

**City of Glasgow College Foundation
(Scottish Charity Number SC044620)**

Meeting on Tuesday 10 June 2014 at 9.30am

at Turcan Connell, Sutherland House, 149 St Vincent Street, Glasgow G2 5NW

1. Apologies, quorum and appointment of Chair
2. Declarations of Interests
3. Minutes of the previous meeting and matters arising (*enclosed*)
4. Anticipated grant requests from City of Glasgow College Foundation
5. Treasury management
6. Ethical Policy (*note of advice enclosed*)
7. Corporate identity (*paper enclosed*)
8. Role of the Chair (*paper enclosed*)
9. Dates of next meetings
10. Any other business

PRIVATE AND CONFIDENTIAL

CITY OF GLASGOW COLLEGE FOUNDATION
(Registered Charity Number: SC044620)

(the "Foundation")

MINUTES OF A MEETING OF THE BOARD OF THE FOUNDATION

held at Sutherland House, 149 St Vincent Street, Glasgow
on 29th April 2014 at 9.30am

Present: Steven Watson (Chairman)
Alistair Carmichael
Brian Filling
Alastair Martin
Roderick George Livingston
Malcolm McCaig (by telephone)
Maire Catherine Whitehead
Tom Duguid on behalf of Turcan Connell Company Secretaries Limited
Alexis Graham on behalf of Turcan Connell Company Secretaries Limited

1 Apologies, Quorum and Appointment of Chairman

- 1.1 There were no apologies.
- 1.2 The meeting was quorate.
- 1.3 The Trustees appointed Steven Watson as Chairman for an initial period of one year.

2 Declaration of Interests

No interests were declared. Steven Watson confirmed that he is no longer an employee of City of Glasgow College.

3 Duties of Charitable Trustees

The Trustees noted the terms of a paper prepared by Turcan Connell setting out the duties of charitable trustees, which had been circulated in advance of the meeting.

4 Minute of previous meeting

The Trustees noted the minutes of the previous meeting held on 27th March 2014 which had been circulated in advance of the meeting. It was noted that Alistair Carmichael and Malcolm McCaig have never served on the Board of Management of City of Glasgow

College and that reference to this would be removed. Subject to minor amendments to item 5 (Trustee Indemnity Insurance), item 8 (Appointment of Investment Managers) and item 9.4 (Grant making activities), the minutes of the previous meeting held on 27th March 2014 were approved.

Matters arising

There were the following matters arising from the minutes of the previous meeting:-

- 4.1 A second quote from Zurich had been obtained for trustee indemnity insurance at £800 for cover of £2,000,000. The Trustees resolved to take out trustee indemnity insurance on this basis. The Company Secretary will arrange for the policy to be put on risk and the premium paid (**Action Point: Tom Duguid**).
- 4.2 Scott Moncrieff has now been formally appointed as the Foundation's external auditors.
- 4.3 City of Glasgow College is to provide an indication of the likely level of grant requests to be made in the short to medium term (**Action Point: City of Glasgow College**).
- 4.4 A schedule of contact details for each of the Trustees was circulated and completed.

It was agreed that a separate document outlining Action Points and progress would be circulated as part of the Trustees' papers in advance of the next meeting.

5 Turcan Connell Letter of Engagement

- 5.1 Tom Duguid had circulated Turcan Connell's letter of engagement in advance of the meeting.
- 5.2 The Trustees approved the Letter of Engagement and Steven Watson signed in his capacity as Chairman.

6 Operational framework

The Trustees noted the terms of a draft Operational Framework paper that had been circulated in advance of the meeting.

The following specific points were discussed:-

- 6.1 Item 5.2 (21 notice period for attendance by an applicant at a Trustees' Meeting) would be removed and added to the Grant Awards Policy.
- 6.2 Trustees' papers would be circulated at least one week in advance of the meeting and this would be added to the framework.
- 6.3 Item 6.3 would be expanded to include details of when Trustees could be removed.
- 6.4 It was confirmed that Trustees appointed by the College can be removed at the discretion of the College and this will be made clear in the paper.
- 6.5 The role of the Chairman would be included as part of the Operational Framework.
- 6.6 Item 7.1 - reference to little or no notice would be removed and replaced with short notice.

Subject to these amendments, the Trustees approved the Operational Framework. The amended paper will be circulated with the next meeting papers (**Action Point: Tom Duguid**).

