

Board of Trustees Charter
American University of Madaba

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1 Purpose

The purpose of the **Board of Trustees (hereinafter also referred to as the “BoT”)** is to provide the **American University of Madaba (AUM)** with sound governance, fiduciary and strategic oversight, and direction.

In line with the leading Corporate Governance practices, the BoT of the AUM shall assume all the necessary powers for the AUM’s strategy, oversight, and monitoring. The Board has the primary responsibility for the welfare of the AUM by guiding and monitoring the operations and affairs.

The Board, at all times, act honestly, fairly and diligently in all respects, in accordance with the laws, regulations and policies applicable to the AUM, in Jordan and in the State of New Hampshire.

This Board Charter (hereinafter referred to as the “Charter”), and the various complementary charters adopted by the Board and the various Committees, have been prepared and adopted as per the “Jordanian Universities Law”, and the bases of good governance and good governance procedures that can add to the performance of the AUM.

2 Composition of the BoT

AUM will be supervised by a Board headed by a Chairperson and composed of 12 Members who will be appointed by a decision of the Higher Education Council /Ministry of Higher Education and Scientific Research

The BoT is comprised of a number of constituent sectors representatives intended to ensure the promotion of the purpose and mission of the institution including; maintaining high educational standards; serving the needs of the local, national and international communities; and fiduciary responsibilities for institutional sustainability in the context of the intellectual, cultural, governance and administrative best-practices of American Higher Education.

The BoT consists of the following members: Chairperson of the BoT who is recommended by the sponsor/Board of Regents ; AUM president; four academic members holding a rank of full professor from other universities chosen by the Ministry of Higher Education and Scientific Research); two members representing the industry and trade sectors; two accomplished members to include one from the local community of Madaba and one from the State of New Hampshire chosen by the sponsor/Board of Regents; and three members representing the sponsor/Board of Regents.

Chairperson

The tasks and responsibilities of the Chairperson of the BoT shall include: convene, Chair and direct the meeting of the BoT; coordinate and be held accountable for the required implementation of all tasks and duties assigned to the BoT in accordance with applicable laws, regulations and institutional mission and bylaws.

Vice-Chair

The Vice-Chair of the BoT is elected from among its members and shall perform the duties of the Chair in the absence, resignation or incapacity of the Chair. The Vice-Chair shall serve until a successor is elected or until the member's term on the BoT ends.

BoT Secretary

AUM's BoT should appoint a BoT Secretary whose term of service is the same as that of a member of the BoT and is responsible for the following:

- Preparing BoT meeting agendas, and circulating the same for BoT members.
- Preparing communication letters upon arranging with the Chairperson as the need arise, and addressing the same to the BoT members, BoT Committees, and relevant parties. This includes handling the required communication to schedule/call for BoT meetings.
- Preparing information packages that need to be circulated to the BoT members before BoT meetings.
- Preparing BoT minutes of meeting.
- Following up on the issues requiring BoT action as raised in subsequent BoT meetings.
- Circulating the BoT decisions to the concerned parties.
- Assisting in drafting the BoT annual report and coordinating the same with the concerned parties, mainly AUM's Chairperson and BoT members, President, Legal Counsel, and Finance Department.
- Acting as a primary point of contact and source of information for BoT members.

3 Qualification

The below should be considered for nomination and selection of the potential Board candidate:

- Ability to demonstrate highest ethical standards.
- Ability to make significant and immediate contributions to the Board's discussion and decision making process.
- Ability to demonstrate any special skills, expertise and background that add to and complement the range of skills, expertise and background of the existing members.
- The previous experience of the candidate and whether he/she had a successful career that demonstrates the ability to make important and sensitive judgment.
- Ability to consistently and appropriately take into account and balance the legitimate interests and concerns of all stakeholders in reaching decisions.
- Ability to devote sufficient time and energy for performance of the duties as a member.
- A member of the AUM's Board shall not act as a member of the Board of any other university.

4 Independence

The following shall be taken into consideration:

- Except for the President, the Board should comprise of individuals that have no executive responsibilities in the AUM (Non-executive Member).
- An independent member who, for whatever reason, is no longer independent should immediately inform the Board of such change and the Board should assess his/her independence. The BoT or one of its committees shall review the independence of the members on a yearly basis.

