

**Investment Advisory Committee
Term of Reference**

1. Overall Purpose and Objectives

- 1.1.** The Investment Advisory Committee ('Committee') is a subcommittee of the Resources and Finance Committee. The Committee assists in reviewing and monitoring the Monash Group's investment portfolios, including investment parameters and asset allocations. The Committee is supported by University Management and investment advisors and considers strategic decisions such as investment objectives and asset allocation. The Committee makes recommendation for the consideration of the Chief Financial Officer and Senior Vice President, Resources and Finance Committee and Council with strategic decisions implemented by University Management. The Committee monitors and reviews the implementation of the strategic decisions, and reports to the Resources & Finance Committee on its activities.

2. Authority

- 2.1.** The Committee is an advisory committee to the Resources and Finance Committee of Council ["R&F"] which is appointed by R&F.
- 2.2.** The Committee has no delegated authority.
- 2.3.** In exercising its responsibilities and in carrying out its functions and duties, the Committee must at all times act in accordance with the provisions of section 15 of the [Monash University Act 2009](#) and of the Monash University Council Charter, including obligations in respect of confidentiality and conflict of interest.

3. Membership

- 3.1.** The Committee must comply with composition rules that exist in the Act and the Monash University (Council) Regulations.

Class	Category / Role
Committee Member	At least one member of Council
	At least four external persons
Monash Staff Attendees	Chief Financial Officer & Senior Vice-President
	Director, Capital Financing and Treasury
	Funds Manager, Capital Financing & Treasury
Secretary	Nominated by the Chief Financial Officer and Senior Vice-President
Minute Secretary	Nominated by the Secretary

- 3.2.** Committee members are expected to contribute to the committee quorum and, unless a conflict of interest exists, can vote on items of business.
- 3.3.** Observers will not be actively involved in the deliberations of the committee unless invited by the Chair.
- 3.4.** Others may be invited to attend meetings as observers from time to time at the discretion of the Chair.
- 3.5.** Appointment of Chair:
- 3.5.1.** The Chair will be a Government- or Council-appointed external member of Council who is a member of R&F, or another person who has been a member of Council and has appropriate business, finance and investment experience.
- 3.5.2.** If the Chair is unavailable at short notice (for any reason) at the appointed time for the commencement of a meeting, members in attendance may select another member, who must be a Council member, to become the Chair for the meeting.
- 3.6.** Duration of term:
- 3.6.1.** Subject to 3.6.2, each member is appointed for a term of 3 years and may be reappointed for a further term of up to 3 years.
- 3.6.2.** Initial terms may be staggered at the discretion of R&F to avoid a common expiry and provide for succession planning.
- 3.6.3.** Further extension of terms with appropriate justification must be submitted to Resources and Finance Committee for approval.
- 3.7.** Appointment of Members:
- 3.7.1.** Members of the Committee, whether or not members of Council, are persons who in the opinion of R&F have expertise of particular value to the Committee's roles and responsibilities.

4. Roles and Responsibilities

- 4.1. To review annually and recommend to R&F changes to the University's Investment Policy for approval by the University Council, including investment objectives and risk appetite.
- 4.2. To recommend to R&F the asset classes regarded as appropriate for University consideration and the Strategic Asset Allocation and ranges for these classes to achieve the investment objectives for approval by R&F.
- 4.3. To advise the CFO on proposed changes to the asset allocation and portfolio structures within the approved Strategic Asset Allocations and in accordance with the University's delegation authorities.
- 4.4. To advise R&F in relation to proposed changes to asset allocations and portfolio structures that sit outside the approved Strategic Asset Allocations.
- 4.5. To monitor and oversee the Short and Long-Term Investment performance pools against respective investment objectives, including at least annual discussions with and assessment of active fund managers.
- 4.6. To monitor and review the positioning of the Investment pools with respect to the economic, geo-political and market risks and outlook and advise R&F accordingly.
- 4.7. To report to R&F at least quarterly on the outlook for relevant markets, asset classes and economic factors.
- 4.8. To make recommendations to the CFO and/or R&F regarding appointment/termination of a service provider including fund managers and investment advisors, and the redeployment of funds on termination in accordance with the [Approvals Matrix](#).
- 4.9. To give due consideration to the University's Environmental, Social & Governance ([ESG Statement](#)) in relation to the Long Term Investment Pool and to continue to align investments with responsible investment practices.
- 4.10. To recommend to R&F the pre-determined return to be applied to relevant tied funds in the Long-Term Pool and to provide ongoing review of the pre-determined annual return liability relative to the size of the Long-Term Pool.

5. Meetings

- 5.1. Meetings shall be held as required to consider any matters falling within these Terms of Reference.
- 5.2. Meetings shall normally be held five times a year. Special meetings can be convened as required, with approval from the Chair.
- 5.3. The quorum necessary for the transaction of business is any three Committee Members . In the event member's votes result in a tie (50% each way), the Chair will have the casting vote. Meetings shall not proceed if a quorum is not present within half an hour after the appointed commencement time of the meeting.
- 5.4. A decision is deemed to have been passed at a meeting if the majority of members support the recommendation.
- 5.5. If the Chair determines that a matter is urgent and cannot wait until the next scheduled meeting, documentation and a recommendation may be circulated via email to all members for consideration, on the terms set by the Chair. If a majority of members support the recommendation, it will be deemed to have been passed at a meeting of the Committee. The results of all resolutions will be reported at the next ordinary meeting of the Committee.
- 5.6. The Chair is responsible for the conduct of the meeting in accordance with the Monash University Council Charter, article 7.3.
- 5.7. A meeting may be convened or held using any technology, agreed upon by the Chair of the committee. Members located at another physical location are deemed to be present at the meeting, if they are connected by such technology.
- 5.8. The Secretary must give at least 7 days' notice of a meeting of the committee to each member, specifying the time, place and agenda of the meeting.
- 5.9. The period of notice specified in Clause 5.8 may be dispensed with in the case of a meeting called by the Chair as a matter of urgency.
- 5.10. The Secretary of the Committee shall circulate minutes of Committee meetings to all members of the Committee.

6. Reporting to Council

- 6.1. The Chair will provide a report to R&F following each meeting on the outcome of matters considered by the Committee.

7. Review of Terms of Reference

7.1. The Committee shall review the Terms of Reference annually and submit any proposed changes to R&F for approval.