

FRANCIS

INSTITUTE FOR THE WORKS OF RELIGION

STATUTES

CHAPTER I

NAME, PURPOSE AND RESPONSIBILITIES OF THE
INSTITUTE

Art. 1

§1. The Institute for the Works of Religion (hereinafter “the Institute”) enjoys public canonical juridical personality.

§2. It has its registered offices in the Vatican City State and has no subsidiaries or branches.

Art. 2

§1. The purpose of the Institute is to provide for custody and administration of movable and immovable assets transferred or entrusted to it by natural or legal persons, and intended for works of religion or charity.

§2. The Institute therefore receives assets intended, at least in part or for the future, for the purposes defined in the above clause, according to the legitimately established procedures.

§3. The Institute may accept deposits of assets from entities and persons of the Holy See and the Vatican City State.

Art. 3

§1. The Institute is responsible for the custody and administration of the assets received.

§2. This responsibility is regulated by Canon Law provisions, the Vatican City State legislation in force, the provisions of these Statutes and the implementing Regulations.

§3. For any controversy, as a rule, the competent court will be that of the Vatican City State.

CHAPTER II

ORGANISATION OF THE INSTITUTE

Art. 4

The Institute has the following bodies:

- The Cardinals' Commission
- The Prelate
- The Board of Superintendence
- The Directorate

CHAPTER III

THE CARDINALS' COMMISSION

Art. 5

§1. The Cardinals' Commission is made up of five Cardinals appointed by the Holy Father and it is chaired by a Cardinal designated by the Members of the Commission itself.

§2. The Members of the Commission are appointed for a five-year term, renewable once.

§3. If a Member of the Commission dies, becomes incapacitated or leaves office for whatever reason before his term expires, the Holy Father shall provide for his replacement. The new Member will remain in office until the end of the Commission's term.

Art. 6

§1. Meetings of the Cardinals' Commission are convened by the Cardinal President at least twice a year and on any other occasion he deems appropriate.

§2. As a rule, each Cardinal and the Prelate must be notified of the meeting and provided with its agenda at least ten days before the meeting takes place, except in urgent cases.

Art. 7

§1. For the Commission's meetings to be valid, at least three Cardinals must be present. Decisions are to be made by absolute majority of votes of the Cardinals present or, when only three Cardinals are present, unanimously.

§2. The minutes of each meeting are to be drawn up by the Prelate in his capacity as Secretary of the Commission; they are to be read out to those present and approved by them at the end of each meeting.

§3. The minutes of each meeting, approved and duly signed by the Cardinal President and by the Prelate in his capacity as Secretary, shall be entered into the Register of Minutes of the Meetings of the Cardinals' Commission that will be kept in the Commission's archives at the Prelate's office.

Art. 8

§1. The Cardinals' Commission oversees the Institute's adherence to its statutory norms.

§2. The Commission appoints and dismisses members of the Board of Superintendence and, on the proposal of the Board, its President and Vice-President.

§3. In addition, the Cardinals' Commission:

- a) having examined the Financial Statements and taking into consideration the Institute's minimum capital requirements, decides on the allocation of earnings;
- b) proposes statutory amendments to the Higher Authority;

- c) determines the remuneration of the Members of the Board of Superintendence;
- d) approves the appointment and dismissal of the Director and Vice-Director as decided by the Board of Superintendence;
- e) appoints, at the proposal of the Board of Superintendence, the external auditor (natural person or company) mandated to perform the statutory audit of the accounts; and
- f) decides on any questions which may arise concerning Members of the Board of Superintendence or the Directorate.

CHAPTER IV

THE PRELATE

Art. 9

§1. The Prelate is appointed by the Cardinals' Commission and serves for a five-year term, renewable once. Should the Prelate die, become incapacitated or leave office for whatever reason before his term expires, the Cardinals' Commission shall appoint a new Prelate, who will remain in office until the end of the five-year term.

§2. The Prelate's function is to assist executives and employees *in situ* to govern and operate in accordance with the founding principles of Catholic ethics and in keeping with the Institute's mission.

To this end, the Prelate:

- a) has his own Office at the Institute; and
- b) has regular contacts with executives and employees, taking care to promote the ethical dimension of their work.

§3. The Prelate also

- a) attends the meetings of the Cardinals' Commission serving as Secretary;
- b) keeps the archives of the Cardinals' Commission at his office and makes them available to the Members of the Cardinals' Commission; and
- c) attends the meetings of the Board of Superintendence.

CHAPTER V
THE BOARD OF SUPERINTENDENCE

Art.10

The Board of Superintendence is responsible for the administration and management of the Institute, and for overseeing and supervising its financial, economic and operational activities.

Art.11

§1. The Board of Superintendence is appointed by the Cardinals' Commission and is made up of seven members, each possessing recognized economic and financial experience and proven trustworthiness, in addition to meeting the requirements expressly provided for by regulations.

