

Finance and Investment Committee

Terms of Reference

Status and membership

1. The Finance and Investment Committee (“the Committee”) is a committee of the Board.
2. The Chair and members of the Committee are appointed by the Board of Trustees.
3. There may be up to three Trustees on the Committee. Independent members (i.e. members who are not Trustees) may be appointed to provide specific expertise. The Chair must be a Trustee.
4. Trustees will sit on the Committee for a two year term after which they can be re-elected to the committee for another two year period.
5. The quorum for any meeting of the Committee is two, both of which must be Trustees.

Attendance at meetings

6. The Chair of the Triangle Trust Board is entitled to attend any Finance and Investment Committee meeting but is not a standing Committee member.
7. The Director is invited to attend meetings of the Committee. The Committee may also invite other members of the Board to attend.
8. The Chair of the Finance and Investment Committee may request the attendance of an advisor on the Committee’s legal powers and duties, and this will be organised by the Director.
9. The Chair of the Finance and Investment Committee may invite additional Trustees to attend meetings which have a specific purpose such as social investment discussions.

Reporting

10. The Committee reports through its Chair to the Triangle Trust Board.

Frequency of meetings

11. The Committee meets at least four times a year. It receives reports summarising information on investment performance from the investment managers quarterly. The Finance and Investment Committee will meet with the investment managers annually, in addition to the twice-yearly investment manager presentations to the full Trustee Board. The Committee will also review cash flow forecasts, the annual

budget, be responsible for the annual audit and meet to consider remuneration of the Director and Grants Administrator (this will be done alongside the Chair). The Director will absent themselves from discussions about their salary. Additional ad hoc meetings of the Finance and Investment Committee will be set up if business requires.

Authority

12. The Committee is authorised by the Board to obtain outside legal or other independent professional advice. Such advisers may attend meetings as necessary.

Responsibilities

13. The Committee's responsibilities are to:
 - a. keep Triangle Trust's investment policy under regular review to make sure that it continues to be aligned with the organisation's investment goals,
 - b. set performance benchmarks against which Triangle Trust's investments can be assessed,
 - c. review the performance of the Triangle Trust's investments against those agreed benchmarks,
 - d. keep the performance of Triangle Trust's professional investment managers under regular review,
 - e. ensure that existing investments and future investments are made in accordance with the agreed policy (including social investments),
 - f. propose the investment policy to the Board for approval (to include advising on Triangle Trust's approach to ethical investing and the process for making social investments),
 - g. monitor the cash flow position of the charity and ensure that there is adequate money in the bank account to enable payments to grantees and suppliers (where necessary they will request drawing down on cash or capital from the investment managers),
 - h. report twice a year to the Board on Triangle Trust investments to include;
 - i. seeking approval for any changes to the agreed policy,
 - ii. seeking approval for any agreed exceptions to the policy,
 - iii. seeking approval for recommendations for social investments that have been identified as suitable,
 - iv. providing a summary of the current investments held,
 - v. providing a summary of the performance of those investments against agreed benchmarks, and

- vi. providing a summary of how investments are being used to advance Triangle Trust's social mission.
 - i. Review the remuneration of the Director and Grants Administrator on an annual basis (the Director will absent themselves from discussions about their salary). This includes agreeing any cost-of-living increases and as appropriate benchmarking the salaries against the sector and reviewing benefits offered to employees. The Remuneration Policy outlines the responsibilities of the Finance and Investment Committee in this area.
14. The Committee shall at all times have due regard to the guidance issued by the Charity Commission from time to time on the investment of charitable funds.
15. The Committee may from time to time appoint or replace an investment manager to manage the Triangle Trust investments.

General

16. Papers for meetings of the Committee will be issued at least five days in advance of meetings.
17. At least once every two years the Committee shall review its own performance and constitution to ensure that it is operating at maximum effectiveness. This should be led by the Chair of Trustees.
18. These terms of reference will be reviewed every two years.

Agreed – June 25