

TALLAGHT UNIVERSITY HOSPITAL FOUNDATION ("TUHF")

FINANCE, AUDIT, INVESTMENT AND GOVERNANCE SUB COMMITTEE ("FAIG")

TERMS OF REFERENCE

Authority

- The FAIG has the authority to consider any Financial and Administrative activity of TUHF and any other activity at the request of the TUHF Board of Directors (the "**Board**").
- The FAIG shall be responsible to and report to the Board. The FAIG shall conform with any regulations placed on it by the Board.

Organisation and Structure

- At least two members of the FAIG shall be members of the Board. The FAIG shall consist of at least 3 members. At least one member of the FAIG shall have a financial background. The Chief Executive of TUHF shall be an ex-officio member of the FAIG, except where there is an audit committee item, where the Chief Executive may be invited to attend by the Chair.
- The members of the FAIG shall be appointed by the Board. The Chair of the FAIG shall be appointed by the members of the FAIG and must be a member of the Board
- The FAIG shall have power at any time, and from time to time, to appoint any person to be a Committee Member, either to fill a casual vacancy or as an addition to the existing members.
- Appointments to the FAIG will be for an initial period of three years. Committee Members may be re-appointed for two further three-year terms. To ensure continuity on the FAIG no more than two members' terms shall expire in the same year. If a Committee Member has held that position for nine years or more then in order to be eligible for re-appointment, a board item agreeing to the re-appointment must be approved at a Board meeting of TUHF.

Responsibilities

- A) The FAIG is responsible to and reports to the Board through the FAIG Chair.
- B) The FAIG shall satisfy itself, on behalf of the Board, that:

1. TUHF has established financial policies, a reliable system of internal control and appropriate financial reporting systems to ensure compliance with legal and regulatory requirements, and that these systems are operating effectively;
 2. TUHF's annual audited financial statements are fairly presented in all material respects in accordance with generally accepted accounting principles and the requirements of the Companies Act 2014;
 3. TUHF has implemented procedures to identify, monitor and mitigate significant business risks;
 4. the external audit has been performed effectively, and any matter TUHF's external auditors ('Auditors') wish to bring to the attention of the Board has been duly received and reviewed;
- C) The Chair of the FAIG is responsible for reviewing the expense claims of the Chief Executive as and whenever deemed appropriate.
- D) The FAIG shall assist the Chief Executive to evaluate the reasonableness and affordability of the annual operating budget relative to the mission, vision and goals of the Foundation. The FAIG shall also advise the Board as to the Committee's views on the budgeting process and the budget, on the understanding that primary responsibility for development of the budget and its presentation to the Board rests with the Chief Executive.
- E) The FAIG shall periodically review the results of actual expenditures versus budgeted expenditures and provide comment to the Chief Executive and to the Board.
- F) The FAIG shall recommend to the Board the appointment or re-appointment of Auditors, and approval of proposed audit fees.
- G) The FAIG shall monitor relevant legal, financial, treasury and tax issues and make recommendations to the Board as appropriate.
- H) The FAIG shall review insurance requirements and coverage annually.
- I) The FAIG, annually, shall make recommendations to TUHF Fundraising Sub Committee and to the Board on the maximum amount available for grant making.
- J) The FAIG shall ensure that the grants made are in accordance with the approvals given by the Board.
- K) The FAIG shall each year authorise the amount to be transferred from the Endowment Fund to be used as a contribution towards the administrative and other overheads of TUHF in accordance with the formula approved by the Board.
- L) In relation to the Endowment and Term Funds the FAIG shall develop for approval by the Board a statement of the Funds' investment policy and objectives incorporating appropriate investment guidelines and constraints that meet any legal requirements, trustee responsibilities, sound investment practices and the grant making requirements of TUHF.
- M) The FAIG shall select and recommend to the Board one or more professional investment managers to manage the assets of TUHF funds in accordance with the approved

investment policy and objectives and shall review that selection from time to time, but at least every three years.

- N) The FAIG shall set appropriate investment performance objectives and shall meet with the managers to review performance relative to these objectives at least annually.
- O) The FAIG shall report to the Board twice yearly on the performance of investments relative to the Investment Policy and Objectives.
- P) The FAIG shall prepare Investment Reports for approval by the Board at least annually and shall ensure that a copy of this is made available to donors.

Meetings

- The FAIG shall meet as necessary but at least twice per financial year. The meetings shall be scheduled to permit timely review of audit scope, interim and annual financial statements and Auditors reports. Additional meetings may be held as deemed necessary by the FAIG Chair or as requested by the Auditors or by the Chief Executive.
- A Quorum shall be a majority of the FAIG members.

Reporting

- Minutes of each FAIG meeting shall be prepared by a person designated to act as Secretary to the FAIG. Minutes shall be distributed to all members of the Committee. The Chair shall report to the Board.
- Supporting documentation on any matter reviewed by the FAIG shall be made available for examination by any member of the Board upon request to the Chair of the FAIG.

Review

These terms of reference must be reviewed annually by the FAIG and submitted for approval to the Board.

Addendum – not part of Terms of Reference - Actions for FAIG Meetings At Each Meeting

- Review Investment Managers quarterly report
- Review the management accounts
- Review the summary list of grants approved and management Declaration (3 times per year) (Grants Officer & Finance Manager/CEO). Detailed Grants list to be available on request.

Meeting 1

- Review the prior year end management accounts
- Meet the Investment Managers (Endowment) to review performance in the previous year

- Recommend to the Fundraising Sub Committee and to the Board the maximum amount available from the Endowment Fund for grant making. (from current year budget)

Meeting 2

- Review the management accounts for the first quarter of the year
- Review the Investment Policy and Objectives
- Receive report from Chief Executive on reporting compliance required by relevant regulators and funders
- Review risk management framework
- Meet the Investment Managers (Term) to review prior year performance

Meeting 3

- Review the audited financial statements for the year, for approval to the Board
- Meet the Investment Managers (Endowment)
- Recommend to the Board the appointment of Auditors and approval of audit fees
- Review the half yearly investment report
- Review final investment report for prior year on conclusion of the audit
- Review the management accounts for the second quarter of the year
- After statutory audit, review audit report, including discussion on internal controls
- Meeting with auditors without management present, to review annual accounts, internal controls and accounting and other records

Meeting 4

- Approve budget for the following year
- Authorise the amount to be transferred from the Endowment Fund to be used as a contribution toward the administration and other overheads of TUHF.
- Review management accounts for the third quarter of the year. Review reserves policy.
- Review insurance
- Meet the Investment Managers (Term)

Actions for Governance Committee Meetings

At Each Meeting

- Make aware of any legal agreements outside the norm

Meeting 1

- Review the Terms of Reference for FAIG
- Review TUHF Donor Charter complaints register
- Review Constitution (every 3 years, next 2020)
- Review written policy statements (every 3 years, next (2020))
 - Employment
 - Equality
 - Data Protection
 - IT Policy
- Review Protected Disclosures Policy (every 3 years, next 2020)
- Receive other reports on Legal/Regulatory Compliance
- Receive Health & Safety Reports for the Year

- Review delegation of authorisation of donor agreements to Chief Executive by Board

Meeting 2

- Review of sub-committee membership
- Review Board Code of Conduct
- Review Conflict of Interest policy
- Review Procedure for Independent Legal Advice
- Approval of appointment of Principal Professional Advisers
- Review, renew & notify Governance code (every 3 years, next 2020)