§2. Board Members serve for a five-year term, renewable once.

§3. Should a Board Member die, become incapacitated or leave office for whatever reason before his/her term expires, the Cardinals' Commission shall provide for his/her replacement.

§4. The new Board Member will remain in office until the end of the Board's term.

Art.12

§1. Meetings of the Board of Superintendence are convened by the President at least quarterly and whenever he deems necessary, or at the request of three of its Members, notified to the President in writing with an indication of the reasons.

§2. The President convenes meetings by letter, telex or fax or e-mail, indicating their date, time, place and agenda.

§3. Board Members are to receive notification at least ten days before the date of the meeting and, in urgent cases, at least two days in advance.

§4. Board Members present at a Board meeting will be considered to have been duly notified if, on that occasion, the President convenes a future one.

§5. In agreement with the Board Members, the President sets the agenda and coordinates the proceedings of meetings, ensuring that everyone receives adequate information concerning the items on the agenda in good time.

Art. 13

§1. For decisions made by the Board of Superintendence to be valid, the majority of the Board Members must be present.

§2. Decisions are made by absolute majority of the Board Members.

§3. Meetings of the Board of Superintendence may be held via telecommunications media only in cases of proven need and provided that each participant can be clearly identified, is able to intervene in real-time on the matters under discussion and to receive, transmit and review documents duly complying with confidentiality requirements. §4. When the requirements indicated in the previous paragraph are met and all the Board Members agree on this procedure, the Board of Superintendence meeting is considered to be held in the Vatican, where the President or the Vice President, one Board Member and the Sole Secretary of the Board must be present.

§5. The voting procedure is established by the President according to the Implementing Regulations.

§6. Should the President be absent or unable to attend, the Vice-President will preside.

§7. A majority of four Board Members is required for approval of the financial statements and the appointment of the Director and the Vice-Director, which are not allowed in the manner described in §3 above; if a Board Member is unable to attend in person, his/her vote can be expressed in writing.

Art. 14

§1. To take the minutes at meetings, keep them, store them and issue certified copies and extracts thereof, the Board of Superintendence avails itself of the Head of the Legal Department of the Institute, who acts as Sole Secretary of the Board.

§2. It is the duty of the Sole Secretary of the Board to draw up faithful, accurate and complete minutes of all that is discussed and decided during meetings, read them out to those present for their approval at the end of each meeting and sign them together with the President.

§3. The approved and duly signed minutes shall be entered into the Register of Minutes of the Meetings of the Board of Superintendence that shall be kept at the Legal Department of the Institute and will be available to Board Members.

§4. Should the Sole Secretary of the Board be absent or unable to attend, he cannot be replaced by any other official or executive of the Institute, and the minutes of the meeting shall be drawn up by a Board Member designated by the President for this purpose.

Art. 15

The Board of Superintendence reviews and assesses the Directorate's activities and its adherence to regulations, instructions and directives, on the basis of the monthly accounting statements mentioned in Art. 22 §1.

Art. 16

The Board of Superintendence approves the Financial Statements prepared by the Directorate no later than 30 April each year and then forwards them to the Cardinals' Commission, with a report on the Institute's economic and financial situation and on the compliance of its activities with its statutory aims.

Art. 17

§1. The Board of Superintendence is responsible for:

- a) formulating the general policy guidelines and basic strategies for the Institute's activities in accordance with its institutional aims;
- b) defining the criteria for formulating the annual plans and objectives of the Directorate and approving its proposals;
- c) monitoring the Institute's economic and financial activities;
- d) overseeing the realisation of the established plans and objectives, insofar as investments and other activities are concerned;
- e) defining the most appropriate business model and financial organization for the Institute, while proposing improvements and, more generally, the most appropriate means of increasing its equity and assets, in strict compliance with economic and financial regulations and the aims of the Institute;
- f) proposing to the Cardinals' Commission amendments to the Statutes, provided such amendments have been unanimously approved by the Board;

- g) issuing the Institute's implementing Regulations, which are to contain *inter alia* a detailed description of the powers and areas of competence of the Board and the Directorate, and submitting them to the Cardinals' Commission for approval.
- h) granting to the Director and, at the request of the same, to the Vice-Director, Executives and Officials, power of signature in the name of the Institute, in accordance with the procedures set out in the Implementing Regulations;
- i) approving the Directorate's annual report;
- j) proposing to the Cardinals' Commission the appointment of an external auditor (natural person or company) for perform the statutory audit of the accounts;
- k) reporting in writing to the Cardinals' Commission, when it meets to discuss activities conducted, on overall management performance and its foreseeable evolution.

§2. The Board of Superintendence may establish ad hoc advisory committees from among its members, to receive adequate decision-making support on given topics.

§3. The committees mentioned in §2 above do not have any executive/management responsibilities, nor do they limit the Board of Superintendence's decision-making powers and responsibilities.

