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CIDI/doc.292/20 rev.2[[1]](#footnote-1)

20 October 2020

Original: Spanish

STATUTES OF THE CAPITAL FUND FOR THE OAS SCHOLARSHIP AND

TRAINING PROGRAMS

(Approved by resolution CIDI/RES.342 (CII-O/20) at the regular meeting of the Inter-American Council for Integral Development (CIDI), held on June 30, 2020 and by

resolution AG/RES. 2955 (L-O/20) of the General Assembly)

STATUTES OF THE CAPITAL FUND FOR THE OAS SCHOLARSHIP AND

TRAINING PROGRAMS

**ARTICLE I**

**PURPOSE**

1.1 The purpose of these Statutes is to regulate the Capital Fund for the OAS Scholarship and Training Programs, hereinafter "the Scholarship Fund" or "the Fund."

1.2 The sole purpose of the Fund, established pursuant to resolution AG/RES. 1460 (XXVII-O/97), shall be to establish and maintain an endowment for the OAS Scholarship and Training Programs.

**ARTICLE II**

**MANAGEMENT, POLICIES, AND ADMINISTRATION OF THE FUND**

2.1 The Fund shall be managed by the Management Board of the Inter-American Agency for Development and Cooperation (IACD) under the supervision of the Inter-American Council for Integral Development (CIDI).

2.2 The policies of the Fund shall be consistent with the objectives, procedures and practices of the OAS Scholarship and Training Programs to assist member states with their domestic efforts in pursuit of integral development goals by supporting human resource development in the priority areas established by the Strategic Plan for Partnership for Development of the CIDI in response to the Summits of the Americas and the General Assembly of the Organization.

2.3 Responsibility for administration of the Fund shall lie with the General Secretariat.

**ARTICLE III**

**THE FUND'S SECRETARIAT, TREASURER, AND TECHNICAL STAFF**

3.1 The Director of the Department of Human Development, Education and Employment of the General Secretariat shall serve as the Technical Secretary for the Management Board of the IACD in its competences regarding the Fund and shall help it carry out its functions, with assistance from the staff of the General Secretariat when necessary.

3.2 The Treasurer of the General Secretariat shall serve as the Treasurer of the Fund and shall be responsible for the receipt, investment, accounting, and disbursement of resources, pursuant to the Fund's regulations and in accordance with the decisions and instructions of the Management Board of the IACD. The Treasurer shall present a report on the Fund to the Management Board of the IACD at the semiannual meetings or whenever requested by the Management Board of the IACD.

3.3 The Management Board of the IACD may request advice from the technical staff of the General Secretariat and from other persons or entities in respect of matters regarding the Fund's operation.

**ARTICLE IV**

**PURVIEW OF THE MANAGEMENT BOARD OF THE IACD**

4.1 The Management Board of the IACD, acting on advice from the Treasurer and investment experts, shall pursue an investment policy with the following objectives: capital growth, the generation of income compatible with the policy for granting scholarships and limiting risks, and a balanced diversification of the portfolio's assets.

4.2 The Management Board of the IACD, with advice and assistance from the General Secretariat, shall define strategies for mobilizing funds from external sources.

4.3 In connection with the functions of managing the Fund and of mobilizing funds from external and other sources, the Management Board of the IACD shall perform the following specific functions:

1. Determine the Fund's investment strategy within the guidelines set forth in these Statutes and carry out that strategy by selecting investments which maintain a suitable balance between the need to protect the real value of the Fund, on the one hand, and the need to secure the highest possible yield in terms of income and growth, on the other;
2. Review and supervise the Fund's investments on a regular basis and modify its portfolio when necessary to attain the Fund's objectives, within the investment policy established by the Management Board of the IACD;
3. Engage, as deemed necessary, the professional services of investment counselors, stockbrokers, and other professionals in the financial sector to advise on or assist in the investment and growth of the Fund;
4. Undertake, as deemed appropriate, activities for mobilizing funds from external and other sources;
5. Decide on the acceptance or rejection of donations and provide guidelines for negotiating the corresponding conditions;

Donations and legacies may be accepted subject to a condition or earmarked for special purposes specified by the donor or testator, provided that such condition or purposes are consistent with the sole purpose of the Fund, as set forth in Article 1, section 1.2, of these Statutes, and provided that they do not contravene the Organization's pertinent normative rules;

1. Establish reserve and operations subfunds and such other subfunds as may be deemed necessary for orderly operation of the Fund;
2. Determine uses of the operations subfund and other subfunds deemed appropriate for the expansion of access to educational opportunities consistent with the policies and procedures of the OAS Scholarship and Training Programs and taking into account the mission, goals, and strategies of the Department of Human Development, Education and Employment;
3. Draw up regulations for its operations and for the operations of the Fund within the limits set by these Statutes;
4. Assign sums from the Fund's earnings for the operations of the Fund and to defray expenses for the professional services of investment counselors, stockbrokers, and other professionals in the financial sector to advise on or assist in the investment and growth of the Fund;
5. Carry out any other activities that may be reasonable for prudent management of the Fund as its fiduciary administrators; and
6. Provide CIDI with a complete report on the Fund's operations for each fiscal year, and prepare any other reports that are requested of it by CIDI or deemed necessary by the Management Board of the IACD.

**ARTICLE V**

**CONFIGURATION AND UTILIZATION OF THE FUND**

5.1 The General Secretariat shall deposit to the Capital Fund for the OAS Scholarship and Training Programs all resources allocated to the Department of Human Development, Education and Employment that were deobligated or not used in the previous fiscal exercise.

5.2 The Fund shall also consist of donations and other voluntary contributions from governments, individuals, public and private institutions, and other donors, and of the net yield from the Fund's investments.

5.3 Donations and voluntary contributions to the Fund shall be accepted in any currency and thereafter converted to United States dollars.

5.4 The yield from investments of sums derived from donations and legacies subject to a specific condition or earmarked purposes shall be credited thereto, based on the global yield of the Fund.

5.5 The Management Board of the IACD shall authorize the Treasurer to pay from the earnings of the Fund any expenditure incurred for the operation of the Fund. Should the Management Board of the IACD find that such outlays trigger an excessive reduction of the Fund's earnings, however, it shall submit such budgetary requests as may be necessary through the Secretary General.

5.6 The amount from the earnings of the Fund to be used to finance access to educational opportunities shall be transferred to the corresponding General Secretariat accounts in accordance with a disbursement schedule.

5.7 At the end of each year, the General Secretariat shall return to the Fund any amounts transferred pursuant to paragraph 5.6 which have not been obligated by December 31 in favor of the individual scholarship recipients.

**ARTICLE VI**

**RULES GOVERNING ADMINISTRATION OF THE FUND**

6.1 The Fund shall be administered pursuant to financial provisions, fiscal surveillance, and any other measures deemed pertinent as set forth in the General Standards to Govern the Operations of the General Secretariat and by such further administrative and financial precepts of the Organization as may be applicable.

**ARTICLE VII**

**AMENDMENTS**

7.1 The present Statutes may be amended by the CIDI on its own initiative or at the request of the Management Board of the IACD.

CIDRP03078E01

1. The prior version to this statute is document CIDI/doc.55/13 approved by CIDI on April 30, 2013

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