

# DONATIONS AND INVESTMENTS COMMITTEE

## Terms of Reference

<b>1</b>	<b>Constitution and Purpose</b>
1.1	The purpose of the Donations and Investments Committee is to provide corporate governance for the University's responsibilities with regard to investments, donations, endowments, legacies, the general oversight of fundraising activities and where appropriate the disbursement of funds, in the context of the University as a charitable body and in line with the Financial Regulations and the Court Schedule of Delegations.
1.2	The Donations and Investments Committee reports to the Finance Committee of the Court. The Committee has no financial delegated authority.
<b>2</b>	<b>Remit</b>
2.1	<p>The Court delegates responsibility, via the Finance Committee, to the Donations and Investments Committee to have oversight of:</p> <ol style="list-style-type: none"> <li>1. endowments – their stewardship and application;</li> <li>2. investments, including the University's sinking fund, and proposing and monitoring the implementation of an investment strategy; and</li> <li>3. donations, proposing and monitoring the implementation of a development and fundraising strategy.</li> </ol> <p>With regard to the oversight of endowments and investments, the Committee will:</p> <ol style="list-style-type: none"> <li>i) propose and agree with the Court, via the Finance Committee, an Investment and Treasury Management Strategy;</li> <li>ii) monitor the implementation of the Strategy and propose modifications as appropriate;</li> <li>iii) oversee the general management of such of the University's liquid funds that are available for investment in accordance with the Investment and Treasury Management Strategy;</li> <li>iv) take advice as necessary on the detailed investment strategy in line with the University's approved Investment Strategy;</li> <li>v) consider and make recommendations to the Finance Committee on the appointment of external fund managers for endowment and other investments.</li> <li>vi) monitor the performance of the University's fund manager(s) in the stewardship of the University's endowment asset and other investments;</li> <li>vii) monitor the general management of the University's endowment funds. This includes oversight of the full set of endowment funds taking account of:</li> </ol>

- a) their original purpose and the specific terms of each trust;
  - b) their current use/allocation;
  - c) the authorities to spend; and
  - d) adherence to legal, ethical and other requirements
- viii) monitor the financial management of the University's endowment funds and any other donations. This includes:
- a) monitoring the financial status of each fund, both capital and revenue components, and reporting to the Finance Committee the future income projections from endowment investments;
  - b) overseeing the investment strategy and the appropriate balance between capital growth and expenditure;
  - c) advising on the sums available for disbursement for each fund; and
  - d) approving requests for disbursement in accordance with the terms of the funds and the Financial Regulations.
- ix) monitor the legal aspects of the endowment funds including interaction with the Office of the Scottish Charity Regulator (OSCR) to:
- a) ensure relevant reporting to OSCR;
  - b) agree plans to request amendments to the purposes to which specific funds can be put; and
  - c) agree plans aimed at amalgamating or running down endowment funds and adherence to legal requirements, etc.
- x) review on a quarterly basis the income, expenditure and balances of funds, including, where relevant, multi-annual funding commitments;
- xi) monitor and assess the relevant risks associated with both the investment strategy for endowments and the disbursement of funds; and
- xii) review and recommend relevant policies to the Finance Committee for approval.

2.2 to oversee fundraising activities, especially those undertaken by the Development Office, including:

- i) receiving regular reports from the Development Office on its fundraising activities and plans for disbursement of funds; and
- ii) approving requests from the Development Office, Schools or Offices or other parts of the University for disbursement of any sums of money for specified purposes.

In this context, the Donations and Investments Committee will follow the University's ethical policies and guidance as appropriate from the Governance and Nominations Committee, the Finance Committee and/or other Committees of the Court.

### 3 Composition and Membership

3.1 The Committee shall comprise:

- the Chair of the Committee (who shall be a Member of the Court and shall be a member of the Finance Committee)
- *either* the Chair of Court *or* the Deputy Chair of Court (ex officio)

- *either* the Principal and Vice-Chancellor *or* the Vice-Principal and Provost (ex officio)
- at least one other Member of the Court
- a representative of the Student Union
- at least two co-opted Lay Members
- the University Secretary (ex officio) (or nominee)
- the Global Chief Financial Officer (or nominee)
- the Head of Development and Alumni (or nominee)

3.2 The Committee may co-opt members who they consider have particular skills and experience which would assist the work of the Committee.

3.3 Members are appointed to the Committee by the Court. The Committee's current membership is as follows:

- a) Dr Brian Henderson \*, Chair of the Committee
- b) Professor Richard A Williams \*, Principal and Vice-Chancellor *or* TO BE APPOINTED \*, Vice-Principal and Provost
- c) Mr Scott Anderson \*, Student Union President
- d) Mr Zain Sheikh, Court Committee Member
- e) Mr Alan Devine, Court Committee Member
- f) Ms Marta Phillips \* Court Committee Member
- g) Ms Ruth Moir, University Secretary
- h) Mr Martin Pringle, Global Finance Director
- i) Mr Paul Stephenson, Head of Development

\* - denotes member of the Court

3.4 The term of office of a Court member who is a member of the Committee shall be concurrent with their term of office on the Court.

3.5 The maximum term of office of a co-opted member appointed by the Court is nine years. The initial appointment will be for three years with eligibility to serve for up to two further three-year periods.

3.6 The Governance and Nominations Committee of Court will regularly review the skills of the Committee's membership and make recommendations to the Court on new appointments.