7 **Written policies**

The Trustees noted the terms of the following written policies that had been circulated in advance of the meeting.

Risk Register

- 7.1 There was a full discussion regarding the various risks faced by the Trustees and the Trustees assigned likelihood and impact scores to each risk.
- 7.2 A new risk will be added to the register (Approval/monitoring of projects). The Trustees felt that it was important that they be kept up to date on the progress of ongoing projects that had been funded by the Foundation to ensure that the grants were being applied correctly.
- 7.3 It was agreed that the register would be reviewed regularly in the initial stages of the Foundation's operation and six monthly thereafter.
- 7.4 The Trustees approved the risk register.

Reserves policy

- 7.5 The Trustees approved the reserves policy.

Cash management/investment policy

- 7.6 It was agreed that a maximum of 33.33% should be invested in one bank at any given time and that Clydesdale Bank should be added to the list of banks meeting the Foundation's minimum credit rating criteria. Lloyds and TSB should be also included on the policy as separate banks. Turcan Connell will continue to monitor the ratings assigned to the relevant banks.
- 7.7 The Foundation's funds are presently held in a deposit account with HBOS.
- 7.8 The Trustees agreed to engage treasury management advice. A list of potential advisers will be circulated in advance of the next meeting (**Action point: Tom Duguid**). Upon receipt of appropriate advice a decision would be taken as to the spread of funds.
- 7.9 The Trustees agreed to consider further the Ethical Policy for investments at a future meeting.

Grant Awards Policy

- 7.10 The Trustees noted that the College may require funds for smaller projects/scholarships/bursaries and they did not wish to restrict applications for such projects. Reference to "smaller" would therefore be removed at item 3 of the draft grant awards policy.
- 7.11 Item 6 of the Appendix will be amended to refer to annual report rather than annual review.
- 7.12 Reference to a 21 day notice period for representatives of applicants to attend the meeting would be added to the policy.
- 7.13 Subject to these amendments, the Trustees approved the grants award policy.

Grants Application Form

- 7.14 It was agreed that the Chairman would approach the College in relation to establishing a logo/corporate identity for incorporation in the application form (**Action point: Chairman**).

7.15 The application form will also be expanded to request information regarding the following matters:-

- (a) Breakdown of project cost;
- (b) Risk assessment to be completed by the College;
- (c) Impact/outcome assessment of the project; and
- (d) How the project meets the charitable objectives of the Foundation.

7.16 Subject to these amendments, the Trustees approved the draft application form.

The revised written policies will be circulated in advance of the next meeting (**Action point: Tom Duguid**).

8 Any other business

8.1 The next Trustees' meeting will take place at Sutherland House, 149 St Vincent Street, Glasgow on 10th June at 9.30am (Malcolm McCaig will attend by telephone).

8.2 A rotation policy for trustees not appointed by the College will be added to the Agenda for the next meeting. **Action point: Tom Duguid**).

.....
Chairman

.....
Date

CITY OF GLASGOW COLLEGE FOUNDATION

(Registered Charity Number: SC044620)

CORPORATE DESIGN/IDENTITY

Purpose

The purpose of this report is to agree a way forward for developing the Foundation's corporate design/identity and related website presence.

Background

At a previous Board meeting it was suggested that the Foundation should seek assistance from students of the City of Glasgow College to develop a corporate design/identity and website site presence.

Following the previous Board meeting, the Chairman made informal enquiries at the College to establish whether or not the proposal for student input into the project was a viable way forward. The feedback was encouraging. It was, however, suggested that to get the maximum return it would be best to begin the project at the start of the new academic year. This would allow the project to be properly integrated into the College's academic assessment process.

Way Forward

The development of the Foundation's corporate design/identity and website is probably best taken forward in two stages. The first stage would be a student project/ competition to develop a corporate design for the Foundation. This would cover the Foundation's logo and supporting guidelines that would govern how the design is applied and confirm approved colour palettes, typefaces, page layouts etc.

Once the Board has selected the preferred corporate design, then the specification for the website presence can be set and, thereafter, a student project/competition could be taken forward.

If the Board is comfortable with the two stage process, then it is proposed that a formal approach is made to the City of Glasgow College to take forward the project. At this stage the Foundation would take advice from the College as to whether or not the project should be an open student competition or a set project for a specific class group(s). The Foundation would also consult with the College as to the nature of a prize for the selected design and website solutions.