§. Each Committee is to be made up of at least three Board Members and the President of the Board of Superintendence may be invited to attend.

CHAPTER VI

THE PRESIDENT OF THE BOARD OF SUPERINTENDENCE

Art. 18

The President of the Board of Superintendence is appointed by the Cardinals' Commission and performs the following functions:

- a) He is the Institute's legal representative and may delegate power of representation under the terms and conditions provided for by the Regulations
- b) He has power of signature and may delegate it under the terms and conditions provided for by the Regulations
- c) He conducts and coordinates the Board of Superintendence's activities
- d) He convenes and chairs Board meetings

Should the President be absent or unable to attend, the Vice-President shall perform his functions.

CHAPTER VII

THE DIRECTORATE

Art. 19

§ 1. The Directorate is made up of the General Director and a Vice-Director, who assists the Director and stands in for him in case of absence or impediment.

§ 2. The General Director and the Vice-Director are appointed by the Board of Superintendence with the approval of the Cardinals' Commission.

§ 3. The General Director and the Vice-Director may be dismissed by the Board of Superintendence with the approval of the Cardinals' Commission.

Art . 20

§ 1. The General Director may be appointed for either a fixed term or an indefinite period of time. In both cases, he will cease from office on his seventieth birthday.

§ 2. If the General Director is appointed for a fixed term, he shall serve a five-year term, renewable once.

§ 3. The Vice-Director is appointed for a five-year term, renewable once.

Art. 21

Executives and officials are proposed by the General Director and appointed by the Board of Superintendence.

Art. 22

§ 1. The Directorate draws up a monthly written report on the economic and financial accounting position at the end of the previous month and transmits it to the Members of the Board of Superintendence and the Prelate, together with a report.

§ 2. Fifteen days prior to each Board of Superintendence meeting, the General Director sends a

written report to the Board of Superintendence on the progress of the Institute's activities.

Art. 23

§1. In the first quarter of each year, the General Director draws up the financial statements for the previous business year: Profit and Loss Account and Balance Sheet, in accordance with generally accepted accounting principles.

§2. The Financial Statements must be accompanied by a report on the management performance of the Institute.

§3. The Financial Statements, the annual report and supporting documentation must be sent to the Board of Superintendence at least twenty days before the meeting scheduled for approval of the Financial Statements.

§4. The Financial Statements, the annual report and any supporting documentation must be accompanied by the report provided by the party appointed to perform the statutory audit.

Art. 24

§1. The General Director is responsible for all of the Institute's operational activities that he manages, organizes and supervises according to the guidelines and strategies set out by the Board of Superintendence.

§2. The General Director implements the resolutions adopted by the Board of Superintendence and oversees the Institute's organization and staff management.

§3. The Directorate's areas of competence and specific powers are listed in the Institute's Regulations.

Art. 25

§1. The General Director submits in advance to the Board of Superintendence any activity that does not fall within his mandate.

§2. In urgent cases, the General Director may be authorized to act by the President of the Board of Superintendence, after the latter has consulted at least one Board Member. Resolutions signed by the General Director with immediate effect regarding third parties

must nonetheless be ratified by the Board of Superintendence during its earliest meeting.

§3. The Director and, in his absence, the Vice-Director are generally invited to attend the meetings of the Board of Superintendence.

CHAPTER VIII

AUDITS

Art . 26

§1. Audits are performed by an external auditor (natural person or company) proposed by the Board of Superintendence and appointed by the Cardinals' Commission for three consecutive financial years. This appointment may be renewed only once.

Art. 27

§1. The external auditor provides an opinion on the Institute's financial statements by means of an ad hoc report.

§2. The external auditor examines all the books and the accounts. It receives from the Institute, and is entitled to request from the Institute, any information it considers useful for the auditing activities.

CHAPTER IX

STAFF

Art. 28

The principles and rules set out by the Staff Regulations of the Institute as in force at the time are applied to the hiring of personnel and employment relationships as regards disciplinary, remuneration, pension and social security matters.

Art. 29

§1. All Institute employees in permanent employment have an exclusive employment obligation.

They are not allowed to carry out any other clerical or consultancy work, either remunerated or for free, nor may they carry out any commercial entrepreneurial activity or become involved in any way in companies inside or outside the Vatican City State.

§2. The Institute's employees may take on a position as Director and/or Board Member exclusively in the interest of the Institute, both inside and outside the Vatican City State or in the Institute's subsidiaries, subject to a Resolution by the Board of Superintendence.

Art. 30

All Employees are required to comply with the Code of Ethics approved by the Board of Superintendence.

CHAPTER X

FINAL PROVISIONS

Art. 31

The Statutes of the Institute for the Works of Religion dated March 1st 1990 and any other provision contrary to these Statutes are hereby repealed.

Art. 32

All matters not covered by these Statutes shall be governed by the canonical provisions in force.