5 BoT Term

The term of the BoT shall be for four years. If a Board seat becomes vacant during the board term then the appointment of new Board member/s shall be for the remaining duration of the term of the Board. This provision shall not prevent reappointment of a member for another term upon expiry of a term of appointment and shall not affect the terms of the engagement of the President.

6 Attendance

A Trustee shall attend 12 regularly scheduled meetings in a calendar year to remain in good standing. Failure to attend at least 3 consecutive scheduled meetings or a total of five dispersed meetings without a proper excuse that is acceptable by the chairperson per the Board term, shall be interpreted as a resignation from the Board.

7 Vacancy

If, during the term, a Board position becomes vacant due to the resignation, removal, or otherwise (e.g. death, legal conviction, disability, etc.) of a member, the Board of Regents has the right to fill the vacancy, by assignment of a new member in the same way the previous holder of the vacant post was appointed to complete the term of the Board.

A member who has been dismissed from the Board cannot be re-nominated for board membership before expiry of four years from the date of adopting the resolution of his/her dismissal. In case of ethical dismissal, the board member can not be re-nominated for the Board membership.

Resignation of a board member will take effect as of the date of the decision of the Higher Education Council/Ministry of Higher Education and Scientific Research.

8 Duties and Responsibilities

- A. **Duty of Care** requires board members to discharge duties in good faith, and with the care that an ordinarily prudent person would exercise in a like position and under similar circumstances. It requires board members to exercise care in all activities relation to their role as board members and commits them to participate in the work of the board. Duty of Care is carried out by:
- Attending board and committee meetings
 - Carefully preparing for meetings in advance
 - Reviewing financial reports and other critical information regularly
 - Exercising independent judgment Requesting information needed for decision making
 - Acting in good faith when decision making
- B. **Duty of Loyalty** requires board members to act in the interests of the AUM rather than their own personal interests or the interests of some other Person/organization. Duty of Loyalty is carried out by:
- Adhering to the conflict of interest policy
 - Disclosing all conflicts
 - Avoiding the use of the university's opportunities for personal gain
 - Maintaining confidentiality of information held by the university
- C. **Duty of Conformance** requires board members to make decisions in accordance with the mission of the AUM, to uphold its bylaws, policies, and functions, and to not act in a way that is inconsistent with the AUM strategic objectives. Duty of conformance is carried out by:
- Ensuring compliance with all reporting requirements
 - Examining all legal and governing documents
 - Making decisions within the scope of the mission and the law

In addition to the Duties of Care, Loyalty, and Conformance, the below are their responsibilities:

1. Designing the university's general policies.
2. Approving the university's Strategic Plan and Annual Plan according to the University Council's recommendation and following up on its implementation and evaluation.
3. Evaluating the university performance and its leadership from all perspectives, including: the academic, administrative, financial and infrastructure aspects.
4. Submitting an annual report on the university and its President's performance to Higher Education Council/Ministry of Higher Education and Scientific Research in accordance with criteria drafted by the Higher Education Council/Ministry of Higher Education and Scientific Research for this purpose.
5. Approving the nomination of the vice presidents and the deans based on the President's recommendation.
6. Recommending to Higher Education Council/Ministry of Higher Education and Scientific Research to establish university faculties, departments, institutes and scientific centers inside and outside the Kingdom.
7. Recommending to the Higher Education Council/Ministry of Higher Education and Scientific Research and New Hampshire Higher Education Commission to establish, integrate or cancel academic programs and majors.
8. Determining the university fees for all majors upon the recommendations of the Dean's Council.
9. Determining student admission requirements and number of students to be admitted in the different majors or ceasing student admission according to the regulations of the accreditation and quality assurance standards based on a recommendation of the Deans' Council according to the general policy issued by the Higher Education Council/Ministry of Higher Education and Scientific Research.
10. Discussing and approving the annual university budget and the financial statements upon the recommendation of the University Council, then submitting them together with the auditor's report to the Higher Education Council/Ministry of Higher Education and Scientific Research for final endorsement.
11. Endeavoring to support the university's financial resources.
12. Accepting endowments/trusts, aids, donations, grants, and wills subject to Prime Ministry approval, if from a non-Jordanian source.
13. Approving cultural, scientific, technological, and other agreements between the university and its peers inside and outside the Kingdom.
14. Recommend to the Higher Education Council/ Ministry of Higher Education and Scientific Research, the New Hampshire Higher Education Council and the Regional American Accreditation body to approve cooperation agreements with peer universities inside and outside the Kingdom in majors and specializations that lead to degree-granting provided that it meets accreditation requirements.