If the College agrees to the proposal, then the Foundation would need to prepare a project specification and information pack over the summer period in readiness for the start of the College's new academic year in late August.

Recommendation

The Board is asked to consider the proposal to develop a corporate design and website presence and agree that a formal approach should be made to the City of Glasgow College.

June 2014

CITY OF GLASGOW COLLEGE FOUNDATION
(Scottish Charity Number SC044620)

ETHICAL INVESTMENT POLICY CONSIDERATIONS

1. General Legal Position

The general legal position on ethical/socially responsible investment is based on a handful of cases, only one of which is Scottish.

- The Scottish position – *Martin v The City of Edinburgh District Council* (1988)

By way of background the Martin case arose from a decision by the ruling Labour group to replace, within trust funds controlled by Edinburgh District Council, any investments in companies with major holdings in South Africa, as a protest against apartheid.

The case held that Trustees *are* entitled to have a policy on ethical investment and to pursue that policy subject to the following:-

- (a) Trustees must treat the interests of the beneficiaries as paramount. However this does not translate into a duty to invest trust funds in the most profitable investment available; and
- (b) The investment policy must be consistent with the standards of care and prudence required by law – now stated in the Charities & Trustee Investment (Scotland) Act 2005.

- The English position – *Bishop of Oxford v the Church Commissioners* (1991)

In this case the Bishop sought a ruling that the Church Commissioners in making investment decisions were guided too rigorously by purely financial considerations. The Court rejected this argument and supported the investment policy being followed by the Church Commissioners. The Court said that the criteria which Trustees should bear in mind were:-

- (a) That any decision must be based on the needs of the beneficiaries of the charity, not the personal views or opinions of the Trustees on ethical matters;
- (b) That the purposes of the charity are usually best served by the Trustees seeking the best economic return;
- (c) That Trustees can exclude investments which they believe would directly impede the furtherance of the objects of the charity; and

- (d) That the greater the financial risk the clearer the evidence that is required to show the impediment to objects.

Although there is a subtle difference in the approach taken by the Scottish and English Courts what is clear is that a balance must be struck between the views of the Trustees and the interests of the beneficiaries, the latter of which must be paramount in any policy adopted. The Bishop of Oxford judgement was delivered by the senior trust judge in England and is persuasive in Scotland. It and the Martin case are routinely cited together in both jurisdictions. Any ethical investment policy would require to be adopted only after a proper analysis of the reasons for its adoption, related to the purposes of the charity; and of any possible impact on the financial health of the charity.

(a) **The Charities and Trustee Investment (Scotland) Act 2005 (“the Charities Act”)**

In terms of the Charities Act a charity trustee has a statutory duty of care in that he or she must, in exercising functions in that capacity, act in the interest of the charity and must in particular act with the care and diligence that is reasonable to expect of a person who is managing the affairs of another person.

Section 94 of the Charities Act deals with the exercise of powers of investment and relative duties of Trustees. The section strictly applies only to trustees of a charitable trust rather than directors of a charitable company limited by guarantee. However the stated duties certainly reflect desirable practice and are very similar to general investment duties that apply to all charitable trustees. It would therefore be prudent to act in accordance with the section. In relation to the exercise of powers of investment, when reviewing the investments of the charity, the charity trustees should, except where they reasonably conclude that in all the circumstances it is unnecessary or inappropriate to do so, obtain and consider proper advice about whether the investments should be varied.

Proper advice means the advice of a person who is reasonably believed by the trustees to be qualified by the person’s ability and practical experience of financial and other matters relating to the proposed investment.

It will therefore be prudent to take the view that there is now an expectation that charity trustees will take advice if considering adopting an ethical/socially responsible investment policy and thereafter consider its impact on an investment portfolio.

(b) **Accounting and Reporting by Charities: Statement of Recommended Practice (2005) (“SORP 2005”)**

In terms of the SORP 2005, a charity should explain, where material investments are held, the investment policy and objectives including the extent (if any) to which social, environmental or ethical considerations are taken into account. Charities not subject to a statutory audit requirement need not do so.

