

COMMITTEE ESTABLISHED BY VCAC

Investment Management Committee

Committee Membership:

- Chief Financial Officer (**Chair**)
- Provost and Deputy Vice-Chancellor (Academic)
- Vice President & Director, Identity & Mission
- Chief of Staff
- Chief People Officer

Advisory Membership (Invite Only):

- Directorate Directors
- Pro Vice-Chancellor, Research
- Director, Centre for Education and Innovation
- Director, Strategy and Operations

Date of establishment: June 2022

Meeting frequency: 10 times per year (not in Jan or Dec) scheduled to facilitate alignment with VCAC timetable.

Meeting format: Microsoft Teams

Responsible Officer:
Committee Chair

Executive Officer:
Support for the committee will be provided by the Office of the Chief Financial Officer

Working Groups:

- AD, Financial Corporate Services
- NM, Finance Strategy & Projects
- HR Business Partnering & Services
- SMEs from relevant business units

Quorum:
>50% of membership must include the Chair.

Terms of Reference

1. To provide financial and commercial advisory to the VCAC relating to Investment Management Committee (IMC) and Vision 2033 submissions.
2. To establish and maintain the criteria applicable for the submission and evaluation of IMC and Vision 2033 funding.
3. To facilitate budget adjustments to support the implementation of Investment Initiatives.
4. To provide governance oversight for the evaluation and implementation of budget adjustments.
5. To ensure alignment to ACU Mission and Strategic Plan.
6. To report outcomes of evaluations to VCAC.

Purpose

The Investment Management Committee (IMC) is a subcommittee of The Vice-Chancellor's Advisory Committee (VCAC). Its primary purpose is to provide a robust governance framework for the evaluation and oversight of:

1. Capital Investments

Assessing and approving significant capital expenditures and projects to ensure they align with the institution's strategic goals.

2. Innovative Project Investments

Evaluating new innovative projects, including their financial viability and alignment with institutional priorities.

3. Operating Adjustments including Vision 2033 Initiatives

Reviewing and making recommendations on operating adjustments, with a particular focus on initiatives under the Vision 2033 strategic plan.

4. Forecast Overspend

When business units' forecast result is over the annual budget then a funding proposal needs to be submitted to IMC to review and evaluation the rational before VCAC approval.

5. All matters that have a financial impact outside of the annual budget cycle, including FTE adjustments

Addressing any financial matters that arise outside the regular budget cycle, such as requests for additional full-time equivalent (FTE) positions or other unplanned financial needs and any changes to previously approved IMC items.

The committee is responsible for evaluating these areas to recommend, approve, or decline requests for additional financial resources associated with strategic and operational initiatives. This process ensures that resource allocation is aligned with the institution's long-term goals and financial sustainability.

Assessment Criteria

When assessing investment project proposals, a set of criteria below will be used where appropriate to ensure that each proposal is evaluated thoroughly and objectively.

Financial Criteria

1. Return on Investment (ROI):

- Expected financial returns relative to the investment cost.

2. Net Present Value (NPV):

- The present value of cash flows minus the initial investment.

3. Payback Period:

- The time required to recoup the initial investment.

4. Cost-Benefit Analysis:

- Comparison of the total expected costs against the benefits.

5. Funding Requirements:

- Total capital required and sources of funding.

Strategic Alignment

6. Alignment with ACU's Strategic Goals:

- How well the project supports the AUC's Vision 2033 strategic plan.

7. Impact on Core Operations:

- Potential benefits or disruptions to existing operations.

8. Long-Term Value:

- Sustainability and longevity of the project's benefits.

Mission Alignment

9. Mission Alignment

- Alignment with ACU's Mission.

Risk & Compliance Assessment

10. Risk Analysis:

- Identification and assessment of potential risks and mitigation strategies.

11. Sensitivity Analysis:

- Evaluation of how sensitive the project's outcomes are to changes in key assumptions.

12. Regulatory and Compliance Risks:

- Potential legal and regulatory challenges.

Operational Feasibility

13. Technical Feasibility:

- Availability and reliability of the technology required.

14. Operational Feasibility:

- Capability to implement and manage the project.

15. Resource Availability:

- Availability of necessary human, technical, and financial resources.

16. Timeline:

- Realistic project timelines and milestones.

Market and Competitive Analysis

17. Market Demand:

- Assessment of demand for the project's outputs or services.

18. Competitive Landscape:

- Analysis of the competitive environment and potential market share.

19. Market Trends:

- Alignment with current and projected market trends.

Social and Environmental Impact

20. Environmental Impact:

- Potential environmental consequences and sustainability considerations.

21. Social Impact:

- Benefits to the community or stakeholders and potential social challenges.

22. Corporate Social Responsibility (CSR):

- Alignment with the ACU's CSR goals.

Stakeholder Considerations

23. Stakeholder Support:

- Level of support or opposition from key stakeholders.

24. Customer Impact:

- Effects on current and potential customers.

Legal and Regulatory Considerations

25. Legal Feasibility:

- Compliance with relevant laws and regulations.

26. Intellectual Property:

- Protection and management of intellectual property.

Metrics and Performance Indicators

27. Key Performance Indicators (KPIs):

- Metrics to measure the success and progress of the project.

28. Benchmarking:

- Comparison with industry standards or similar projects.

Review and Approval Processes

29. Project Documentation:

- Completeness and accuracy of project documentation and business cases.

30. Review by Subject Matter Experts:

- Evaluation by experts in relevant fields.

By applying these criteria, the Investment Management Committee can make well-informed decisions regarding investment project proposals, ensuring that resources are allocated effectively and align with the ACU's strategic goals.

Membership:

If any member is unable to participate, they are required to arrange for an appropriate proxy. The proxy is chosen in consultation with, and requires the approval of, the Chair.

Review(s):

The Committee reviews its procedures as it deems necessary and recommends revisions to VCAC. The operations, effectiveness and meeting frequency of this committee, and its terms of reference shall be reviewed every two years.

Committee's Terms of Reference were last reviewed:

August 2024