15. Upon the recommendation of AUM relevant council, discussing and approving the draft bylaws and then recommending them to the Higher Education Council/Ministry of Higher Education and Scientific Research for final approval.
16. Appointing the External Auditor.
17. Any other issues submitted by the Chairperson of the BoT which neither fall under the jurisdiction of any authority mentioned herein nor the regulations effective in the university.

9 Meetings, Frequency and Information

At the beginning of each fiscal year of the AUM, the Board shall put a schedule for its meetings during the year. The next Board meeting shall be confirmed at the end of each Board's meeting.

The Board shall meet sufficiently and regularly to perform its roles and responsibilities, which should be at least once a month to discuss a range of important issues including but not limited to, the performance of management and the university.

AUM Annual Report should contain a statement on the number of Board meetings held during the reporting period at which a Member could attend and the number of meetings which the Member did in fact attend. Absence from Board meeting(s), will not excuse Members from their duties to the AUM in relation to the matters considered and decided.

The Board will meet upon convocation by the Chairperson of the Board or the secretary. Notice of meetings, including form and content shall be issued to all members seven (7) days ahead of time. Meetings shall be at AUM Campus, or in any other place determined by the Chairperson of the Board from time to time.

10 Meeting Agenda

The Agenda of the BoT is formed in accordance to the recommendations of the BoT Chairperson and the President of AUM. The final Agenda is approved by the Chairperson and is sent to the members prior to the meeting.

11 Participation

The meetings shall be headed by the Chairperson of the BoT at which he/she is present, or in the absence of the Chairperson, by his Vice-Chair.

The BoT shall keep minutes of all the meetings that will be approved by the Chairperson or his deputy and signed by all members and the BoT's Secretary during the meeting.

BoT members are expected to attend, BoT meetings and meetings of committees on which they serve, and to spend the time needed and meet as frequently as necessary to properly discharge their responsibilities including preparation prior to the meeting.

The BoT Secretary shall confirm the quorum at the beginning of each meeting and shall provide the Chairperson with the absent members' names and reasons for their absence if provided.

12 Quorum

BoT meeting is considered a valid meeting upon the presence of a number of Members representing more than one-half of AUM's BoT.

Members of the BoT or any committee designated thereby may participate in any meeting of such BoT or committee by means of conference call or similar telecommunications equipment through which all members so participating can hear each other at the same time and participation by such means shall constitute presence in person at a meeting.

If the number of members attending a BoT meeting did not fulfill the quorum requirement for a called meeting, the meeting must be postponed to another date.

13 Voting

Resolutions of the BoT are to be approved with the consent of a majority of the BoT members.

The BoT can issue its resolutions by circulation. Such resolutions duly signed by all/or majority members are considered valid and effective as if it was issued during a meeting called upon as per the regular procedure.

Decisions taken by circulation shall be included as such in the next BoT meeting

14 Self- assessment

The Board adopts a self-evaluation policy and process to be conducted annually and discuss the results of the evaluation to identify strengths and areas for improvement.

The purpose is to evaluate and ensure that all responsibilities outlined in this Charter have been carried out and that the result is used to enhance board effectiveness and set annual board goals. **(Appendix A)**.

The self-assessment should be prepared on the basis that each member will complete it independently on an annual basis. The Board Chairperson would then lead discussion on the results of the questionnaire, focusing on those areas which clearly need improvement on where there is a great variation in answers.

The outcomes of a board self-evaluation include:

- A summary of what the board does well and its accomplishments for the prior year.
- A better understanding of what is needed from each trustee and an effective board.
- An assessment of progress on the prior year's goals and identification of what needs to be completed.
- Goals and tasks for the coming year related to board performance and its leadership for district goals.