(c) **“Private Action: Public Benefit”/The Charity Commission**

The Charity Commission’s Guidance “Investment of Charitable Funds: Basic Principles” states that charity trustees should decide on an investment policy for their charity, record it clearly in writing, and keep it under regular review and should address the charity’s stance on ethical investment, if any. This statement is certainly in line with the Trustees’ duties under the Charities Act and it is a course of action which it would be appropriate to follow. Charity Commission guidance, although not binding on Scottish charities, should be seen as instructive or persuasive since it is based on similar law in the two jurisdictions.

Summary

Trustees ought to take investment advice on an ethical investment policy to determine the level of possible return that they may be giving up by adopting that policy. If an ethical investment policy is then pursued, it should be documented carefully in writing. Guidance issued by OSCR and the Charity Commission has increased the level of scrutiny and disclosure in this area.

Turcan Connell
June 2014

CITY OF GLASGOW COLLEGE FOUNDATION

(Registered Charity Number: SC044620)

ROLE OF THE CHAIR

The main features of the role of Chairman are as follows:

1. Ensuring that the Board is effective in its task of meeting the Foundation's objectives as set out in the Articles of Association.
2. Getting all directors involved in the Foundation's work.
3. Ensuring that the Board observes the accepted principles of good governance applicable to charitable bodies and considers specific guidance issued by OSCR in this respect.
4. Ensuring Board members meet their general duties as trustees as well as company directors.
5. Avoiding being drawn into the day-to-day administration of the Foundation.
6. Ensuring the Board focuses on its key tasks.
7. Acting as the Foundation's leading representative, which will occasionally involve the presentation of the Foundation's aims to external stakeholders and other bodies.
8. Ensuring effective communication with stakeholders and in particular the City of Glasgow College.
9. Taking the chair at general meetings and ensure the proceedings at the general meeting are in line with the Foundation's Articles of Association.
10. Taking the chair at Board meetings. This will involve:
 - 10.1. Planning and conducting board meetings effectively;
 - 10.2. Determining the order of the agenda;
 - 10.3. Ensuring that the Board receives accurate, timely and clear information;
 - 10.4. Keeping track of the contribution of individual directors and ensuring that they are all involved in discussions and decision making; and
 - 10.5. Directing discussions towards the emergence of a consensus view and sum up discussions so that everyone understands what has been agreed.

11. Considering the preliminary minutes of Board meetings, and thereafter ensuring these are presented to the subsequent meeting of the Board for formal approval.
12. Taking a leading role in determining the composition and structure of the Board.
This will involve regular reviews of the overall size of the board, the diversity of the board and the skills & experience of Board members.
13. Taking responsibility for the Board's development.
14. Engaging the Board in assessing and improving its performance.
15. Overseeing the induction and development of new directors.
16. Supporting the Company Secretary and the Foundation's administrators and external auditors.
17. Taking action under delegated authority, which has been approved by the Board to act on its behalf between meetings. Action taken under delegated authority shall normally consists of routine Foundation business which would not have merited discussion at a Board meeting (e.g. signing of routine documents or detailed aspects of the implementation of matters already agreed by the Board).
18. Responding promptly to urgent Foundation business. Occasionally, matters may arise which are judged too urgent and important to await the next meeting of the Board. If this situation arises, then the Chairman has the options to call a special meeting, consult Board members by correspondence or deal with the matter by Chairman's action.
19. Exercising great care to avoid taking decisions by Chairman's action where it is inappropriate to do so, or that exceed the scope of the delegated authority granted by the Board. Chairman's action on matters of importance will only be taken where delaying a decision would disadvantage the Foundation. Where Chairman's action is taken, a written report will be made available to Board members at or before the next meeting of the Board.

June 2014

APPROVED AT MEETING ON 29 APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION
Scottish Charity Number: SC044620

OPERATIONAL FRAMEWORK

APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION (“the Foundation”)

Scottish Charity Number: SC044620

OPERATIONAL FRAMEWORK

1. The role of the Foundation

1.1 The Foundation has been established with the following objects:-

“The objects of the Foundation are to advance the charitable purposes of City of Glasgow College to include the advancement of education by making grants and providing financial support for projects and activities being carried out by and supported by City of Glasgow College.”