## 4 Equality and Diversity Statement

4.1 The Committee exercises its responsibility, as far as possible, to promote the diversity of representation within its membership and the membership of any working group or committee established by the Committee. The Committee, in carrying out its business, will also act to promote equality of opportunity for all.

## 5 Quorum and Voting

5.1 The quorum is three members of the Committee, two of whom are also Members of Court.

- 5.2 Members who are participating in a meeting by means of audio-visual conferencing or other means enabling them to communicate with all members present at the meeting simultaneously shall be deemed to be present at the meeting and to count towards the quorum.
- 5.3 Only members of the Committee shall be entitled to vote on any matter which involves powers and functions delegated to the Committee by the Finance Committee/Court.
- 5.4 The Chair of the Committee shall have a deliberative and casting vote.

## **6 Committee Chair**

- 6.1 The Chair of the Committee shall be a member of the Court who is a member of the Finance Committee.
- 6.2 The Chair of the Committee shall be appointed by the Court on the recommendation of the Governance and Nominations Committee.
- 6.3 In the absence of the Chair of the Committee, members shall elect from among its members who are present at the meeting a person to act as Chair for the meeting or until such time as the Chair of the Committee arrives.

## **7 Frequency of Meetings**

- 7.1 The Committee usually meets three times a year.
- 7.2 Additional meetings may be held in order to meet business requirements at the request of the Chair of the Committee.

## **8 Attendance at Meetings**

- 8.1 The following officers are normally expected to be in attendance at meetings:
- i) the Financial Accountant (responsible for endowments and donations)
- 8.2 In addition to the members, and associated with agenda business, other members of staff and external participants may be invited to attend on an ad hoc basis for particular agenda items.
- 8.3 The Committee will maintain a record of attendance at each of its meetings.
- 8.4 Members are expected to maintain a pattern of regular attendance at meetings either in person or by audio-visual conferencing or other means which enables that member to communicate with each of the other members simultaneously.
- 8.5 Any member not attending three or more meetings consecutively (without good reason) may have their membership reviewed by the Chair and the University Secretary. Members are required to submit their apologies to the Clerk of the Committee at the earliest opportunity.

## **9 a) Reserved Business**

- 9.1 There may be occasions when the Committee's business is designated reserved and/or commercially sensitive. On such occasions, with the approval of the Chair, any persons in attendance may be asked to withdraw from the meeting during consideration of a particular reserved item of business.
- 9.2 The record of matters with which the Chair and the Committee are satisfied should be dealt with on a reserved basis and will be recorded separately.

## **9 b) Conflict of Interest**

- 9.3 Where it is identified that a member of the Committee has a conflict of interest with respect to a given matter, the Chair may, on the advice of the University Secretary, request that the member in question withdraw from participation in relevant business. Depending on the nature of the business, this may allow for participation in discussions without taking part in decision-making or may require complete non-participation and/or withdrawal from that part of the meeting.
- 9.4 All instances of identified conflicts of interest shall be recorded in the minutes.

## **10 Reporting Procedures**

- 10.1 The Committee will usually report three times a year to the Finance Committee based on the Committee minutes. The Chair will approve the content of reports before release, including the redaction of any information deemed necessary for reasons of confidentiality.
- 10.2 The Chair of the Committee will report to the Finance Committee on any matters which the Committee considers ought to be brought to the attention of the Finance Committee and on any matters requiring the approval of the Finance Committee.
- 10.3 Matters requiring the approval of the Finance Committee will be highlighted in the Committee's report.
- 10.4 The Committee shall submit an annual assurance report of its work to the Finance Committee.
- 10.5 The Committee's records (agenda, papers and minutes) are included in the University's Freedom of Information Publication Scheme. Information will be readily accessible on request to members of the public under the terms of the Freedom of Information (Scotland) Act (FOI(S)A) with the exception of information which is deemed to be covered by a specific exemption under the Act.
- 10.6 Minutes and reports of the Committee will denote those areas of reported business which are deemed to fall within the designation of information which is 'exempt' under the FOI(S)A.

## 11 Forward Planning

- 11.1 The Committee will review its Terms of Reference and submit recommendations on them to the Finance Committee annually for approval.
- 11.2 The Committee will set its meeting dates two years in advance, aligned to the schedule of meetings of the Court, and will maintain an annual workload plan for the Committee.
- 11.3 The Committee will maintain a forward agenda plan of its business.

## Supporting Information

<b>Groups reporting to the Donations and Investments Committee</b>	
Disbursements Group 1821 Appeal Governance Group	
<b>Effectiveness and lifespan</b>	
Lifespan ongoing. Effectiveness reviewed five-yearly as part of the Court's review of its effectiveness.	
The Committee will regularly monitor its own effectiveness against its core purpose and responsibilities.	
<b>Actions that may be taken by the Committee</b>	
The Donations and Investments Committee may:	
<ul style="list-style-type: none"><li>• Note</li><li>• Receive</li><li>• Consider</li><li>• Endorse</li></ul>	<ul style="list-style-type: none"><li>• Approve</li><li>• Recommend</li><li>• Reject</li></ul>
<b>Minuting style</b>	
Traditional/formal minutes in accordance with internal University guidance.	
<b>Resources</b>	
Secretary	Ms Ruth Moir, University Secretary
Clerk	Mr Iain Dods, Senior Governance Assistant, Policy and Governance
Meetings	Three times per annum