirmed that he has paid back the entire amount of the loan.
7. With the approval of the Board of Directors, the Chairperson may exempt the student from paying back the rest of the loan in exceptional cases as determined by the Board of Directors.
8. The loan or what is left of it is cancelled in the event of the student's death.

#### **Article Nineteen:**

The disbursement from the Fund shall be used to support student activities, and to grant prizes to participants and outstanding students in accordance with the following stipulations:

1. The person in charge of the activity submits a request to the Chairperson of the Board of Directors, accompanied by the following:
  - A. a list of detailed activities and the time required for their implementation.

- B. an estimated budget for its implementation, indicating the amount of funding from the University budget, if any, and the required support from the Fund.
2. Ensuring that the amount is available in the Fund's budget in preparation for presenting it to the Board of Directors for a decision.
  3. The amount is paid to the person responsible for the activity as a temporary advance upon approval of the Board of Directors, taking the necessary measures to ensure repayment, or through deduction from salary and entitlements of the borrower, after the approval of the President of the University based on the recommendation of the Board of Directors.
  4. The person in charge of the activity shall submit all supporting documents for the advance, and proof of the transfer of what may remain from the advance to the account of the Fund, to the Executive Director, and it shall be closed within fifteen days from the date of fulfilling the objective of the advance.
  5. Denying a disclaimer from the university for the person responsible for the activity until it is confirmed that he has paid back the entire advance.
  6. The Chairperson of the Fund's Board of Directors may, in case of urgency and upon his/her assessment of the situation, disburse part of the required amount of support before presenting it to the Board of Directors, provided that it is presented to the Board in its next session to obtain the Board's approval and the amount does not exceed (20%) of the value of the requested amount. The executive rules determine the regulations and procedures in such situations.



### **Article Twenty**

Fund disbursement for the establishment of investment projects shall be in accordance with the following stipulations:

1. The disbursement does not affect other aspects of fund expenditure mentioned in Article (13) of this statute.
2. The availability of a feasibility study for the project endorsed by the Board of Directors and approved by the President of the University.
3. The disbursement for the investment is made from the Fund's accumulated surplus account.

## **Chapter Six: Procurement and Business Execution Insurance**

### **Article Twenty-One**

The rules and procedures in force in the university are applied to the operations of securing purchases and commissioning works for the Fund and its projects in accordance with the powers stipulated in the statute governing financial affairs in universities.

## **Chapter Seven: Accounts**

### **Article Twenty-Two**

The Fund shall have an appropriate accounting system consistent with the applicable laws and statutes of the University, as well as the financial and accounting policies and procedures approved for the Fund.

### **Article Twenty-Three**

The provisions, rules, and procedures in force at the university apply to the Fund's warehouses.

### **Article Twenty-Four**

The Fund's documents, records, books and ledgers shall be subject to the rules of safekeeping applied at the University.

### **Article Twenty-Five**

The external auditor reviews the Fund's accounts and financial statements, expresses a professional opinion on them, and submits them to the Board of Directors for discussion in preparation for submitting them to the University Council.

### **Article Twenty-Six**

The surplus of the Fund's revenues over its expenditures at the end of the fiscal year is transferred to an account called the Fund's Accumulated Surplus Account. Any spending from this account is made by a decision of the University Council, according to the provisions of disbursement specified in this statute.

## **Chapter Eight: General Provisions**

### **Article Twenty-Seven:**

The Fund prepares its final accounts and financial statements and submits them to the Board of Directors, accompanied by the external auditor's report, within a period not exceeding three months from the end of the fiscal year, in preparation for their approval by the University Council.

### **Article Twenty-Eight:**

Everything that is not clearly stated in the articles of this statute shall conform to the laws and regulations in force in the University.

### **Article Twenty-Nine:**

The executive rules of this statute are issued by the University Council.

### **Article Thirty:**

The provisions of this statute apply to universities that implement the system of the Council of Higher Education and Universities issued by Royal Decree No. (M/8) dated 4/6/1414 AH, and universities that implement the University System issued by Royal Decree No. (M/27) dated 2/3/1441 AH, according to the applicable system in the University.

### **Article Thirty-One**

The Universities Affairs Council has the right to interpret the articles of this statute.

### **Article Thirty-Two**

For universities, this statute shall replace the statute governing student funds in educational institutions issued by the Council of Higher Education Resolution No. (12/27/1423 AH) dated 2/11/1423 AH, and shall be enacted at the beginning of the fiscal year following the date of its approval by the Universities Affairs Council, and all provisions that conflict with it are repealed.