1.2 The Trustees of the Foundation must act entirely independently of City of Glasgow College (“the College”). The Trustees have their own discretion regarding decisions affecting the Foundation and funds transferred to it. That discretion must be exercised by the Foundation’s Trustees in accordance with the Foundation’s constitution and the Trustees’ legal duties as charitable Trustees. The Foundation is not linked to or governed by the College.

2. Expenses of the Foundation

2.1 The expenses of the Foundation will be met in full from the funds held by the Foundation.

2.2 The costs of the Foundation’s administration shall include:

- (a) Accounting expenses;
- (b) Legal costs; and
- (c) General administrative costs.

3. Donating funds to the Foundation

3.1 Donations may be made to the Foundation for the purpose of the Foundation’s charitable objects. The Foundation will acknowledge receipt of the funds as soon as practicable.

3.2 From the point of transfer, the funds become the legal property of the Foundation.

4. Requesting an Award from the Foundation

The procedures for requesting an award from the Foundation are set out in a separate Policy Document – “Awards Policy”.

5. Trustee Meetings

5.1 The Foundation’s Trustees will meet (referred to as a Trustees meeting) quarterly on dates to be determined by the Foundation’s Trustees.

5.2 Papers for the meeting will be circulated at least one week in advance for review by the Trustees.

6. Composition of Trustee Board

6.1 The Trustees have been selected with an appropriate mix of skills and backgrounds.

6.2 The minimum number of Trustees is five. The maximum number of Trustees is seven.

6.3 The board of Trustees have power to appoint up to four Trustees of the Foundation and to remove from office any person so appointed and to appoint another person in his or her place. Trustees appointed in this manner may not be current employees or members of the board of management or board of governors of City of Glasgow College (but may be individuals who formerly, but no longer, occupy such a role). Reasons for removal/disqualification of a Trustee are detailed in Article 34 of the Articles of Association and include insolvency; mental incapacity; disqualification in terms of the Charities and Trustee Investment (Scotland) Act 2005; periods of absence; acting in such a way so as to bring the Foundation into disrepute and/or a breach of duty.

6.4 The College is entitled, but not obliged, to appoint up to three Trustees of the Foundation by notice in writing and to remove from office any person so appointed and to appoint another person in his or her place at their discretion. The College has, at the date of this paper, appointed two such Trustees. Trustees appointed in this manner may not form a majority of the total number of Trustees appointed to the Foundation. The Trustees shall not take any decisions, save for the appointment of additional Trustees to rectify the imbalance in the Board, until that position is rectified (which the Trustees will do as soon as possible after such event arises).

6.5 The Trustees are appointed for a term not exceeding four years and are eligible for re-appointment for a second and final term not exceeding a further four years.

7. Role of Chairman

- 7.1 The Chairman will be appointed for an initial period of one year.
- 7.2 The Chairman will preside as Chairman at each Trustee Meeting and if he or she is not able to attend, the present Trustees shall choose another Trustee to preside.

8. Investment Policy

- 8.1 Subject to any professional advice to the contrary, any funds transferred to the Foundation will initially be invested in cash and term deposits on the understanding that the funds may be called upon with short notice.
- 8.2 In the event that part of the funds transferred will not be required in the short to medium term, the Foundation's Trustees, with appropriate advice from a professional investment adviser to be selected by the Foundation's Trustees, will determine whether or not the funds ought to be invested in a different manner.
- 8.3 For the avoidance of doubt, once funds have been transferred to the Foundation, the donor shall have no power to make decisions regarding the investment of the funds unless that has been specified and accepted as a condition of the funding.

9. Accounting and Transparency

- 9.1 For information purposes only, significant donors will be provided with a copy of the Foundation's annual accounts. These will be provided by the Foundation to a significant donor as soon practicable following the approval by the Foundation of the audited accounts for the year in question.

10. Written Policies

- 10.1 The Foundation has prepared written policies in respect of the following matters:-
- (a) Cash/investment management policy;
 - (b) Reserves policy;
 - (c) Risk register; and
 - (d) Grant awards policy (as referred to above).
- 10.2 These and other written policies that are prepared will be reviewed by the Trustees on a periodic basis.

