



AL-KAWTHAR
UNIVERSITY

الكوثر

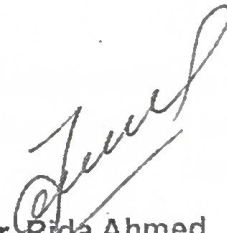
OFFICE OF THE REGISTRAR
NOTIFICATION

AKU/Reg/2026/01/14/002

Dated: 14th January 2026

Subject: Establishment of the Endowment Fund for Al-Kawthar University

1. It is hereby notified for the information of all concerned that through the exercise of powers delegated to the Vice Chancellor as per the paras 7 (6) and 9 (3) of the Al-Kawthar University Act 2023, the Vice Chancellor has been pleased to approve the establishment of **Endowment Fund of Al-Kawthar University** and its associated rules to be known as "**Al-Kawthar University Endowment Fund Policy**" with immediate effect.
2. Copy of the **Al-Kawthar University Endowment Fund Policy** is enclosed herewith for information and compliance by all concerned.


Dr. Rida Ahmed
Registrar

Copy to:

All Concerned

Copy to: (for information)

Vice Chancellor



Endowment Fund Establishment Policy

Approved by: Vice Chancellor, Al-Kawthar University

1. Title

Policy for Establishment, Management and Regulation of University Endowment Fund

2. Purpose

The purpose of this policy is to establish a permanent Endowment Fund for the financial sustainability and long-term development of Al-Kawthar University by:

- a. Supporting academic programs, scholarships, research, and infrastructure
- b. Providing financial stability
- c. Encouraging philanthropy and donor participation
- d. Ensuring transparency, accountability, and prudent financial management

3. Scope

This policy applies to the Board of Governors (BOG), Vice Chancellor/Rector, Finance Department, Endowment & Investment Committee (EIC), donors, contributors, and beneficiaries.

4. Definitions

- a. *Endowment Fund*: A permanent fund consisting of donations, grants, gifts, and investments, where the principal amount remains intact and only the income generated is used for approved purposes.
- b. *Principal Amount*: The original corpus of the Endowment Fund, including donations and gifts.
- c. *Income*: Earnings from investments, including interest, dividends, and capital gains.
- d. *Donor*: An individual or entity contributing to the Endowment Fund.
- e. *Beneficiary*: A person or program benefiting from the Endowment Fund.
- f. *EIC*: Endowment & Investment Committee responsible for managing the Fund.
- g. *Shariah Compliance*: Adherence to Islamic financial principles, if applicable.



5. Establishment of Endowment Fund

- a. The Endowment Fund shall be established upon approval of the Vice Chancellor/F&PC/Board of Governors.
- b. The Fund shall be maintained in a separate bank account in the name of Al-Kawthar University Endowment Fund.
- c. The Endowment Fund shall be recorded as a restricted fund in the University's books of accounts.

6. Sources of Endowment Fund

- a. Donations, grants, and gifts
- b. Bequests and wills
- c. Government Grants
- d. Income from investments
- e. Other lawful contributions approved by the BOG/Finance & Planning Committee/Vice Chancellor

7. Governance Structure

Endowment & Investment Committee (EIC):

- a. Vice Chancellor (Chairperson)
- b. 1x nominee of the BOG
- c. 1x Nominee of the foundation
- d. Director Finance
- e. 1x Legal expert
- f. 1x Financial expert
- g. 1x External donor representative

8. EIC Procedures

- a. Meetings: EIC meets quarterly or as needed; quorum is 3 members.
- b. Investment Decisions: EIC recommends investments to Vice Chancellor/F&PC/BOG based on risk, return, and University goals.
- c. Approval Process: Investments above Rs. 10 million require Vice Chancellor/F&PC /BOG approval.
- d. Monitoring: EIC reviews investment performance quarterly and reports to Vice Chancellor/F&PC /BOG annually.
- e. Income Allocation: EIC recommends income use to Vice Chancellor/F&PC /BOG for scholarships, research, etc.

9. Investment Policy

- a. Principal amount shall remain intact; only income shall be used.
- b. Investments shall prioritize capital preservation, low-moderate risk, and Shariah compliance (if applicable).

10. Use of Income

- a. Scholarships and student aid
- b. Research & development
- c. Faculty development
- d. Infrastructure and academic programs
- e. Other purposes as approved by Vice Chancellor/F&PC /BOG

11. Financial Controls & Audit

- a. Separate accounts and annual internal/external audit.
- b. Quarterly reports to Vice Chancellor/F&PC /BOG.

12. Amendment

This policy may be amended by the Vice Chancellor/F&PC /Board of Governors through resolution.

13. Effective Date

This policy is effective upon approval by the Vice Chancellor/F&PC /Board of Governors.

Approved by:

Vice Chancellor, Al-Kawthar University