

# ENDOWMENT COMMITTEE

## Terms of Reference

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|----------|---|
| <b>1</b> | <b>Constitution and Purpose</b>   |
| 1.1      | The purpose of the Endowment Committee is to manage, generally and financially, the University's responsibilities with regard to 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.   |
| 1.2      | The Endowment Committee reports to the Finance Committee of the Court.  |
| <b>2</b> | <b>Remit</b>  |
| 2.1      | <p>The primary remit of the Endowment Committee is to have oversight of endowments – their stewardship and application. This includes the responsibility to:</p> <ul style="list-style-type: none"> <li>i) Carry out the general management of the University's Endowment Funds. This includes oversight of the full set of endowment funds taking account of: <ul style="list-style-type: none"> <li>a) their original purpose;</li> <li>b) their current use/allocation;</li> <li>c) the authorities to spend; and</li> <li>d) adherence to legal requirements, etc.</li> </ul> </li> <li>ii) Carry out the financial management of the University's Endowment Funds and any other donations. This includes: <ul style="list-style-type: none"> <li>a) monitoring the financial status of each fund, both capital and revenue components;</li> <li>b) overseeing the investment strategy and the appropriate balance between capital growth and expenditure;</li> <li>c) advising on the sums available for disbursement; and</li> <li>d) approving requests for disbursement.</li> </ul> </li> <li>iii) Take advice as necessary on the detailed investment strategy in line with the University's approved Investment Policy;</li> <li>iv) Manage the legal aspects of the Endowment Funds including interaction with the Office of the Scottish Charity Regulator (OSCR) to: <ul style="list-style-type: none"> <li>a) ensure relevant reporting to OSCR;</li> <li>b) agree plans to request amendments to the purposes to which specific funds can be put; and</li> <li>c) agree plans aimed at amalgamating or running down endowment funds and adherence to legal requirements, etc.</li> </ul> </li> </ul> |

- v) monitor and assess the relevant risks associated with both the investment strategy and disbursement of funds, etc.;
- vi) monitor the performance of the University's fund manager(s) in stewardship of the University's endowment asset investments;
- vii) review and recommend relevant policies to the Finance Committee for approval; and
- viii) consider and make recommendations on the appointment of External Fund Managers.

2.2 The secondary remit of the Endowment Committee is to oversee fundraising activities, especially those undertaken by the Development Office. This will include:

- 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 Endowment Committee will pay attention to the University's ethical policies and any guidance from the Governance and Nominations Committee.

### 3 Composition and Membership

3.1 The Chair of the Committee shall be a Member of the Court.

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 Membership of the Committee shall include:

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

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

- a) Mr Cameron Millar, Chair of the Committee
- b) Dr Sue Paterson, independent lay member
- c) Mr Brian Robertson, independent lay member
- d) Professor Richard A Williams, Principal and Vice-Chancellor
- e) Professor Mark Biggs, Vice-Principal and Provost
- f) Ms Ruth Moir, University Secretary
- g) Mr Andrew Jefferson, Global Chief Financial Officer
- h) Ms Kerry Kirkpatrick, Head of Development and Alumni

i) Ms Emily Lucy King, Student Union President

3.5 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.

3.6 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.

3.7 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 who 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 and the Court.

5.4 The Chair of the Committee shall have a deliberate and casting vote.

#### **6 Committee Chair**

6.1 The Chair of the Committee shall be a member of the Court.

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 twice a year, in spring and in autumn.

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 Global Director of Governance and Legal Services
  - ii) the Financial Accountant (responsible for Endowments)
- 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 in person. When not feasible to attend in person, and with the consent of the Chair, attendance may be provided 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 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 twice 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 these 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 Endowment Committee</b>  |  |
|---|--|
| Annual Fund Disbursal Committee<br>Disbursements 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 Endowment 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 Administrative Assistant to Corporate Governance                          |
| Meetings  | Twice per academic year  |