APPROVED AT MEETING ON 29 APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION

GRANT AWARDS POLICY

APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION (“the Foundation”)

Scottish Charity Number: SC044620

GRANT AWARDS POLICY

1. If an applicant wishes to apply for financial support (“a Grant”) from the Foundation in relation to an anticipated project (“the Project”) it should determine in accordance with its own internal procedures (if applicable) which requests it intends to make.
2. An application for a Grant (“the Application”) is to be presented to the Foundation at least four weeks in advance of a Board meeting of the Foundation for circulation and consideration prior to the meeting. Any applications submitted fewer than four weeks before a Board meeting may be held over until the following Board meeting at the discretion of the Foundation’s Trustees. A timetable of Foundation Board meetings will be circulated to substantial donors.
3. A representative of an applicant may be asked to attend a Trustees meeting to speak to the Application. 21 days’ notice will normally be given if and when the representative will be required to attend. For the avoidance of doubt a 21 day notice period is not required if both parties are in agreement.
4. It is expected that the Foundation will support projects of a relatively substantial nature and it will not generally become involved with funding continuing expenditure of a routine nature.
5. The Application should be made on the Foundation’s standard application form and include:
 - (a) details of the Project;
 - (b) details of the estimated cost;
 - (c) details of the funding required/ obtained from elsewhere;
 - (d) an indication of funding and expenditure timescales; and

- (e) details of how a Grant Award would contribute to the charitable purposes of the Foundation.
5. The Application must be authorised by a suitably authorised person of the applicant in line with that applicant's own governance arrangements (if applicable). Confirmation of the applicant's internal authorisation for the submission of grant applications to the Foundation should be provided to the Foundation and any changes to that authorisation are to be notified to the Foundation as soon as possible after the implementation of such a change. Until the Foundation is in receipt of any change to that authorisation, it shall be entitled to rely on the existing authorisation submitted to it.
 6. Following the receipt of the Application, the Trustees of the Foundation may request further information from the applicant regarding the Project.
 7. Approval or rejection of the Application will be determined at the Board meeting and intimation of the decision of the Foundation shall be made to the applicant as soon as practicable following the Board meeting. As noted above, the decision whether to make a grant to an applicant in respect of a Project is at the discretion of the Foundation Trustees to be taken in accordance with the terms of the Foundation's constitution and the Trustees' duties under charity law.
 8. In exceptional circumstances, the Trustees may consider an Application outwith the scheduled Board meetings ("an Urgent Application"). An Urgent Application will only be considered if a delay in consideration of the application until the next scheduled Board meeting would seriously prejudice, jeopardise or create a significant barrier to progress with the Project.
 9. In the event of an Urgent Application being necessary, the intention to make such an application should be intimated in writing to the Foundation at the earliest possible opportunity. The applicant shall make an Urgent Application containing all the relevant information set out above including a note of the timetable within which a decision from the Foundation is required. The Urgent Application should be authorised in the same way outlined above and it should be intimated to the Foundation for circulation among the Trustees at the earliest possible opportunity.
 10. The Foundation will endeavour to meet the timescale set out in the Urgent Application.
 11. In the event that an Application is rejected by the Foundation (whether standard or urgent), reasons for the rejection will be given to the applicant. It will be open to the applicant to re-submit the Application with such further explanations, clarifications or changes in respect to the Applications it wishes and the Application will be considered

again by the Foundation. The applicant may wish to make use of the urgent procedure for such a re-submission.

12. In the absence of a written statement from the Foundation to the contrary, grants are to be subject to the Foundation's standard grant conditions as set out below. Subject to that, the Foundation may also determine that, in certain circumstances, grants will be made subject to a specific grant agreement to be agreed between the applicant and the Foundation prior to the making of a grant.

APPENDIX

Grant Applications – Standard Conditions for Grants

1. The Foundation's grant ("the Grant") is given solely for the project specified in the applicant's application ("the Project") and will be applied solely towards the Project. No material change to the Project will be made without the written agreement of the Foundation.
2. The Grant may, subject to agreement between the Foundation and the applicant, be paid in arrears and/ or instalments subject to the likely timescale of the Project and the speed at which progress is made.
3. By its receipt of the payment of the Grant, the applicant agrees to be bound by these general conditions agreed between it and the Foundation. The Foundation may require additional confirmation of receipt of the Grant and agreement with these general conditions as it may determine.
4. During the period of twelve months following receipt of the Grant, or an instalment of the Grant, the applicant may be required by the Foundation to provide a project completion or progress report in a form determined by the Foundation. The form of reporting will normally include a statement of the goals underpinning the original application with an assessment of the extent to which these have been achieved; an overview of the Project which has been funded; a note of any 'lessons learned'; an indication as to how the experience/knowledge gained is to be used and a brief cash statement detailing the expenditure of the Grant.
5. The applicant will keep accurate and comprehensive financial records of the receipt and expenditure of the Grant and make these available for inspection if required.
6. If requested, the applicant will provide the Foundation with copies of its Annual Report and its audited or independently examined accounts as soon as these become available.
7. The applicant will advise the Foundation as soon as possible of any significant change to its objectives and strategies or its governance and charitable status including the resignation of trustees or members of its Board of Management.
8. The Foundation shall be entitled to visit the applicant to see the work it is funding. If requested, senior representatives of the applicant shall make themselves available at a time to be agreed, for a meeting with the Trustees of the Foundation.