15 Committees

The Board discharges their responsibilities with the assistance of Board Committees. The Committees advise and formulate recommendations to the Board.

Each Committee should have a written charter approved by the board, setting out the scope of its operations, its authority, and its key roles and responsibilities

The Board forms at least the following committees:

- Finance Committee
- Audit Committee
- Academic Committee
- Administrative and legal Committee
- Marketing and University Advancement Committee

16 Confidentiality

All proceedings of the Board, including papers submitted and presentations made to the Board, shall be kept confidential and will not be disclosed or released to any person other than Board members, except as required by law, or as agreed by the Board.

Each of the members shall be required to sign off a “Confidentiality Agreement” (**Appendix B**). The purpose of the Agreement is to prevent from:

- Divulging to any outside party any of the confidential information acquired by any board member while serving in his/her capacity as a Member on the Board and/or on any of the Board’s Committees; and
- Exploiting insider information is involved with for his own direct benefit.

17 Conflict of Interest

All members of the Board shall sign the AUM’s Conflict of interest policy (**Appendix C**).

18 Appendices

Appendix A - Board of Trustees Self-Assessment

The self-assessment has been prepared on the basis that each Member will complete it independently on an annual basis. The Board Chairperson would then lead discussion on the results of the questionnaire, focusing on those areas which clearly need improvement on where there is a great variation in answers.

Section 1- Chairperson of the Board					
Criteria	Current performance				
	Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
	1	2	3	4	5
1. Encourage open discussion during board meetings					
2. Makes available sufficient time for discussion at meetings					
3. Include what is important on the meeting agenda					
4. Provides for sufficient and appropriate material to be sent to Board of members in advance of meetings					
5. Encourages Member participation in meetings					
6. Provides adequate exposure of other key members of management to the Board					
7. Ensures that quality presentations are made to the Board and Committees					
8. Allows the Board to discuss important issues before plans are set					
9. Makes all sides of an issue known to the Board					
10. Is effective overall as a leader					

Section 1- Chairperson of the Board					
Criteria	Current performance				
	Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
	1	2	3	4	5
11. What one change would most improve the Chairperson's effectiveness? (Your comments will be typed and summarized to protect your anonymity before being presented to the Chairperson)					

Section 2 - The Board					
Criteria	Current performance				
	Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
	1	2	3	4	5
1. The Board sufficiently challenges the President					
2. The Board is sufficiently supportive of the President					
3. The right number of Board Committees exist to get the work done					
4. Board Committees include qualified people to fulfill their tasks					
5. Board Committees keep other Board members informed					
<i>The Board effectively participates in</i>					
6. The AUM's strategic planning					

Section 2 - The Board					
Criteria	Current performance				
	Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
	1	2	3	4	5
7. Monitoring the AUM's strategy					
8. Reviewing the AUM's operating/financial performance					
9. Developing succession plans for key jobs					
10. Evaluating the Chairperson					
11. Make compensation decisions					
12. Reviewing management's performance and ethics					
13. Protecting privacy of what occurs at a Board meetings					
<i>Additional criteria</i>					
14. The Board refrains from micro-management					
15. The Board avoids conflicts of interest					
16. The frequency of Board meeting is appropriate					
17. The location of Board meetings is satisfactory					
18. The facilities where the Board meetings occur are satisfactory					
19. The Board is made up of the right number of people					
20. The process for selecting new Members is appropriate					
21. The Board is made up of a diverse AUM of people (age, background, experience. etc.)					

Section 2 - The Board							
Criteria	Current performance						
	Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree		
	1	2	3	4	5		
22. Overall, the Board is effective							
23. What one change would most improve the Board's effectiveness? (Your comments will be typed and summarized to protect your anonymity before being presented to the Chairperson)					Notes:		
Section 3 – Individual Board Members							
Criteria: The Board Member:	Member 1	Member 2	Member 3	Member 4	Member 5	Member 6	Member 7
1. Attends Board Meetings							
2. Is well prepared for Board meetings							
3. Actively participates in Board meetings							
4. Is a key contributor to the Board							
5. Is open to ideas and suggestions							
6. Sufficiently challenges the Chairperson							
7. Sufficiently supports the President							

Board development plan

RAG:		
Red URGENT: Action in the next 3-6 months	Amber MEDIUM TERM Action within 6 – 12 months	Green LONGER TERM Action in 12 months+

Development need or area	Agreed action	Lead by & Timescale	Comments Measurement of success	Urgency RAG

Appendix B - Confidentiality Agreement

Confidentiality Statement for Board of Trustees and Committees Members

It is the policy of the American University of Madaba (AUM) that Board of Trustees and committees members of AUM will not disclose confidential information belonging to AUM to any person, including their relatives, friends, and business and professional associates, unless AUM has authorized disclosure.