9. In the event of any of the following events occurring, the Grant may, at the option of the Foundation, become repayable by the applicant to the Foundation in whole or in part as directed by the Foundation in writing, together with the Foundation's reasonable expenses in respect any demand or action for the repayment of the Grant:-

- (a) if the applicant fails to apply the Grant to the Project within 12 months of it having been paid to the applicant;
- (b) if the applicant fails to secure the full level of funding required for the Project to proceed in the intended manner set out in the applicant's application;
- (c) if the Project does not proceed in the intended manner proposed;
- (d) if the applicant fails to comply with any of the terms and conditions set out in these conditions and, in the case of a breach capable of being remedied, fails to remedy that breach within 30 days of receiving written notice from the Foundation specifying the breach and requiring the same to be remedied;
- (e) if the applicant is unable to pay its debts as and when they fall due, a resolution is made or an order passed for the winding up of the applicant; or
- (f) if the applicant has acted fraudulently or negligently in any material matter in connection with the Project.

The applicant shall notify the Foundation in writing immediately upon the occurrence or intended occurrence of any of the events noted in paragraphs (a) to (f) above. If any part of the Grant falls to be repaid in terms of this clause, the Applicant will repay such sum within 30 days of the Foundation's written demand.

The applicant agrees to the general conditions above in respect of all grants paid to it, in the past or future, by the Foundation until otherwise agreed between the applicant and the Foundation.

.....
For and on behalf of the applicant

.....
For and on behalf of the Foundation

.....
Date

City of Glasgow College Foundation (the Foundation") Sutherland House 149 St Vincent Street Glasgow G2 3NW Scottish Charity Number SC044620	<u>Grant Request Application Form</u>	
Application Date:		
Applicant:		
Project/Funding Title:		
Contact Person:		
Contact Details:		
Risk Assessment Details: (copy to supplied)		
Authorised Signatory:	Signature	Title
This section to be completed for new projects seeking funding		
Summary of project: 		
How does the project meet the objectives of the Foundation? 		
Projected impact/outcome: 		

Estimated total project cost: (inc. full breakdown of estimated costs e.g. employee costs/property costs/supply & services)	
Amount of funding requested:	
Amount of funds requested from elsewhere and the sources of that possible funding:	
Date funds required by:	
Project timescale:	
Additional supporting information:	
This section to be completed for supplementary funding for a previously approved project	
Additional funding requested:	£
Reason for supplementary funding:	

To be completed City of Glasgow College Foundation:

Additional information for Grant Applications		
Amount of Grant approved:	£	
Approved by Board or Delegated Authority:	Date:	Contact:
Additional Information if necessary:		
Funds Released (completed by)	Date:	Contact:

DISCUSSION DRAFT FOR MEETING ON 29 APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION

Scottish Charity Number: SC044620

("the Foundation")

Risk Register: 2014-15

L = Likelihood I = Impact

Scores are out of 5 x 5 Levels : Low= 0 -8 / Med = 9 -15 / High = 16-25

Risk	Risk Score			Risk level	Control/mitigation	Responsibility
	L	I	Total			
1. Financial loss due to poor/mismanagement of the Foundation's funds	2	5	10	M	Investment policy. Reserves policy linked to activities plan. Investment policy and consideration of specialist investment advice if required. Appropriate parameters to given to investment managers.	Board of Trustees/Delegated Investment Manager (if applicable)
2. Loss of independence / inadvertent exercise of control over the Foundation by City of Glasgow College	1	5	5	L	Strong governance arrangements & independent trustees. Trustee rotation procedures. Documented grant application process. Independent audit.	Board of Trustees
3. Other Reputational risks including donations from inappropriate sources	3	5	15	M	Due diligence on major donors. Fundraising policy. Appropriate timing of announcements. Due diligence on co-funded projects.	Board of Trustees

Risk	Risk Score			Risk level	Control/mitigation	Responsibility
	L	I	Total			
4. Unforeseen legal, tax or other governance problems	2	5	10	M	Company secretary and external independent examiner/ auditor required to keep the Foundation up-to-date of relevant legal and accounting rules and OSCR practice.	Company Secretary/External Independent examiner or auditor
5. Loss of donors through confusion/poor messaging	1	2	2	L	Plan and profile launch to be discussed with City of Glasgow College. Continuity of contacts. Project reporting	Board of Trustees
6. Overreliance on knowledge of key individuals	2	3	6	L	Written documentation of processes. Professional company secretarial service. Trustee induction and participation arrangements. Trustee Rotation	Board of Trustees

Risk	Risk Score			Risk level	Control/mitigation	Responsibility
	L	I	Total			
7. Missed charitable object opportunities through failure to respond/fund grant requests on a timely basis	2	5	10	M	Constitution allows for ad hoc meeting at short notice. Clear grant application process. Regular cash flow and fund reporting	Board/Turcan Connell
8. Fraud	3	5	15	M	Grant due diligence Suitable authorisation from College Foundation Audit. Reconciliations. Quarterly cashflow schedule to be provided.	Auditors/Board of Trustees
9. Inability to deliver constitutional functions/ non-compliance with charity law due to insufficient or inappropriate support for operational requirements	1	5	5	L	Formal agreement with Turcan Connell for services. Implementation of good governance practice including advice from external advisers.	Board of Trustees/Turcan Connell
10. Inappropriate dual requests to potential donors by City of Glasgow College and the Foundation	2	2	4	L	Procedures to be implemented for Trustees' conduct regarding fundraising.	Board of Trustees
11. Approval/Monitoring of Projects	2	5	10	M	Grant application procedures. Monitoring of Grants made.	Board of Trustees

APRIL 2014

APPROVED AT MEETING ON 29 APRIL 2014

CITY OF GLASGOW COLLEGE FOUNDATION

Scottish Charity Number: SC044620

("the Foundation")

Investment and Cash Management Policy Statement

April 2014

The Trustees have considered the Investment and Cash Management policy statement they wish to follow with regard to the assets of the Foundation.

Initially, the assets of the Foundation may be required for the payment of grants within the short to medium term. Until such time as the Foundation is able to determine from potential recipients of grants the possible quantum and timing of grant requests, the Trustees consider it prudent to retain the Foundation's assets as cash to meet potential liquidity requirements. While the Foundation's assets are retained as cash, the Foundation's aim will be to achieve a reasonable rate of interest in terms of the rates presently available on deposits, with a degree of diversification to allow for the credit risks of deposit takers.

In the event that the Foundation determines that it holds a material level of funds that will not be required in the short to medium term (i.e. within the next three to five years) or receives more significant assets, the investment policy of the Foundation will be reviewed accordingly. The Foundation at that time will consider the appointment of an investment manager.

The Foundation categorises its overall risk tolerance as low to moderate.

Selection of Deposit takers

The Foundation will agree a list of banks/deposit takers from those holding a credit rating of A2/BBB+ and above. These are to operate under a UK banking licence.

At present, the following banks would meet these criteria:-

- Clydesdale Bank
- HSBC
- RBS
- HBOS
- Barclays
- Lloyds Banking Group
- Santander

Cash should be spread across a minimum of three banks with a maximum in one bank of no more than 33.3% of the total.

The most competitive rates would normally be selected from banks meeting the approved criteria.

Up to £500,000 will be maintained in the Foundation's current account. Surplus funds would be held according to the policy outlined above.

Ethical policy

The Trustees have considered the ethical stance that they wish to take with regard to the cash and investments of the Foundation. The Trustees have not currently placed any ethical restrictions on the investment of the Foundation's funds.

Review of cash holdings

Reports on any cash holdings are to be presented to the Board of Trustees on a quarterly basis.

Review of Policy

The Board of Trustees will review this investment and cash management policy periodically.