This policy is not intended to prevent disclosure where disclosure is required by law. Confidentiality is the preservation of privileged information. Board of Trustees and other volunteers should demonstrate professionalism, good judgment, and care at all times in handling any information related to AUM to avoid unauthorized or improper disclosures of confidential information.

While Board of Trustees and committees members are expected and encouraged to discuss the matters of AUM with one another, they shall not report opinions expressed in meetings, nor shall they report independently on committee action, or engage in any communication that has not been approved by the Chairperson of the Board of Trustees or that would not be supported by board charter, policy, procedures, decisions or committees charters.

At the end of the Board of Trustees or committee member's term or upon his/her retirement, resignation or removal from the Board of Trustees or committee, he/she shall return, at AUM's request, all documents, papers, and other materials, regardless of medium, which may contain or be derived from confidential information, in his/her possession.

It is expected that Board of Trustees and committee members, will not use confidential information acquired by virtue of being on the board or committee, even after they complete their service with AUM.

Certification

I have read AUM's complete policy on confidentiality and the Statement of Confidentiality presented above. I agree to abide by the requirements of the policy and this statement and to inform the Board Chair immediately if I believe any violation (unintentional or otherwise) of the policy or this statement has occurred.

Signature _____ Name _____ Date _____

Appendix C – Conflict of Interest

Purpose

This policy refers to any case where a Board of trustees member or board committee member of the American University of Madaba (AUM) whose personal interest might contradict the interest of the AUM. The members of the Board of trustees/ board committees of the AUM must act at all times to the best interests of AUM. The purpose of this policy is to help inform the Board of trustees about what constitutes a conflict of interest, assist the Board of trustees in identifying and disclosing actual and potential conflicts, and help ensure the avoidance of conflicts of interest where necessary.

Scope

A Board of trustees/ board committees member with interest (whether directly or indirectly, personal or financial) in the AUM's operations, contracts and services offered.

The conflict of interest may take many different forms that include, but are not limited to the following examples:

- Board/ committees members' ability to use their position to their personal advantage.
- Board/ committees members using connections obtained through AUM for their own private purposes.
- Financial Interest. Has or anticipates having any financial interest, including an ownership interest or an investment interest, in or with any entity or individual that (i) sells goods or services to AUM; (ii) purchases services from AUM; or (iii) has any other transaction or arrangement with AUM.
- Personal Interest. Has or anticipates having a personal interest: if he or she has an interest in conflict involving them-selves, their family members or entities with which they or their family members are closely associated.

Procedure to avoid conflict of interest

1. Board/ committees members have a fiduciary duty to conduct themselves without conflict to the interests of AUM whether for themselves or another close family member, friend, or for another organization. Family includes anyone related by blood, marriage or domestic partnership.
2. Whenever a Board/ committee member understands or suspects that a conflict of interest might exist, he/she should bring this matter to the attention of the Board. Such notification shall include complete details and facts about the conflict of interest and shall be entered in the minutes of such a Board meeting.
3. A Board/ committee member who is an interested party shall not be entitled to vote on the resolution to be adopted in this regard by the Board.

Disclosure

Annually, each Board/ committee member shall provide a conflict of interest disclosure identifying circumstances in which he/she is involved that he/she believes could contribute to a conflict of interest.

Acknowledgment and disclosure form

I have read the AUM Board Conflict of Interest Policy set forth above and agree to comply fully with its terms and conditions at all times during my service as an AUM Board/ committee member. If at any time following the submission of this form I become aware of any actual or potential conflicts of interest, or if the information provided below becomes inaccurate or incomplete, I will promptly notify the AUM Board in writing.

Board/ committee member name:

Board/committee member signature:

Date:

